



# Economy & Skills Overview and Scrutiny Committee

## Report of Scrutiny Services

### 1 Purpose of the Report

- 1.1 To enable the Committee to set the overall direction of Scrutiny work for the year ahead and plan its work programme.

### 2 The Role of Scrutiny

- 2.1 The City Council's Overview and Scrutiny Committees:
- Provide 'critical friend' challenge to executive policy-makers and decision-makers;
  - Enables the voice and concerns of the public and its communities to be heard;
  - Is carried out by 'independent minded Members' who lead and own the scrutiny process;
  - Drives improvement in public services.
- 2.2 The functions and remits of the scrutiny committees are set out in the Constitution and are attached in Appendix 1.
- 2.3 The role of a scrutiny member is not formally defined; however the responsibility includes:
- To personally contribute time and effort to both the development and the carrying out of the scrutiny work programme by attending and contributing to committee meetings and inquiries or task & finish groups including hearing evidence, considering conclusions and making recommendations in a final report;
  - To be fair and open, not take a party political stance and not make party political points;
  - To be independent minded and to not pre-judge issues coming to scrutiny nor use the meeting to promote narrow or parochial interests;
  - To challenge the evidence by asking probing questions where necessary in order to get the information needed without being confrontational and to actively seek ideas and opinions;
  - To attend relevant training as appropriate.
- 2.4 It is for individual Scrutiny Members to declare any interests or conflicts of interest as per the Constitution.



## 3 The Committee's Remit

- 3.1 The Economy & Skills Committee's remit is to "fulfil the functions of an Overview and Scrutiny Committee as they relate to any policies, services and activities concerning strategic economy; skills and apprenticeships; land and property; inward investment; land use planning; business improvement districts and the Local Enterprise Partnership".
- 3.2 The Committee's remit falls mainly within three Cabinet portfolios. In summary these include:

Leader	Deputy Leader	Cllr Jayne Francis, Cabinet Member for Education, Skills and Culture
Promotion of the city and Inward Investment  Council land use and property assets  Major projects  Business Improvement Districts  Economic growth and jobs  Land Use Planning	Impact and implications of Brexit	Employment Opportunities  Skills, expansion for key growth sectors enterprise and innovation  Provision of all-age guidance, skills development, training and work experience to meet the economic needs of the city now and in the future.

- 3.3 Transparency, equalities and improvement will be cross-cutting themes for all O&S Committees.
- 3.4 Changes in the make-up of Cabinet portfolios and O&S Committees were confirmed at the City Council's AGM on 21<sup>st</sup> May 2019.

## 4 Work Programming

- 4.1 Effective work programming is the bedrock of an effective Scrutiny function. Done well, it can help lay the foundation for targeted, incisive and timely work on issues of local importance where Scrutiny can add real value. Done badly, Scrutiny can end up wasting time and resources on issues where the impact of any work is likely to be minimal.
- 4.2 Each Scrutiny Committee work programme is determined by the Members of that committee. The work programme is discussed at the start of each year; and is updated throughout the year. Whilst Scrutiny Committees are independent from the Executive, there are benefits in aligning priorities, particularly when resources are scarce. The following section outlines some key areas for the forthcoming year.



## Prioritisation

- 4.3 Members often have a number of topics suggested to them and are therefore required to prioritise matters for consideration. The following factors could be considered:
- *Public interest*: concerns of local people should influence the issues chosen;
  - *Ability to change*: priority should be given to issues that the Committee can realistically influence;
  - *Performance*: priority should be given to areas in which the Council and Partners are not performing well;
  - *Extent*: priority should be given to issues that are relevant to all or a large part of the city;
  - *Replication*: work programme must take account of what else is happening to avoid duplication.

## Reports to City Council

- 4.4 There is clearly an expectation on O&S Committees that there are regular reports to City Council meetings. Therefore, it is proposed that each O&S Committee presents a report to City Council this municipal year. Most of the Scrutiny reports that have been presented at the City Council meeting in the past have been inquiry reports. However, the Scrutiny Inquiry into the City Council Meeting, conducted by the Corporate Resources O&S Committee in April 2016, suggested that there were other ways for scrutiny to engage with the City Council meeting.
- 4.5 It was proposed that there be two new forms of report to City Council, in addition to inquiry reports, to widen the scrutiny offer to City Council:
- **Debate reports**: short reports summarising work undertaken in Committee (or on visits); not necessarily with recommendations but with a motion or suggested actions; this could include more contentious issues, or where policy is not yet resolved, and act as a way of prompting wider policy debate in the chamber;
  - **Proposal reports**: short reports introducing potential inquiry work for scrutiny to get early member input into direction, key questions and potential witnesses; the debate would inform the terms of reference and form part of the evidence base for the inquiry, rather than getting that wider member input at the end of the process.
- 4.6 It is suggested that the Co-ordinating O&S Committee agrees a programme of reports to City Council.

## 5 Priorities for the coming Year

- 5.1 In setting the work programme for the year, Members may wish to consider:
- The 2018-22 Council Plan.



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- The impact of retailing closures on High Streets and support to growth in local centres and town centres including Enterprise Zones.
- The use of the Apprenticeship Levy to upskill employees both within the Council and across the city.
- Investigating with partners how employment, training and upskilling opportunities are delivered and accessed as data collected currently is from a range of sources.
- The Council's Property Investment strategy.
- Redevelopment of Birmingham Smithfield and surrounding area.
- The impact of the introduction of the Clean Air Zone on businesses.
- Support to Small and Medium Enterprises.
- The impact of the night time economy in the city.
- Working with partners to advertise the wealth of opportunities to young people via a targeted media strategy.
- Other priorities may be identified at the meeting.

