

BIRMINGHAM CITY COUNCIL

ECONOMY, SKILLS & TRANSPORT O&S COMMITTEE –

PUBLIC MEETING

**10.30AM hours on 24th April 2019, Committee Room 2, Council House –
Action Notes**

Present:

Councillor Tahir Ali (Chair)

Councillors John Clancy, Phil Davis, Fred Grindrod, Simon Morrall, Julien Pritchard, Lou Robson and Ken Wood

Also Present:

Councillor Ian Ward, Leader

Councillor Jayne Francis, Cabinet Member for Education, Skills and Culture

Anne Ainsworth, Assistant Director, Skills and Employability

Andrew Barnes, Employment Manager

Uyen-Phan Han, Planning Policy Manager

Alison Jarrett, Assistant Director, Development and Commercial Finance

Katie Trout, Director, GBSLEP

Baseema Begum, Research & Policy Officer

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

None.

4. ECONOMY AND SKILLS ACTION NOTES

The Committee agreed the action notes for the meeting held on the 27th March 2019.

5. CABINET MEMBER FOR EDUCATION, SKILLS AND CULTURE: ANNUAL REPORT

(See document No. 1)

Councillor Jayne Francis, Cabinet Member for Education, Skills and Culture outlined the key points from the presentation and during discussion the following points were raised:

During the meeting the following issues and comments were made:-

- How are young people tracked and are there outcome figures for the Youth Promise Plus programme (YPP)? What happens to those that the YPP has failed to engage with?
- Concern that young people aren't aware of the opportunities on offer.
- Who is delivering the World of Work programme and who is responsible for identifying and ensuring that the correct people use the programme and how is it being advertised to local people?
- The city has above-average unemployment levels and benefit claimants. It would be useful to understand how long people are in in these categories and explore what the Council is doing to reach out to these people and the interventions being put in place for the future.
- How are different parts of the community finding out about employment opportunities where they live and how are those with no/low qualifications being targeted (with a breakdown of the backgrounds of those people to help understand where the issues are and if things are improving and to help)?
- How can these people be matched with opportunities on offer to improve their skills and to provide businesses with employees that they need so there is a need to understand the growth sectors so that these can be promoted.
- Concerns were raised about access to opportunities in relation to internet poverty as not everyone has the means to have a computer at home. Therefore there has to be some understanding of the deprivation that exists in neighbourhoods across the city not just in the inner cities.

In response it was explained that:

- Outcomes are monitored for those young people that are on the YPP (a breakdown can be provided to members). Between April 2016 and March 2019 there were 965 young people who had successfully gone onto employment, education or training (EET). During the 2018/19 municipal year a cumulative total of 4,214 between the ages of 15-29 had gone onto EET.

This includes progression with training/education and employment. A total of 13,000 young people (from a target of 16,000) have been engaged resulting in a conversion rate of 44% over that timeframe with 7,000 positive outcomes. The YPP programme has been extended until to 2021.

- Those young people that the YPP fails to engage with are followed up with where possible however the timeframe for engagement is limited to 4 weeks due to European funding and the process for formal tracking. Attempts are made after this period but it is down to in-house staff to do this. Work is however taking place with the Princes Trust in re-engaging young people after the programme and there are plans at how this can become a localised service.
- The World of Work is an in-house programme being delivered by the Employment Access Team. Employment development workers work with employers to develop progression pathways. There is also an external communication process for vocational training posts and community engagement contracts are in place with the objective being to ensure local people get to hear about opportunities.
- In addition the 4 Employment and Skills Boards across the city are being reviewed. A review is also taking place of the World of Work programme with further contracts awarded in the next couple of months.

Cllr Ali confirmed that a sub-group of members are considering the issue of careers advice in schools. A report of their findings will be presented to the Committee for further discussion in due course however a future discussion on skills is needed.

RESOLVED:-

1. Anne Ainsworth to provide Members with a briefing note on the apprenticeship levy including:
 - a. how it is being utilised within the City Council;
 - b. the current spend (and any underspend and what actions are being taken to ensure the funds are kept by the city);
 - c. how the public sector quota for apprenticeships of 2.3% of the workforce is being met by the Council (and a comparison with other public sector organisations in the city); and
 - d. the work being undertaken with partners (does this include small and medium businesses) across the city to increase its use.
2. Cllr Morrall requested further details on outcomes of young people who have taken part in the Youth Promise Plus programme including which wards in the city those young people reside in.
3. Cllr Pritchard requested that future updates on unemployment claimant count are provided with further details within wards due to the variance between neighbourhoods to ensure that interventions can appropriately targeted.

