

# BIRMINGHAM CITY COUNCIL

**BIRMINGHAM ECONOMY,  
SKILLS AND  
SUSTAINABILITY OVERVIEW  
AND SCRUTINY COMMITTEE  
10 JULY 2015**

**MINUTES OF A MEETING OF THE BIRMINGHAM ECONOMY, SKILLS AND  
SUSTAINABILITY OVERVIEW AND SCRUTINY COMMITTEE HELD ON FRIDAY,  
10 JULY 2015 AT 1000 HOURS IN COMMITTEE ROOMS 3&4, COUNCIL HOUSE,  
BIRMINGHAM**

**PRESENT:-**

Councillor Quinn in the Chair;

Councillors Badley, Evans, Hughes, Huxtable, Islam, Jenkins, O'Shea, Quinn,  
Rehman and Spence

**ALSO PRESENT**

Councillor Penny Holbrook – Cabinet Member for Skills, Learning and Culture  
Baseema Begum – Scrutiny Research and Policy Officer  
Phil Cavendar – Route Director, Birmingham, Virgin Trains  
Kevin Hicks – Traffic Manager, Place  
Jacqui Kennedy – Acting Strategic Director, Place  
Mohammed Khan – Vice Assistant Principal, South and City College  
Paul Leahy – Apprenticeship Manager, South and City College  
Anne Shaw – Head of Transportation Services  
Errol Wilson – Committee Manager  
Benita Wishart - [Overview and Scrutiny Manager](#)

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**APPOINTMENT OF COMMITTEE AND CHAIRMAN**

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**RESOLVED:-**

That the resolution of the City Council appointing the Committee and  
Chairman, with membership set out below for the period ending with the  
Annual Meeting of the City Council in May 2016 be noted:-

**Labour Group**

Councillors Badley, Hughes, Islam, Jones, O'Shea, Quinn (Chairman), and Spencer.

**Conservative Group**

Councillors Barrie, Huxtable and Jenkins.

**Liberal Democrat Group**

Councillor Evans

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**ELECTION OF A DEPUTY CHAIRMAN**

2                   **RESOLVED:-**

That Councillor O'Shea be elected Deputy Chairman, for the purpose of substitution for the Chairman if absent, for the period ending with the Annual Meeting of the Council in 2016.

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**NOTICE OF RECORDING**

3                   The Chairman advised and it was noted that this meeting would be webcast for live or subsequent broadcast via the Council's Internet site ([www.birminghamnewsroom.com](http://www.birminghamnewsroom.com)) and that members of the press/public may record and take photographs.

The whole of the meeting would be filmed except where there were confidential or exempt items.

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**APOLOGIES**

4                   Apologies were submitted on behalf of Councillors Barrie and Jones

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**DECLARATIONS OF INTEREST**

5                   Members were reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest was declared a Member must not speak or take part in that agenda item. Any declarations would be recorded in the minutes of the meeting.

No declarations were made.

**TERMS OF REFERENCE**

The following schedule was submitted:-

(See document No 1)

6 **RESOLVED:-**

That the Terms of Reference be noted.

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**MINUTES**

7 The minutes of the meeting held on 29 May 2015, having been previously circulated, were confirmed and signed by the Chairman.

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**VIRGIN TRAINS: WEST COAST MAINLINE FRANCHISE**

8 Mr Phil Cavendar, General Manager, Virgin Trains, Birmingham introduced the item and drew the Committee's attention to the briefing note that was circulated at the meeting.

(See documents No 1)

Mr Cavendar made the following statements:-

- Virgin Trains were operating on one of the busiest mixed use railway in the country and that during the busier times; things do go wrong as a result of the infrastructure and other issues on the line.
- Their priority and focus was the work being done with Network Rail and their work with strengthening the viability and infrastructure.
- One of the things that set them apart was the rail operator and the provider of customer experience and what they do when things go wrong.
- Virgin Trains was developing their staff with the ability to care and look after each and every customer. They were employing an additional 50 people in the Midlands Region; most of these were at Birmingham New Street Station as they would be taking over the ticket gates from London Midland in September 2015.
- The principles they were adopting in employing their team at Birmingham was not whether they had the skills to check tickets or to impose fines on fare dodgers, but was about personality, charisma and whether they cared enough for the customers, that they could fixed problems and reduce any anxieties involve in travel. This fits in with their aspiration to be a great provider of customer experience.

