

BIRMINGHAM CITY COUNCIL

ECONOMY AND SKILLS OVERVIEW AND SCRUTINY COMMITTEE

WEDNESDAY, 02 FEBRUARY 2022 AT 10:00 HOURS
IN ON-LINE INFORMAL MEETING, MICROSOFT TEAMS

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chair to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's meeting You Tube site (www.youtube.com/channel/UCT2kT7ZRPFCXq6_5dnVnYlw) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

3 DECLARATIONS OF INTERESTS

Members are reminded that they must declare all relevant pecuniary and non pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

4 THE ROLE OF PROPERTY MANAGEMENT, HIGHWAYS AND REGENERATION POLICIES AND IMPACT OF HIGHWAYS WORK IN RELATION TO THE COUNCIL'S APPROACH TO SMALL BUSINESSES AND SMALL BUSINESS COOPERATIVES

Kevin Hicks, Assistant Director, Highways & Infrastructure; Mohammed Zahir, Head of Business Enterprise & Innovation; Rebecca Farr, Development Planning Manager; Ian Chaplain, Head of Investment Property Management; Naomi Griffin, Property Asset Management & Income Manager.

3 - 14

5 **DIGITAL CITY PROGRAMME AND ROADMAP**

Dr Peter Bishop, Director, Digital & Customer Services and Raj Mack, Head of Business Engagement, Digital & Customer Services.

15 - 18

6 **ECONOMY & SKILLS O&S COMMITTEE WORK PROGRAMME**

For discussion.

7 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

8 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chair are matters of urgency.

9 **AUTHORITY TO CHAIR AND OFFICERS**

Chair to move:-

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

BIRMINGHAM DIGITAL CITY

Enabling Economic Development for Birmingham - Accelerating Digital Innovation Opportunities



Digital City Programme Objectives – Establishing Digital Birmingham



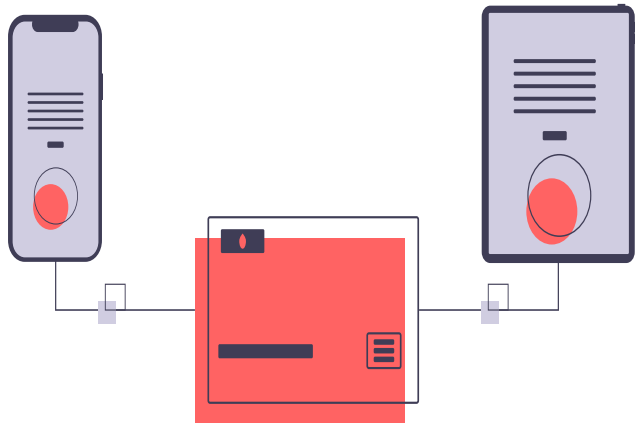
Birmingham as a preferred place of choice for digital innovation



