

BIRMINGHAM CITY COUNCIL

ECONOMY AND SKILLS O&S COMMITTEE – PUBLIC MEETING

**1030 hours on 26th February 2020, Committee Room 2, Council House –
Action Notes**

Present:

Councillor Lou Robson (Chair)

Councillors Nicky Brennan, Maureen Cornish, Chaman Lal, Simon Morrall and Julien Pritchard.

Also Present:

Councillor Brigid Jones, Deputy Leader

Lloyd Broad, Head of European and International Affairs, BCC

Ozge Iskit, Brexit Programme Manager

Professor Alex De Ruyter, Director, Centre for Brexit Studies, Birmingham City University

Kathryn James, Assistant Director, Property BCC

Rose Kiely, Group Overview & Scrutiny Manager

1. NOTICE OF RECORDING/WEBCAST

The Chairman advised the meeting to note that members of the press/public may record and take photographs.

2. DECLARATIONS OF INTEREST

None.

3. APOLOGIES

Councillor Lucy Seymour-Smith

4. ACTION NOTES

The Committee agreed the action notes for the meetings held on 22nd January 2020 and 29th January 2020 subject to the title on both sets of action notes being amended from 'Economy, Skills & Transport O&S Committee' to read 'Economy and Skills O&S Committee'

5. UPDATE: IMPACT OF BREXIT ON THE CITY

(See document No. 1)

The Chair welcomed all attendees to the meeting with specific reference to welcome Cllr Nicky Brennan who has been newly appointed to the Committee.

Lloyd Broad outlined the BCC Brexit Response since 2016 including the West Midlands and BCC response groups and platforms.

Ozge Iskit then explained the main risk areas highlighted in the BCC Risk Register which was produced in September 2019 which sets out the initial impact and risk assessment for Birmingham. She also described the key priority areas for BCC which have been identified as 8 main work streams with key milestones for 2020 within the BCC Brexit Readiness Programme.

Cllr Brigid Jones who Chairs the West Midlands Brexit Commission set out some of the main challenges being faced in making preparations for Brexit:

- The uncertainty created by the frequent shifting of dates and the need to spend time on preparations for emergency no deal planning.
- The lack of/variability in/sometimes scant information from government.
- The necessity to also coordinate work with the WMCA workstream on the wider economy looking at proposals to government for packages of support for local businesses in the event of a no deal Brexit.

A discussion followed during which the following points were raised by Members: -

- The reasoning behind the key dates for the timing of the preparations which up until now have been the result of a natural progression with the need to respond to issues arising or to explore opportunities in the context of a constantly developing landscape.
- The resources available to local government to support the programme and how they are prioritised across the 8 work streams and where additional resources may be needed to manage the transitional period.
- How the local authority are working with the government on risk assessment and especially in relation to any potential gaps in funding which may arise when the EU funding ceases and how that can be managed/reduced, especially in relation to business support and support to services providing employment and skills support.

RESOLVED: -

1. Work Programme Brexit Update item to be added in approximately 6 months when a detailed report on the potential impact on BCC's revenues and services

that is currently being commissioned should be available to be provided (Osge Iskit).

Professor Alex de Ruyter then set out the main findings and policy recommendations arising from the Supply Chain Mapping and Brexit Exposure Survey which was carried out by the Centre for Brexit Studies, with a key focus on the exposure in the Midlands in the automotive industry manufacturing sector due to the value of automotive business in the Midlands. He highlighted the following particular issues:

The importance of Jaguar Land Rover - represented 31.8% of the UK automotive industry manufacturing share by volume in 2017 and is a national strategic asset which needs to be protected.

- Workforce - high degree of dependency on EU workers with on average 31% of the total manufacturing workforce accounted for by the survey (just over 40,000 people) coming from the EU, with a lack of clarity about how this workforce would be replaced.
- The major logistical challenge faced by the supply chain because of transport mode dependency, vulnerability of firms due to a high dependence on the Channel Tunnel rail for which there is no realistic alternative which gives the same combination of speed and cost and the difficulty in factoring in indeterminate delays due to any new inspection /checking regime.
- Summary of major policy implications – need to work with WMCA towards: automotive industry place-based strategy, better connectivity by further investment in regional and national transport infrastructure, more information regarding import/export procedures, better devolution deal for West Midlands, tackling skills gap primarily by funding for staff training is imperative.

6. UPDATE ON THE CORPORATE PROPERTY STRATEGY

Kathryn James provided the members with an overview and highlights to date of the Corporate Property Strategy which was approved by Cabinet on November 2018.

The strategy is based around four key themes;

- **Investment** – to drive an increase in revenue and capital value. Undertaking a strategic review of existing portfolio and currently in process of procuring investment adviser.
- **Growth and Development** – to enable strategic development and economic growth. Working to identify land for BMHT use and bringing forward sites for potential new homes.
- **Operational** – to provide economical accommodation for delivery of services. Opportunity to move the portfolio into the Corporate Landlord model and currently working on compiling baseline data on condition of the estate.
- **Community** – to enable third party service delivery and neighbourhood development. Medium to long term lease arrangements will move to CAT model with 25 year fully repairing and insuring leases.

Voluntary Land Registration - BCC own 82,000 assets with only 22% of holdings registered. Have agreed with HM Land Registry the completion of all unregistered BCC assets at no additional cost to BCC.

RESOLVED: -

1. At the appropriate time, agreed to share list of assets which are on the market for sale/being sold/coming up shortly to be circulated to councillors – currently there are none.
2. Detailed response to be provided on the current situation with the Birmingham Wheels project and site.
3. Agreed to supply list of all properties owned by the Council in all wards to be circulated to all councillors.
4. Work Programme item to be added to invite Chris Jordan to attend a future committee to explain the process for handling Community Asset Transfers.
5. Work Programme item to be added re the Corporate Landlord Model – better understanding about how it works and including understanding the constraints that businesses work under.

7. WORK PROGRAMME DISCUSSION

(See document No. 3)

RESOLVED: -

1. The items listed above will be added to the work programme.

8. REQUEST(S) FOR CALL-IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

None.

9. OTHER URGENT BUSINESS

None.

10. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed.

RESOLVED: -

That in an urgent situation between meetings the Chair, jointly with the relevant Chief Officer, has authority to act on behalf of the Committee.

The meeting finished at 12:27 hours.