Mr Khan, Vice Assistant Principal, South and City College highlighted that: -

- South and City College was close to New Street Station and one of the areas of work they did was around apprenticeship and traineeships.
- Traineeships had benefitted young people and were a programme that gives young people an opportunity to try something that they may not in future do, but at least they would have had the experience.
- Employers such as Jaguar Land Rover, National Express had benefitted and they work with the City Council as they had delivered traineeships to the City Council who found those young people to be qualified, mature, fit for work and had the skills to progress onto apprenticeship.
- South and City College and Solihull College were the only colleges that could offer traineeships.

Mr Leahy, Apprenticeship Manager, South and City College commented that since 2011, it was estimated that £450m had been lost from the Adult Skills budget. He added that they no longer offer training for the upskilling of adults for the workforce. This was a challenge going forward. For any organisation to upskill, they now had to pay.

Mr Cavendar responded to the concerns raised and to questions from Members with the following statements:-

- I. Mr Cavendar noted Councillor Hughes' comments in relation to the franchise that had placed Virgin Trains on a new commercial footing which had given more than £430m to the Government, a rise of 58% on the previous arrangement and advised that the £430m was a direct net increase in the premium that Virgin Trains paid to the Government.
- II. It was important in terms of how much was invested or paid in relation to the premium being paid back to the Government at the same time.
- III. In terms of the freedom of being in a commercial contract with the Government, this allows Virgin Trains to take more risk. If they deliver things and invest in things that improve the customer experience, then the revenue would follow. This was part of the deal for Virgin Trains to invest and bring more people to the railway, which would allow them to pay more in premium.
- IV. With regard to the six months extension of the franchise, the Department of Transport (DfT) had published their franchise timetable which indicates that the time had been moved out six months from March 2017. There was not much more that could be stated about this as they were in dialogue with the DfT about what this meant and whether it meant that there was an extension of six months of franchise or an option of 12 months on the table still. They were unclear on the position at present.
- V. In terms of the local commuters and connectivity with other cities, for Virgin Trains connectivity was a real issue as it relates to Coventry. The connectivity with Coventry was not two hours, as a fast service to Coventry was offered i.e.

three trains per hour from Birmingham. This was picking out the points on the Midlands connect strategy, but recognising that where there were close cities, there was a cross effect of growth in the economy.

- VI. Over the last couple of years the Birmingham/Coventry flow had grown considerably. This brings opportunities for Virgin Trains to help connect the cities, but this also brings its challenges, in that as they were a long distant operator, they did have some crowd issues on the flow - Birmingham to Coventry was one of their fast connections.
- VII. With regard to trains being 'sexy', there was a link for Virgin Trains around their employees working environment. They like their employees to have fun and engage with customers. They would have a challenge in attracting people, but Virgin was an incredible, great and sexy place to work.
- VIII. Mr Cavendar noted the Chairman's comment with regards to engaging in a skills development like South and City College and stated that the high level skills and the upskilling of the economy was everyone's challenge. He undertook to take this point back.
- IX. One of the challenges they had with regard to capacity on the Birmingham to London line was that they would love to offer more trains, but they were probably at a point where capacity was the biggest constraints into and out of London. They had 9 paths per hour into and out of London, which brings its own constraints. There were no plans in the short/medium term for increased capacity in terms of the number of trains operating. This could be a negative in terms of the way the trains were operated – the Coach G conversion was an example of where they could get more seats out of a constrained line.
- X. They had employment at the principal stations in the Midlands. In Birmingham at their headquarters function they employed 260 people. They also had a significant train crew depot at Wolverhampton where 300 – 400 people were being employed. The 260 people employed in Birmingham were based at the headquarters in Smallbrook Queensway.
- XI. A broad range of fares were offered and there was a gap between the cheapest advanced fares so that a passenger could buy an advanced fare from Birmingham to London for as little as £7.50. The lowest end of the seat sale that they had was £5. The dilemma for the walk-up fare they had was that they offer the opportunity for customers to walk-up and board the train, they had to spread that demand, otherwise they would get too much crowding on the peak services.
- XII. On the peak trains they had to leave a lot of capacity free on those trains. Whereas, they could have advanced fares, they could be confident that they were selling the seats and filling them. They had to leave a relative amount of flexibility in the peaks for those walk-ups.
- XIII. Mr Cavendar noted Councillor Spencer's comment concerning traineeships and stated that they needed to get involved in that and joined up with some of the good things that were happening in that area. In terms of their