Increased levels of digital investment

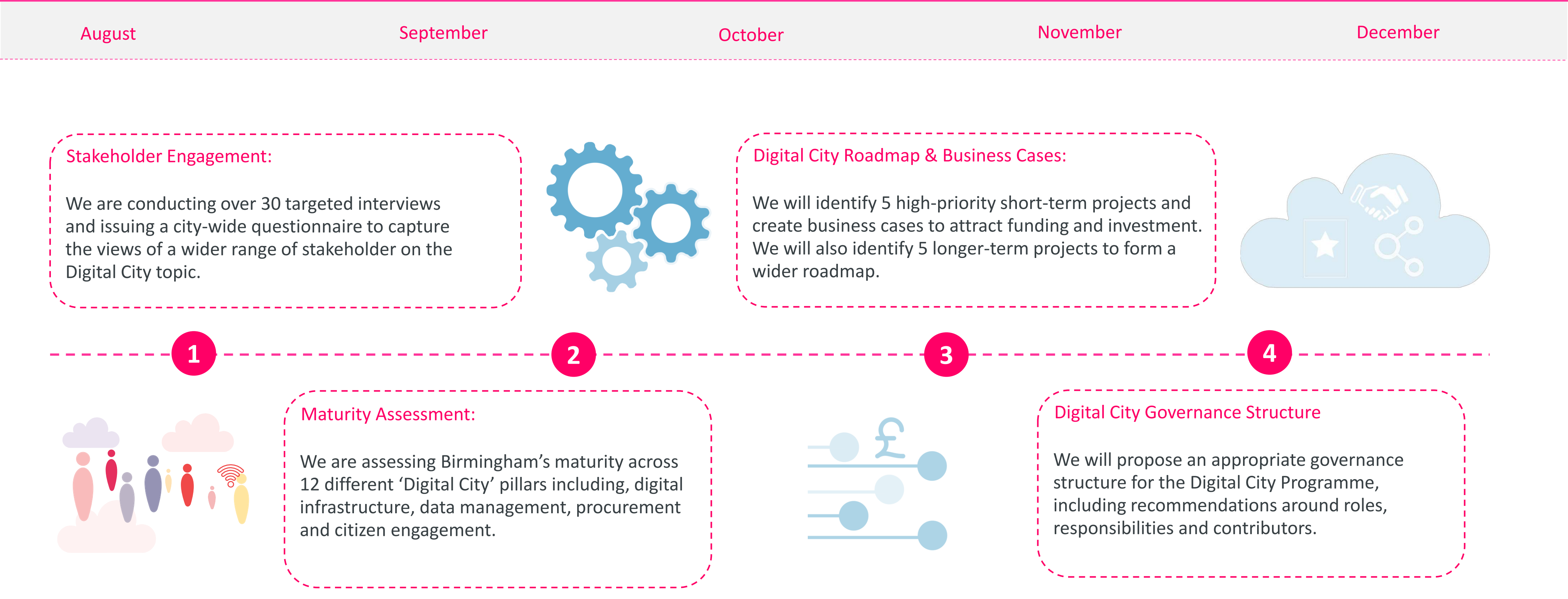


Birmingham as a recognised leading Digital City – “Digital Birmingham”



Council services are utilising new technologies and innovative solutions

Our Scope




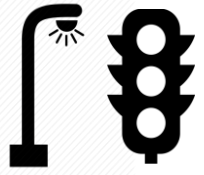



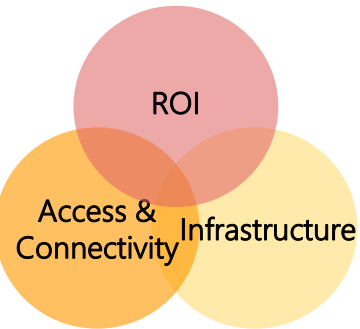
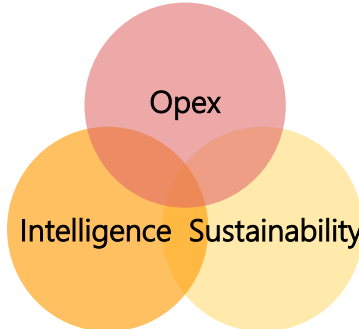
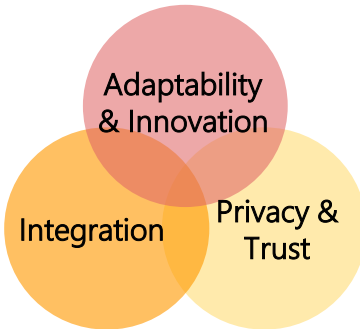

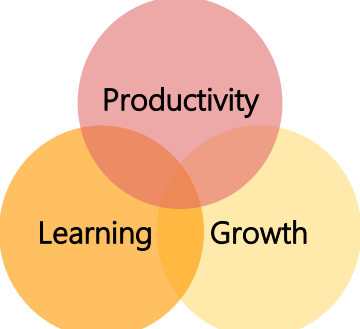
Outputs:

- 1

Maturity Assessment Report that benchmarks Birmingham's performance against 12 digital enablers and compares this against leading global and UK competitor cities. Report will include recommendations for future projects which would improve weaknesses and maximise strengths going forward.
- 2