### 6 Work undertaken in 2018/19

- 6.1 The Committee considered a number of issues in the last municipal year. Members might find it helpful to consider a summary of these issues below.
- 6.2 The Council was successful in their bid to host the Commonwealth Games in 2022 and consequently the Council working with partners are carrying out a number of large scale re-developments to the Perry Barr area of the city that will not only hold many of the events (at the Alexander stadium) but also house athletes with further modernisation being made to the public highway and transport infrastructure. The Committee heard about the economic impact of the Games Village at its October meeting and Members considered the impact of the changes and developments on local residents and those in surrounding areas.
- 6.3 The Committee has kept a watchful eye on the Council's plans as the UK prepares to exit the European Union. Quarterly updates on the impact of Brexit on the city have been scheduled to enable Members to understand the key issues facing the country and how these translate locally and what the Council and other key partners in the city are doing to help businesses and residents prepare for a variety of outcomes. The Council is involved with a number of cross working groups/commissions made up of WMCA, WM LEP's, Chamber of Commerce and Universities to understand the potential likelihood of different exiting scenarios on the West Midlands region.
- 6.4 Skill levels of residents within the city and accessible employment opportunities have been a keen area of interest for the Committee during the 2018/19 municipal year. Members have been keen to understand how current and new initiatives impact residents not only in take-up but also in



upskilling and tackling the entrenched high level unemployment in inner city and some outskirts areas of the city. The East Birmingham and North Solihull Regeneration Strategy considered by the Committee is also an example of what the City Council with partners is doing to try to tackle these issues using a more holistic approach. Further updates on the Strategy as key milestones are reached will be scheduled on the future work programme. This will include the draft Growth Strategy that will need to be consulted on later this year.

- 6.5 Members have been keen to learn how new initiatives are helping people to upskill and take advantage of new job opportunities such as HS2 and HSBC bank moving into the city. As part of this the Committee held their December meeting at the National College for High Speed Rail where during a tour of the facilities the Chief Executive, Clair Mowbray explained the make-up of those attending and courses on offer and the work being done to engage different communities and young people.
- 6.6 The Committee has received regular updates on the 'Jobs and Skills' agenda including the regional skills plan and skills deal, council led skills programmes for young people (Youth Promise Plus) and opportunities for the long-term unemployed. Members have also been interested to learn how small and medium enterprises are being supported with not only taking on new workers but access to apprenticeships and upskilling employees and at their April meeting Members heard from the Leader, Cllr Ian Ward about the Local Industrial Strategy (LIS) that is being led by the West Midlands Combined Authority (working with public, private and voluntary sector delivery partners). The strategy sets out to capture existing sectorial strengths and emerging industries to take advantage of new and upcoming opportunities coming to the region that can benefit local people and how the challenges that exist in skills, transport and productivity can be met.
- 6.7 Members have been keen to understand the work that the Council is doing with young people (for which they receive Government and European funding) who are NEET (not in education, employment or training) and how well the Youth Promise Plus (YPP) is doing in supporting these young people in securing a job or further training once they have completed the programme. The Cabinet Member for Education, Skills and Culture has spoken about this when she has attended the Committee meetings in November and April. The Council has historically received EU funding for programmes to tackle unemployment issues relating to young people between the ages of 16-25 and it was confirmed that the current YPP funding has been extended to the end of the 2021/22 municipal year to ensure continuity whilst the UK negotiates its exit from the European Union.
- 6.8 Following on from the Committee considering young people who are NEET the Committee convened a sub-group (on a 2:1:1 proportional basis) to consider the issue of careers advice to young people in schools specifically looking at what help, support and interventions can be offered to young people early enough to stop them from becoming NEET and identifying possible employment and career opportunities before the age of 16. This group of Members first met in March to discuss the terms of reference and lines of enquiry. This was followed up with an initial meeting with the Assistant Director for Skills & Employability to scope out areas of further



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investigation and to identify officers and others they wish to invite to future meetings. Members are due to meet again with officers responsible for children in care/children leaving care as this group was identified in particular as being at a higher risk of becoming NEET.

6.9 In July 2017 a motion on the divestment of fossil fuels was agreed at City Council including that the City Council would "...Call on West Midlands Pension Fund (WMPF) to divest from fossil fuels by mandating its representative on the Pension Fund Committee to call for the development and adoption of Responsible Investment policies...". Members of the Committee were keen to investigate this further following an initial discussion with the Council's Auditor, Grant Thornton and recognising that the WMPF is one of the largest funds within the Local Government Pension Scheme (LGPS), and is within the largest 25 UK pension schemes, by asset value. To this end Members felt that the Fund could utilise its assets in the local region to benefit local people (predominately those that pay into the Fund). It was therefore agreed that the Committee would convene a future meeting (proposed for 10<sup>th</sup> July) and invite representatives of the WMPF to investigate the economic aspects of how the Pension Fund assets can be used to invest in local economies. It was further agreed that the Committee would take a report based on these discussions for a full debate by all Councillors to a future City Council meeting.

- 6.10 The Committee also has areas of work that it will continue this year:
- Discussion on the how the West Midlands Pension Fund assets can be used to invest in local economies.
  - Careers Advice in Schools working group (a sub-group of Members are considering specifically what help, support and interventions can be offered to young people early enough to stop them from becoming NEET and identifying possible employment and career opportunities before the age of 16).
  - 6 monthly updates to the Committee on the Council's Youth Promise Plus programme (starting in September 2019).
  - Updates on the East Birmingham and North Solihull Regeneration Strategy.

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