headquarters staff, training and development were being done. They had a talent academy that was based in Crew, where the customer experience and technical skills training were being carried out.

- XIV. During the construction phase of HS2, there were still some unknowns for Virgin Trains and they were developing the picture by having representation on HS2. They had two of their personnels working with HS2 on a full time basis who were advising them on what they saw in Euston which could be useful, what could happen during the construction phase, with particular emphasis on how they protect the existing business during the construction of HS2. During the construction phase and at the time of bidding for the next franchise, they feel that they were the best operator to be operating the route as they understand the service and what happens in Euston.
- XV. In terms of what HS2 might look like or the West Coast mainline when HS2 was operational, this was a question for the DfT.

Anne Shaw, Head of Transportation Services commented that part of the planning for HS2, was that work was going on looking at the rail capacity, the constraints particularly at New Street Station, for putting on additional services and all the things that they spoke of earlier like the Camp Hill Gorge and the Water Orton Junction etc. would allow new rail services to be provided on alternative routes which would create more capacity on the main network from the longer distance routes.

The Chairman thanked Mr Cavendar for attending the meeting and presenting the information.

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### **SUPER SEPTEMBER: GRAND CENTRAL/NEW STREET STATION OPENING**

- 9 Jacqui Kennedy, Acting Strategic Director, Place; Kevin Hicks, Traffic Manager Place; Anne Shaw Head of Transportation Services; [Stephen Arnold, Head of Marketing](#) were in attendance. They drew the Committee's attention to the presentation on the outline transport plan and the key events that would take place in September 2015.

(See documents No 2)

In an extensive and wide ranging discussion, the following were amongst issues debated arising from the Super September: Grand Central/New Street Station Opening:-

- a. It was uncertain why the coordination concerning the events in Super September was different to that of previous events, but this was what would be done for future events in terms of keeping the Committee up to date on what was being done.
- b. Regular meetings were being held with Colmore Business Improvement District (CBID), but they would further ensure that the CBID and colleagues were kept informed on what was happening concerning Super September.

- c. In terms of the transportation plans and the emergency routes, they had strong resilience plans in place around emergency. Two desks top exercises were undertaken with two more being planned. These were multi-agency exercises.
- d. With regard to the mitigation concerning the through flow of pedestrians through New Street Station, from the plans, they were turning all the escalators to take people out of the station which was a positive move and was not always available to us in the old station.
- e. Volunteers and ambassadors would direct people with a consistent message and would all have the same information available. Whether you spoke with someone at New Street Station, Moor Street Station, the bus stop etc., they would have a pack with up to date and coordinated information. They were working to one message which was that '*Birmingham was Open – Birmingham welcomes you*'. They had learnt from the London Olympics Ambassadors and would ensure that all travel information was up to date.
- f. In terms of the barriers being lifted, they had been given assurance from Metro that they would be removed.
- g. With regard to the key learning, they were learning a lot from planning for Super September. A lot was learnt from the planning of the Papal visit, not about the visit itself. It was anticipated that with Super September it would be business as usual and Birmingham was a fantastic place for leisure. With the offer they had going forward, it was expected that Super September would become business as usual.
- h. In relation to getting the message out to local residents, reference was made in the 'Forward Newspaper', but Social Media would also be used to convey the message. They would also be relying on Elected Members through councillor briefings to be ambassadors.
- i. Concerning signage, these would be used on strategic routes. They were committed to the Birmingham Cycle Revolution and would be promoting the new folding bikes. Cycling and walking would be promoted in the City Centre.
- j. With regard to the rapid response breakdown, they were learning and developing all the time and they were looking to have this in place by September.
- k. Ms Kennedy noted Councillor Islam's comment concerning Park and Ride at Birmingham City University and stated that they would ensure that they would look at the movements around this.
- l. In terms of the Papal visit comment it was about the principles and approach. It was agreed that it was unprecedented for the City to have so many high profile events and such different audience coming into the City Centre and around, but they were prepared.