A Roadmap for Birmingham's Digital City Programme, detailing 5 immediate projects and 5 longer-term projects that will deliver the key outcomes of the Programme. High-level business cases will be prepared for the immediate projects to facilitate the securing of funding.
- 3

A Governance Structure and Terms of Reference for a body to oversee the work of the Birmingham Digital City Programme

		1	2	3	4	5
		 Connectivity	 Assets and Infrastructure	 Data and APIs	 End User Services	 Enablement
Factors						
Examples	Capability	<ul style="list-style-type: none"> Converged Networks Fixed broadband Mobile end-user (4G / 5G) IoT (LoRa, Sigfox, Zigbee) 	<ul style="list-style-type: none"> Smart utilities Smart buildings Smart energy Smart traffic management 	<ul style="list-style-type: none"> Data governance strategy Open data and APIs to enable adaptability of the environment Enable development of innovative services 	<ul style="list-style-type: none"> Innovative urban services in food, retail, transportation, logistics / deliveries entertainment, leisure ... 	<ul style="list-style-type: none"> Digital skills Business development and incubation Community initiative support Innovation programme
	Benefits	<ul style="list-style-type: none"> Resident, business, employee and visitor access to digital services Enablement of intelligent infrastructure and services 	<ul style="list-style-type: none"> Cost effective operations Provision of connectivity infrastructure Reduced congestion and environmental impact 	<ul style="list-style-type: none"> Enable 3rd party innovations A resource to support modern businesses Enable transparency of public services 	<ul style="list-style-type: none"> Create community events, interactions and engagement Attract job-creating businesses 	<ul style="list-style-type: none"> Provide opportunities for local residents to develop new skills Assist local businesses to grow and evolve Attract new innovators
	Source of Investment	<ul style="list-style-type: none"> Developers Connectivity providers Operators 	<ul style="list-style-type: none"> Developers Operators Service providers 	<ul style="list-style-type: none"> Relatively modest investment required if included in initial plan Leverages business, venture and social investments 	<ul style="list-style-type: none"> Developers Operators Service providers Leverages business, venture and social investments 	<ul style="list-style-type: none"> Schools Third Sector Corporate schemes Developers Leverages business, venture and social investments