6. LOCAL INDUSTRIAL STRATEGY

(See document No. 2)

The Leader, Cllr Ian Ward gave an overview of delivering a Local Industrial Strategy (LIS) for Birmingham and made the following points:

- The West Midlands is a very successful global economy and generates £92bn (in the region of 6% of the total UK output). Output across the West Midlands is up by 23.5% in the last 5 years and a record number of people are in work.
- The LIS sets out the vision to drive economic growth to enable a happier, healthier, better connected and more prosperous population across the area. It is based upon 10 commitments which will guide the work of the public, private and voluntary sector delivery partners covering all 3 Local Enterprise Partnership areas.
- In order to be successful the strategy will have to be uniquely of the area to build on the existing and emerging strengths of the West Midlands to unlock potential and maximise the impact of the opportunities coming such as HS2, Commonwealth Games and the City of Culture award to Coventry.
- The LIS has been put together following the UK 2016 National Industrial Strategy 'Building a Better Britain' that sets out the government's aim to boost productivity throughout the UK by investment in skills, industry and infrastructure.
- The opportunity to produce a LIS was through a pilot of 3 areas of which the West Midlands was one. The West Midlands Combined Authority (WMCA) is responsible for the strategy and it is responsible to the region and not Government. The focus is on regional economic planning and investment and as a funnel for more devolved funding from Government especially through the Shared Investment Prosperity Fund (that will replace EU funding). The intention is to use the LIS as a lever in the spending review that Government are bringing forward later in the year. The strategy aims to ensure all communities contribute to and benefit from the economic prosperity generated.
- The strategy sets out to capture existing sectorial strengths and emerging industries to take advantage of new and upcoming opportunities coming to the region and to address the key challenges that exist in skills, transport and productivity.
- The draft LIS was consulted on between October and November 2018 with over 120 responses received with the majority of positive comments from the business community.
- The strategy was due to be launched in March 2019 but there has been a delay due to Brexit however the WMCA will begin implementing the strategy and a launch will be re-scheduled.
- Four market opportunities for growth have been identified in the strategy:-
 - 1) Future mobility;
 - 2) Data driven Life Sciences;
 - 3) Modern Services; and
 - 4) Creative Content, Technologies and Techniques.
- A cross cutting theme in the strategy is to recognise that all areas will benefit from growth and devolution but not all at the same time and not in the same way.

During a discussion with Members the following points were made:

- There are challenges to be met most crucially as set out in the Birmingham Development Plan in terms of housing where current demand is exceeding supply and in industrial land. Moreover there are also targets for creating jobs as the population grows and for the West Midlands the target is 215,000 by 2031. This equates as a target of 100,000 jobs to be created in Birmingham alone.
- Consideration also needs to be given to what is being done to attract and engage businesses. Intelligence held by the WMCA needs to be shared with local Members and the Council's Executive.
- Some thought needs to be given to local sustainable investment to ensure that there is an alternative to overseas involvement and also because the West Midlands is competing for the same sources of funding as others city regions.
- The LIS needs to include issues such as the impact of climate change and the potential growth areas of arts/culture/heritage. Consideration should also be given as to how co-operatives can be supported and helping people to become more entrepreneurial with an emphasis on creating a space for local innovation.
- Poor public transport is a critical issue. A multi-modal and integrated public transport infrastructure is needed. The Council, neighbouring authorities and partners need to work together to get more involvement from the Government for example on how HS2 will benefit people and businesses across the city.
- Culture compact(s) are to be created and the WMCA will be co-ordinating this work in line with the events in the region (City of culture 2021 and Commonwealth Games 2022).
- Birmingham has signed up to the Euro Cities 2050 long-term climate strategy with the objective of reaching net-zero emissions by 2050.
- The use of older buildings in Digbeth and premises in the Jewellery Quarter are available to attract a wide range of new businesses into the city.
- A devolution of resources from the Government is needed to make a LIS work for Birmingham. If Birmingham were to have its own LIS it would need local investment and be market-led. Local authorities have the power to make the change. An absence of a local spatial strategy is a real concern.
- An environment needs to be created and more work done to make Birmingham a complete living wage city.

RESOLVED:-

The report was noted.

**7. GREATER BIRMINGHAM AND SOLIHULL LOCAL ENTERPRISE PARTNERSHIP (GBSLEP)
– FUTURE OPERATION MODEL**

(See document No. 3)

Katie Trout explained the process that the GBSLEP is undertaking to become independent of the City Council and how it will be working in the future.

Members welcomed the process.

In response to why capital funding is being received and managed by the City Council on behalf of the GBSLEP it was explained that the City Council has a strong background in this area and that the government manage risk associated with funding by not paying public funds directly to a private company.

Cllr Grindrod added that it would be useful to receive a future briefing on the work of GBSLEP and its future strategy and Cllr Ali suggested that Members could meet with Katie and bring any issues to a future meeting for discussion by all members.

RESOLVED:-

The report was noted.

8. WORK PROGRAMME – APRIL 2019

(See document No. 4)

Members thanked Cllr Ali for his chairing of Committee meetings during the year and expressed a request for continuity in the chair-ship.

Councillor Ali requested that draft meeting dates for next year's meetings are circulated.

Cllr Robson suggested that the Committee may wish to look further into the impact of the night time economy in the city and also the impact of musical heritage to the city. Cllr Robson added that she was aware of a positive experience of the apprenticeship levy being applied and the SME involved would be happy to come and talk to the Committee at any point in the future about the good experience.

Cllr Morrall requested that the Committee might be interested in inviting partners such as the GBSLEP, WMCA and others in the region to discuss a media strategy that will help to communicate the wealth of opportunities across the region to young people.

RESOLVED:-

Members' comments were noted.

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

None.

10. OTHER URGENT BUSINESS

None.

11. 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 12:28 hours.