- m. The message was to give people choices and options. They were promoting cycling, use of public transports, walking, park and ride and the use of the water taxis. The idea of doing a deal with buses was discussed, but not closed out. This was an idea that they would take away around the Bus Interchanges and would do more work with the bus operators concerning this.
- n. In terms of the comment on through ticketing, Ms Kennedy advised that she has responsibility for consumer protection. She advised that this was something she would address under consumer advice to ensure that people would get the best value through ticketing and that they work with the Rugby World Cup personnel to ensure there was no detrimental impact.
- o. The Coach and Lorry Park was part of a more detailed plan and had a 32 coach capacity. They were anticipating a number of chartered coaches which was not yet known, but was developing through the coach companies. It was about being prepared for the fact this would be full with the amount of activities they had in the City Centre over that weekend. It was about having contingencies in place at the Wholesale Market for the chartered coaches which were part of the plan.
- p. Grand Central/New Street Station was a huge project and was described by the Civil Engineers as a three dimensional new build, whilst they were keeping the old station moving at the same time. Logistically, this was a massive engineering and a huge challenge. Reference was made to the half time change over two years ago where concerns were being raised leading up to the changeover i.e. whether it would be ready and whether it would be finished in time. It was one of those things as everything was these days that was close to the wire and was dependent on things going to plan.
- q. This was about ensuring there was good planning and contingencies were in place that if something did not happen what would be put in place to mitigate the problem. With all that was happening and with Network Rail, the people that were responsible and giving them the message that they would be ready to be open for that time.
- r. The Papal visit analogy was around the planning and methodology, but in terms of impact, they applied the same things to the tunnel closure. They were looking at something major that took the same logic and methodology as the tunnel closure which did have a major traffic impact on the City. They had experience on both sides using that same methodology and they were happy that it worked.
- s. The emergency routes were really about if there were any incidents. The incident on Great Charles Street about a month ago had resulted in the closure of Great Charles Street for a considerable period of time one afternoon. They did open up Paradise Circus works to allow traffic through. There were contingencies and ease-ability to open up parts of the work to ease the traffic situation. This was part of the things they were speaking about concerning emergency routes – incident management.



- t. Closing down the A38M works was not that there was no embargo and as if there was nothing going on with regard to the Network at the time. This was not the case during Christmas when they had their embargo on working restrictions. It would be the same with Super September as there would be work that was either in place or could not be closed down and there would always be the emergency work that would inevitably be there when these things happen. This was something that they would have to manage in terms of contingencies.
- u. What would be closed down would be done by the 18<sup>th</sup> September 2015, within the City core and pedestrian areas, all holes would be reinstated back to normal and work ceased in the pedestrianized areas. This meant putting warnings out earlier that new works would not be started and anyone with a notice to start plans in that period would not be allowed to do so. This would be the working restriction which was what they did for Christmas.
- v. They were working on the premise that the Metro would be ready and that they had a brief discussion with senior Metro personnels earlier today who were on site to look at the issue to ensure that it would be ready to clear everything out of the way. It was noted that Centro was confident as they were happy with Network Rail statement that they would keep to their programme.
- w. They were not looking at the question of fines presently as this was not where they were going. They were trying to get them to sit around the table and was embedded in their transport team at every level that public transport and the Metro, whatever element of Centro this was, the real focus was on getting the work done.
- x. In terms of the A38M and the M6 works, for clarity, the Highways Department advised that their '*drop dead date*' that they would clear all their traffic management out of the Junction 6 area and the A38M was the 24<sup>th</sup> September 2015. This was a tight deadline for them, but they were working up to that. Again, this was about planning and ensuring that the right plans were in place.
- y. Their current plan was to start back on the 2<sup>nd</sup> October 2015 to continue their work. They would then stop again for the Christmas embargo in early November 2015. Our point back to them presently was whether it was worth coming back for those five weeks and this was the discussion they were still having. Then they would need to come back in the New Year to complete works on the slip roads.
- z. With regard to the variable message drive signs, this was part of the signage strategy and was used for the Papal visit and the Paradise Circus works. Not every stage of the Paradise Circus works were signed on the M6 pre-Paradise works. Highways England used every MS signs as part of the signage strategy that they were going to develop as part of the plan. They would put out the MS they spoke about for the mobile message signs. The aim was finding the right place on the network to put them so that they would be useful for drivers.