Market Failure and Gaps

GLOBAL SCALE

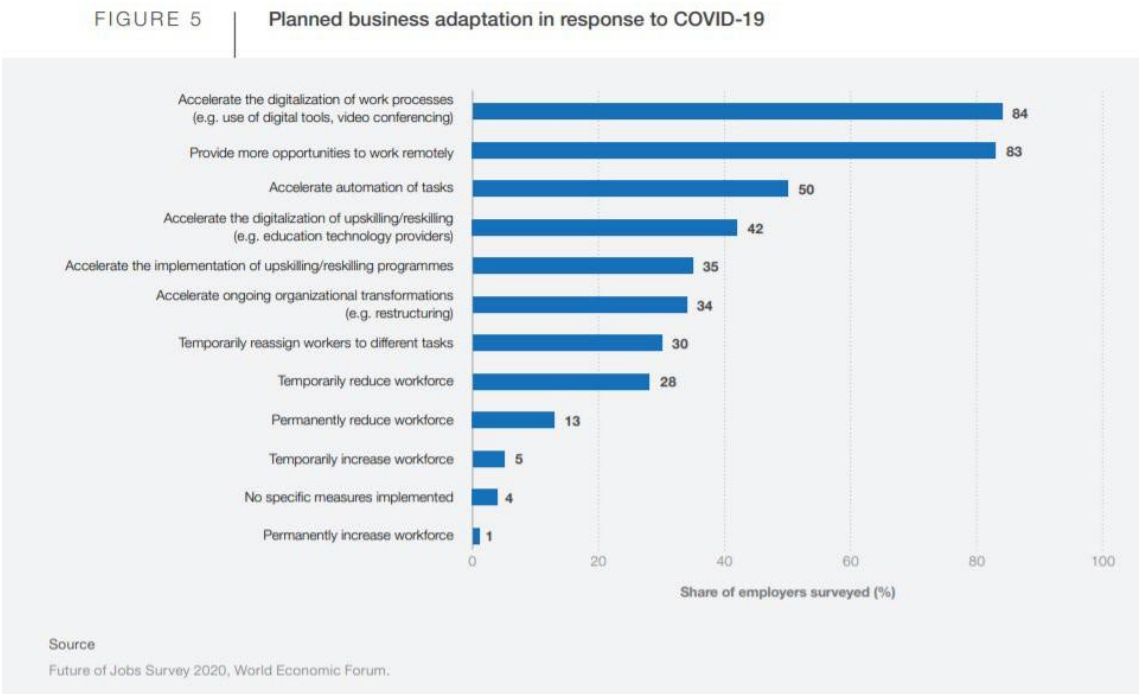
ECONOMIC

7 tech companies are worth **10%** of global GDP

	2005	2010	2015	2020
1	General Electric £382bn	Exxon Mobil £369bn	Apple Inc. £598bn	Apple Inc. £2,254bn
2	Exxon Mobile £381bn	PetroChina £303bn	Alphabet £534bn	Microsoft £1,682bn
3	Microsoft £263bn	Apple Inc £296bn	Microsoft £450bn	Amazon.com £1,634bn
4	Citigroup £234bn	BHP Billiton £244bn	Berkshire Hathaway £324bn	Alphabet Inc. £1,185bn
5	BP £221bn	Microsoft £239bn	Exxon Mobile £325bn	Facebook £746bn
6	Wal-Mart £212bn	ICBC £233bn	Amazon £323bn	Tencent £683bn
7	Royal Dutch Shell £211bn	Petrobras £229bn	General Electric £314bn	Tesla £668bn
8	Johnson & Johnson £200bn	China Construction Bank £222bn	Johnson & Johnson £287bn	Alibaba Group £628bn
9	Pfizer £196bn	Royal Dutch Shell £209bn	Wells Fargo £282bn	TSMC £565bn
10	Bank of America £179bn	Nestle £204bn	JPMorgan Chase £245bn	Berkshire Hathaway £545bn

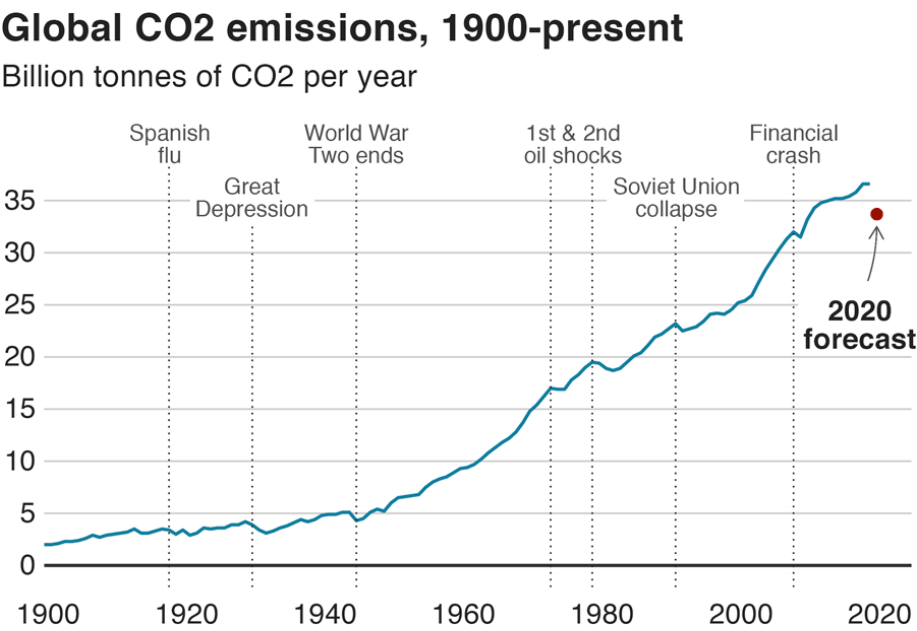
SOCIAL

By 2025, **44%** of employees skills will need to change due to automation (WEF 2020)