- aa. In terms of the engagement with the Business Improvement Districts (BID), Colmore, Retail and Southside BIDs had been involved in all of the conversations and meetings that had taken place. Mike Mountfield, Colmore BID had been working with them to ensure that their ambassadors as part of the process were fully engaged on that.
- bb. With regard to the cycling, the Rugby World Cup (RWC) was promoting cycle parking at all their venues. They were trying to work with them to make that one of the choices they provide to those people who wanted to do that. They were looking at a potential route from *Fun Zone*, which would be a guided route so that people from the Cycle Revolution could be put on that on some of the bicycles. They were planning to see if this was one of the things they could facilitate.
- cc. In terms of the number of people who were actually coming to the games, from the data that they had to date, from the RWC, it was felt that those games were not yet sold out as there was about 95% sold. Over 60% of people attending those matches would be from the region. They were also working in terms of the teams themselves that would be staying here in Birmingham, to ensure that they would get to the grounds to have that kick off on time and the officials from the RWC.
- dd. With regard to the 'Pinch Points' work was currently on site and the traffic management around these were that they would have overnight working, so that there would not be any constraint on the network. This work would be continuing, but there would be no capacity reduction on the network as those works were being planned to be delivered in this way. Although the time had been extended in which they would be delivered, they would be delivered in the best way to ensure the capacity on the Ring Road would be maintained.
- ee. In relation to the overall messaging, they wanted people to come and have the best possible experience. This was all wrapped up in the welcome message and they were working with their partners about how they would do this. The clear message from all was plan ahead and wherever possible use alternative forms of transport, which was a consistent message being shared amongst the entire event partners.
- ff. Starting shortly, they would begin to build up much greater awareness around the Brompton Docks. Posters would be placed at various locations around the City for residents.
- gg. This was not just about welcome as they wanted people to come back. They were working with colleagues from Marketing Birmingham to look at voucher scheme options and other events taking place later this year or even into next year to give people a reason to come back.

Paul Leahy, Apprenticeship Manager, South and City College and Mohammed Khan, Vice Assistant Principal, South and City College were also present for this item.

They made the following statements: -

- ✓ It was a myth that as a college they did not try and support the local economy as their agenda.
- ✓ A year ago knowing they were facing massive cuts to their budgets and specifically with World Host Learning and Adults Skills Budget; there was a need to look at how they planned for commercial income.
- ✓ World Host primarily was a commercial income product. They worked closely with Marketing Birmingham looking at investments and it was obvious that Birmingham was becoming a destination of choice on the Visitor Economy and they wanted to be part of this.
- ✓ They were good providers and there were others in the City also that would be looking at how the City was changing and growing. They recognised that they could develop products that could help support the City.
- ✓ Every time they looked at the economic plans, there was a gap around people and skills and this was probably because the national agenda around adults had let us down over the last few years, but they thought that they could come up with something that would be different.
- ✓ World Host had been around for about 35 years. It originates from the Calgary Winter Olympics and had some *legs*. It was developed over the years and had some licenced products owned by People First – the National Sector Skills Council for Hospitality, Retail, and Tourism etc.
- ✓ South and City College was only one of three licensed providers for the West Midlands. They decided that based around his background at Solihull College where he was Business Head based around some of these products, they looked at the Visitor Economy and all the events that were being planned and felt that they needed to replicate what Liverpool had done.
- ✓ They took a delegation from the City, both from industry, Chamber of Commerce, the Skills Hub and requested representation from the (Local Enterprise Partnership) LEP, but no one was available. They went to Liverpool and met the Chair of the LEP and representatives from industry. They met a taxi driver who spoke of his experience of going through World Host training and how this had changed his life, both from the fact that he knew his City more and was earning more money. The trip to Liverpool instilled in them a real belief that if Liverpool could do this, Birmingham could also do it.
- ✓ He was pleased that Steve Farr, Employment Access Manager had brought them into the frame. They were unsuccessful in winning the bid for the Smile Project which was to train 5000 unemployed people to work in Grand Central. They had discussed the World Host product and the first people that most persons encounter in the City was a taxi driver.
- ✓ With the City, they had developed a Taxi Driver Ambassador Programme which was aligned to the Smile Programme. They had recruited over 160 and

as of this week nearly 50 had gone through. The feedback from the taxi drivers was fantastic. This was about exemplary customer service and was about knowing the City and being an ambassador that wows the individual the moment they got into the cab.

- ✓ From a skills point of view, it was felt that the suite of World Host products supports growth, travel and tourism for the City and what it would need. They were using ESF funds, but this was no longer available and they were now using the reserves of what was the Adult Skills Budget for the taxi drivers.
- ✓ 160 drivers was a drop in the ocean as there were approximately 6,000 in the City, but the 70,000 people who were connected to the Visitor Economy – hoteliers, restaurants and City Council workers etc. A series of events were being planned where they were inviting people like Aston Villa and some of the cities hotels.
- ✓ The LEP had to support the travel and tourism centre by developing the people that were promoting all of these events. This would mean bringing in other providers. In his opinion World Host was the future of the City. A brief discussion then ensued concerning World Host products.

Members then made the following comments: -

- ❖ Councillor Evans commented that given that there was no restriction on the City's Enterprise Zone concerning providing funds for the skills agenda, and given that the City Centre was a key focus in relation to events, perhaps they could persuade the Council and the Cabinet Member to get a small proportion of resource from the Enterprise Zone in relation to the agenda. Perhaps in the form of match funding against resources from hotels and restaurants etc.
- ❖ Councillor Huxtable stated that on this point the announcement in the Budget earlier this week in taking forward the Enterprise Zone around Curzon Street on a completely different basis to the initial process set out in 2011, how this could work alongside the skills agenda.
- ❖ Councillor Jenkins stated that it was an interesting skills topic that was raised and that he often reflected that they go through the entire education system, having told everybody so many different things and omitting what was perhaps, the single most important skill, which was the ability to influence the behaviour of the view of other people. The key thing was to read the person you were influencing and then reflect your approach in that.

The Chairman suggested that they invite one of the person who had training back to a future Committee meeting.

The Chairman thanked Paul Leahy and Mohammed Khan for attending the meeting and presenting the information.

**CABINET MEMBER FOR SKILLS, LEARNING AND CULTURE UPDATE ON CULTURE AGENDA**

10

Following on from the previous item, Councillor Holbrook stated that in terms of the skills agenda, it was known that they were the second biggest growth area, where there would be a gap of skills around the visitor economy and hospitality. They also had a huge retention issue in those arenas so anything that they could do to support this they would. She undertook to take up the conversation with the LEP Enterprise Zone. She highlighted that the issues that the City Council faced going forward as a City, was investment in order to drive the economy.