ENVIRONMENTAL

We need to repeat the reduction in carbon emissions in 2020 caused by COVID-19 **EVERY YEAR** until 2050



BIRMINGHAM



Birmingham has limited equity investment – **lowest deals per 10,000 SMEs** of any English region (BCC Statistic)



Birmingham has the **highest number of non-internet users in the UK** (1 out of 5 people). A further 1 in 5 residents consider themselves limited users. (BCC Statistic)



Air pollution is estimated to cause **1,460 excess deaths a year** in Birmingham and the surrounding area. (BBC, 2021)



Birmingham has a **large productivity gap** – particularly in the Digital and Creative sector (-£7,157 GVA per employee compared to UK average) (BCC Statistic)

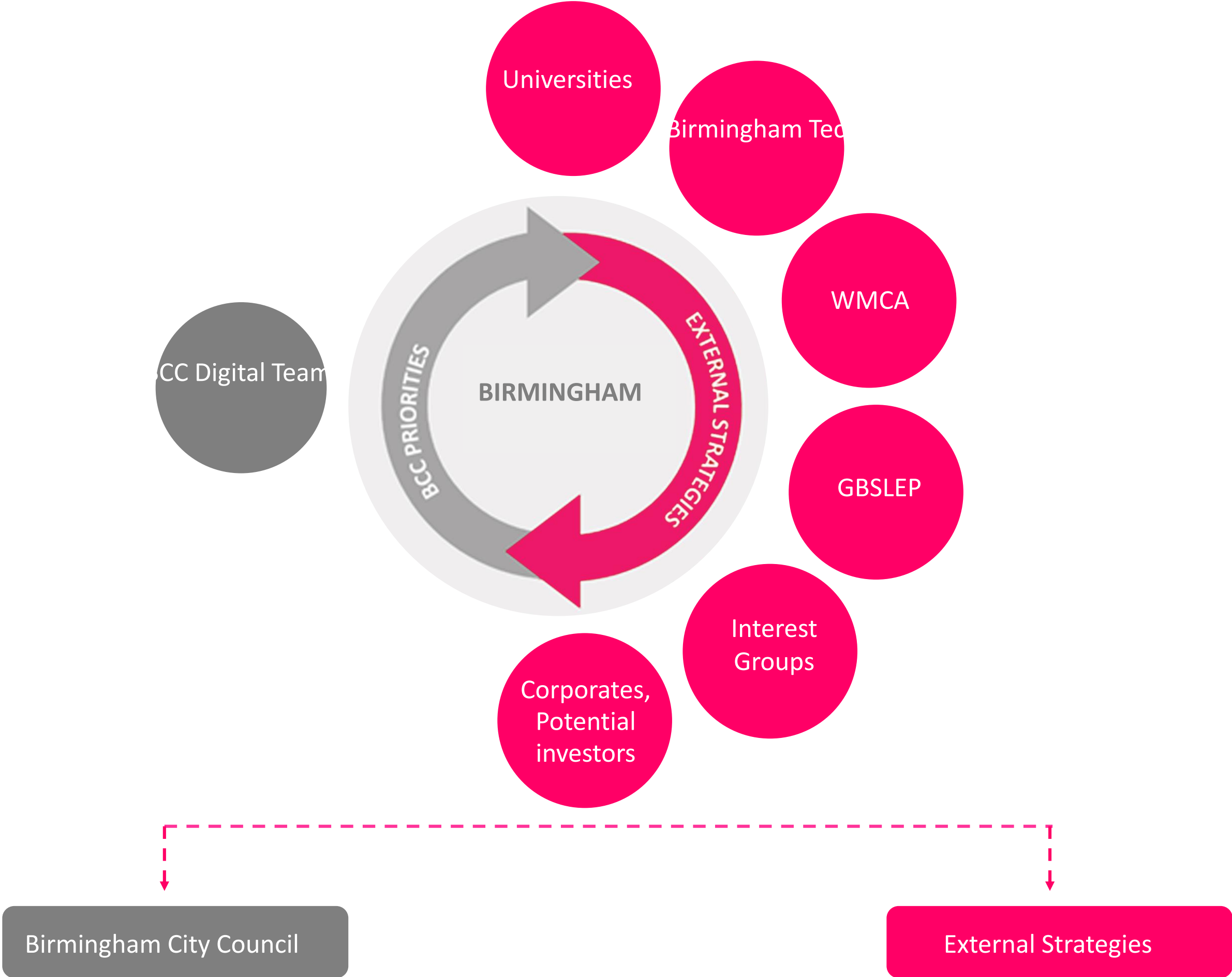


Birmingham has the highest proportion of employers saying they **find it difficult to find applicants with the required digital skills** out of any UK region. (BCC Statistic)



In 2019, Birmingham City Council unanimously voted to declare a climate emergency with a commitment to achieve **carbon neutrality by 2030**. (Birmingham Transport Plan, 2020)

Collaborative and Partnership Approach - Building on a Successful Ecosystem



GENERAL THEMES



Inclusive growth

- 7th most deprived city out of 200 in the UK.
- Highest rates of child mortality in the UK.
 - 10-year life expectancy gap between the richest and poorest residents.
 - Huge contrast between growth of city centre and poverty 1 mile away.



Leadership

- Stakeholder highlighted the importance of having strong leadership under one strategic vision.
- Birmingham currently has individual groups or areas focusing on small digital agendas, rather than gaining from a collective focus, leading to a lack of coordination across multiple overlapping initiatives.



Coordination

- Across all of the focus areas identified, stakeholder listed a huge number of existing initiatives taking place.
- There is clearly a lot going on across the city but much of it is uncoordinated, overlapping and hard to navigate for end users.