Councillor Holbrook then gave the following update on the cultural agenda:-

1. With regard to Super September, this will also be Birmingham's Heritage Week – 10 September 2015 to 17 September 2015. This covers the National Heritage Open Days and became a heritage week following consultation with a number of different partners and stakeholders and citizens. History Week was slightly confusing as a title and Scrutiny's recommendation was about celebrating who we were and where we came from as a City.
2. There would be a number of activities in September 2015: -
  - They were working with Lloyds Bank around the opening of Heritage Week as it was their 250<sup>th</sup> Anniversary and they started in Birmingham.
  - Civil War display at Aston Hall with the Society working with them and a number of blue plaques will be placed around the City.
  - Big Red Bus Heritage Tours
  - A number of schools running programmes around celebrating their heritage
  - They were bringing in almost all of the City's History Groups to help work with them.
  - There was a fantastic piece of work being done with hidden spaces and associated architects where they were opening up some of the Heritage Buildings that they did the photo work on and displayed so people could go that they would not normally be able to enter.
  - Birmingham Weekender which was the second of two large festivals that they in Birmingham of the festival programmes. This had been tailored to fit around the opening of Grand Central/New Street Station.
  - The international Dance Festival the following year
  - Birmingham Weekend involved most of their major Arts and Community Arts
  - Roaming street theatre
  - A number of pop-up flash mobs
  - Birmingham Royal Ballet Workshops
  - The CBSO had designed a special piece of music for them and there will also be a number of brass bands, street food, fashion shows etc.
  - There was also the Big Hoot which was 200 giant owls.
3. In terms of the more ongoing work of the cultural team, they were currently refreshing their cultural strategy. This year, instead of having the City Council Strategy, they were developing a citywide strategy which was being led by most of the major Arts organisations and partners.
4. There were five tranche of work –

*Culture on the Door Step* - bringing the world of culture closer to the citizens outside of the City Centre; *Creative Future* - bringing young people through a skills pathway into the world of culture and creativity; the *Regional Cultural Capital* – this was a piece of work to think about how they could drive the region's economy and how they could win the argument that Birmingham was the region's cultural offer, but the funding they receive did not reflect this; *Creative Industries* and most importantly was the sustainability piece of work dealing with how they fund their cultural offer differently going forward as they had a real challenge in Birmingham which was that the cultural offer was a key part of the visitor economy and driving what happens in the City.

5. They would not be able to continue to fund this in the way they did this before as a local authority. The Arts Council were losing funding so they were changing some of the organisations that they fund. The City had to change some of the organisations that they fund. The Museum has had cuts to its budget, the Library of Birmingham (LOB) and they going to be facing up to 50% of cuts in the major Arts organisation funding in the next few years.
6. It brings value to Birmingham, but with a shrinking revenue budget, the conversation had to be how long they would be direct contributors to that offer and how they strengthen it. The sustainability piece of work was important and there were conversations around the Birmingham Cultural Pound which was a concept of knowing how much it cost to fund the cultural offer.
7. In Birmingham, this was approximately £8m in its current format. It was known what they could afford to contribute as a City Council going forward. There was a need to think about different funding vehicles where people were comfortable about investing private finance into the sector. It was known that private enterprise did not particularly feel comfortable in investing in the local authority.
8. With regard to the Library of Birmingham (LOB), it was not known how this would be funded. The fact that they had to cut that budget significantly was a matter for record. The £1m per month just to service the building was a matter of public record. More importantly, the difficult journey the staff in the LOB had to go through over the last 6 months was noted. They were now at the stage where they had finished consulting on what the new structure of the staffing would look like and more about getting into the implementation stage.
9. Councillor Holbrook commented that in her opinion the LOB had done Birmingham some considerable reputational damage. They were doing a number of things to try and re-invest in the LOB. They were working on a number of different models and were in partnership with the British Library, which whilst not solving the LOB funding problem, was the start of a partnership that would help the LOB to get a national profile. There were other work streams that were ongoing concerning different ways they could model the function of the library building (not the service) and these would be brought forward in time.
10. The Birmingham Museum was now in a trust and was a key part of the work that they do across Birmingham. They had driven up the visitor numbers and

had refreshed a lot of the displays and collections and were thinking about how they work in the heritage buildings in a different way. The Museum Trust was going from strength to strength. They had funding problems as their budget was cut by the Arts Funding Council and the City Council last year. They had to find a savings of £1.2m over the next two years.

11. The Creative Futures 3 strategy was a piece of work that took young people from across the City and placed them in internships and apprenticeships and skills training to be part of the creative economy going forward. The creative economy and the world of culture had driven increases in the regional economy much faster than any other area over recent years.

12. The Public Arts strategy was developed and agreed which was about ensuring that what the City had and was given to the City as public art was cared for and maintained. They were increasing their public arts estate, but decreasing the funding. They had developed a strategy in connection with Planning and Regeneration not only where they placed things going forward, but how they looked at leveraging money from any development to maintain the public arts and changing how we think about public arts.

In response to questions from Members she made the following points:-

- In terms of the £8m which was the cost of funding Arts in Birmingham, this was what the City Council was contributing to the major Arts organisation grant funding and some of the funding that was put into the smaller Arts organisations. If you then add in the funding for the Museum and the LOB, this figure grows, but this was just to maintain the status quo amongst the Arts organisations. They were continuing to do that piece of work around articulating the concept of the cultural pound and will take this forward.
- With regard to Districts and the cultural strategy, each district had a District Arts Forum which was directly connected into the strategy. They were helping to craft the strategy. They were sitting in that 'culture on your door step' element. There was a need to discuss with District Chairs to ascertain who the lead was on the District Arts Forum as it was essential that they capture all the social value they had across the City to ensure that this was reflected in what they had.
- Last year a piece of work was undertaken with DTMS where they trialed culture on your door step and the Arts Forum process and they received a national recognition for the work their Arts Forum in the districts did with residents. There was a need to ensure that the Elected Members were briefed on the strategy and bringing the sector together and how this was being promoted. There was the draft proposal and then a period of public consultation.
- The work around sustainability was about shared learning from organisations that were more commercially viable. The Hippodrome and the Alexandra Theatres were more profitable theatres and commercially viable than some of the niche national organisations. The relationship between the Hippodrome and the Birmingham Royal Ballet had allowed the Birmingham Royal Ballet to

become one of the more sustainable Arts organisations that they have. They were helping to lead in the shared learning across the sector and how they become more robust.

- In terms of the Museum being placed in a Trust earlier, she was unable to give an answer to that question. It was now 3 years since the Museum was placed into the Trust and it was doing well. They were now in the second phase of this relationship where they were looking into the longer management agreement i.e. longer leases. The important thing to remember was that the City Council still owns the collections and the Museum buildings.
- With regard to the insurance of the City's public arts, it was not thought that the insurance policies were as robust as people think it was as they were expensive to insure. However, they had safeguarding and measures around how they protect the City's pieces of public arts. As a Council, they did not tend to insure things. They carry liability around revenues and things like that. Not all of the City's arts were insured, but those that were insured were done to a high standard.

The Chairman thanked Councillor Penny Holbrook for attending the meeting and presenting the information

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**WORK PROGRAMME FOR THE ECONOMY, SKILLS AND SUSTAINABILITY OVERVIEW AND SCRUTINY COMMITTEE 2015/2016**

The following work programme was submitted:-

(See document No 4)

The Chairman advised that

11 **RESOLVED:-**

That the work programme be noted.

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**DATES OF MEETINGS OF THE COMMITTEE**

12 **RESOLVED:-**

- (i) That the Committee meets on the following Fridays at 1000 hours in the Council House:-

**2015**

10 July  
18 September  
16 October  
13 November  
11 December

**2016**

15 January  
12 February  
11 March  
15 April



- (ii) That approval is given to Fridays at 1000 hours (excluding City Council where possible) as a suitable day and time each week for any additional meetings required to consider 'requests for call in' which may be lodged in respect of Executive decisions.
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**REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

- 13 The Chairman advised that there had been no requests for call in/councillor call for action/petitions received.
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**AUTHORITY TO CHAIRMAN AND OFFICERS**

- 14 **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.

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The meeting ended at 1250 hours.

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CHAIRMAN