Attitude To Failure

- 90% of innovation fails therefore a degree of failure must be accepted. Stakeholders stated that the city needs to look at success and failure across a portfolio rather than on a per-project basis.



Identity And Reputation

- Birmingham fails to live up to its billing as the UK's second city.
- Liverpool, Manchester, Bristol all have a clear identity, what is Birmingham's?
 - Birmingham also struggles to sufficiently promote its reputation and achievements nationally and internationally.



Localised Delivery

- Large-scale generic programmes are rarely successful. There is a need for a large number of hyper-localised, targeted initiatives.
- 'Massive small' principle – a seamless combination of top-down governance with distributed bottom-up delivery.



Trust

- Lack of trust between the council/other city institutions and disenfranchised and marginalised communities.
- This lack of trust has the potential to undermine and reduce the effectiveness of projects delivered under this programme.



Focus on Prevention

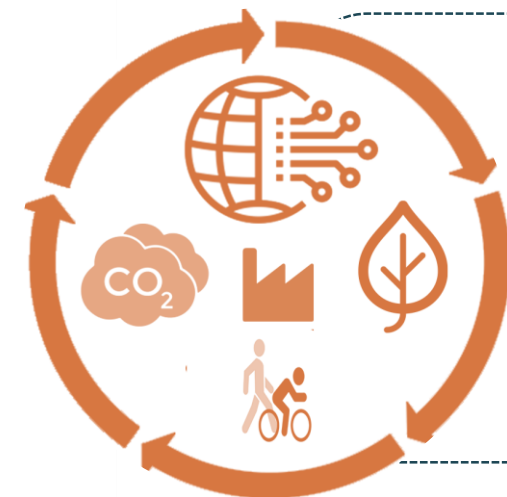
- Many public sector stakeholders signalled that they were transitioning towards a preventative approach.
- The ultimate aim is to move from support people who are in crisis to preventing the crisis happening. Digital and data were seen as key enablers to this transition.

Smart Birmingham – the Best Place in the UK to be Young



- A multi-faceted aspiration statement that incorporates aspects of education, social mobility, employment opportunities and affordability.
- A leader in innovation in early years development, setting the aspirations of the young high and placing them on a positive life-course.
- Following up aspirational early years development with a high quality education offering, a comprehensive skills and training support system and plentiful job opportunities.
- Lastly, supporting daily life with targeted citizen services and affordable housing.

Smart Birmingham – Home of the Green Industrial Revolution



- Drawing on Birmingham's history at the heart of the previous industrial revolution.
- A programme that focuses on the net zero agenda, decarbonising housing and transport and leading the way in food ecosystem innovation.
- A place that supports SMEs to secure investment, transition to sustainable ways of working and develop new green products and services.

Smart Birmingham – The UK's Most Liveable City



- Building on Birmingham's high levels of greenery, open space and blue infrastructure, as well as the clean air zone.
- A strong health and wellbeing offering, focused on prevention rather than response, by enabling the adoption of healthy diets and active modes of travel, the provision of energy-efficient homes, and by equipping communities with the knowledge of how to effectively navigate the health system.

DIGITAL CITY PROGRAMME – INITIAL PROJECT OVERVIEW – following extensive stakeholder engagement

Digital Connectivity Foundations



This project consists of two elements which are intended to maximise Birmingham's ability to benefit from private-sector investment in becoming a leading-edge hyperconnected city:

- Birmingham Hyperconnectivity Strategy, including an internal digital connectivity policy transformation.
- Digital Specification for Property and Infrastructure

Potential Economic Impact*

£760m

In the form of increased productivity across business and consumer sectors

£41m

In the form of residential social value / wellbeing benefits

£19m

In the form of increase residential property values

Data Sharing



This project consists of three elements, which combine practical first steps with clearly defined benefits, with the ambitious aspiration for Birmingham to take be a leading-edge city driving the creation of a city-wide digital twin:

- Data Charter
- Data Working Group
- Federated Network of Digital Twins for Birmingham

It should be noted that these projects are not focused on creating additional data platforms.

Potential Economic Impact*

£145- £436m

In the form of GDP Impacts due to open access data

£5.2m

In the form of Employment Impacts of open access and move to higher value jobs

£18.1m

In the form of potential use case, savings – Not in Education, Employment or Training (NEETS)

Route to Zero Transition



This project consists of two elements that will deliver high-profile smart city infrastructure to tackle one of Birmingham's primary Route to Zero challenges and alleviate fuel poverty in one of the more deprived areas of the city, whilst also enabling cost savings in the maintenance of Council property:

- Digital Sustainability Pilot Area
- Monitoring and Proactive Maintenance of Council Property Assets

Potential Economic Impact*

£11.7m

In the form of uplift in council property values.

£1.5-1.8m

for the pilot phase areas for the following:

- Reduced carbon emissions
- Reduced utility bills for residents
- Improved health and wellbeing outcomes and cost reductions for the NHS

Community-Led Innovation



This project consists of three projects exploiting digital technology to better connect Birmingham's communities to Council- and third-party services and resources of benefit to them, helping the city in tackling it's inequality and exclusion challenges:

- Community Engagement Characterisation
- Corporate Social Responsibility (CSR) Funding Matchmaking Platform
- Youth Engagement Platform

Potential Economic Impact*

£45.84m

per annum in the form of benefits relating from:

- Access to a wider set of funding opportunities for third sector organisations
- Increased direct outputs (donations, in-kind contributions, and beneficiaries)
- Reduced numbers of people not in education, employment, or training (NEETs)
- Reduced levels of general unemployment and fewer residents in poor / very poor health.

Urban Food Systems



This project will create a vertical farm as a prominent smart city flagship facility for Birmingham, making a significant contribution to the city's Route to Zero contribution by providing a more sustainable source of food.

The farm will focus on growing vegetables and herbs that the UK typically imports from far away places, such as the Indian subcontinent and East Asia, which will result in a significant reduction in food miles and carbon emissions. It will also run community engagement events to promote healthy diets.

Potential Economic Impact*

£1.7m

Per annum from the creation of operational stage high value jobs in the Tyseley area.





£447k

per annum across the following impact areas:

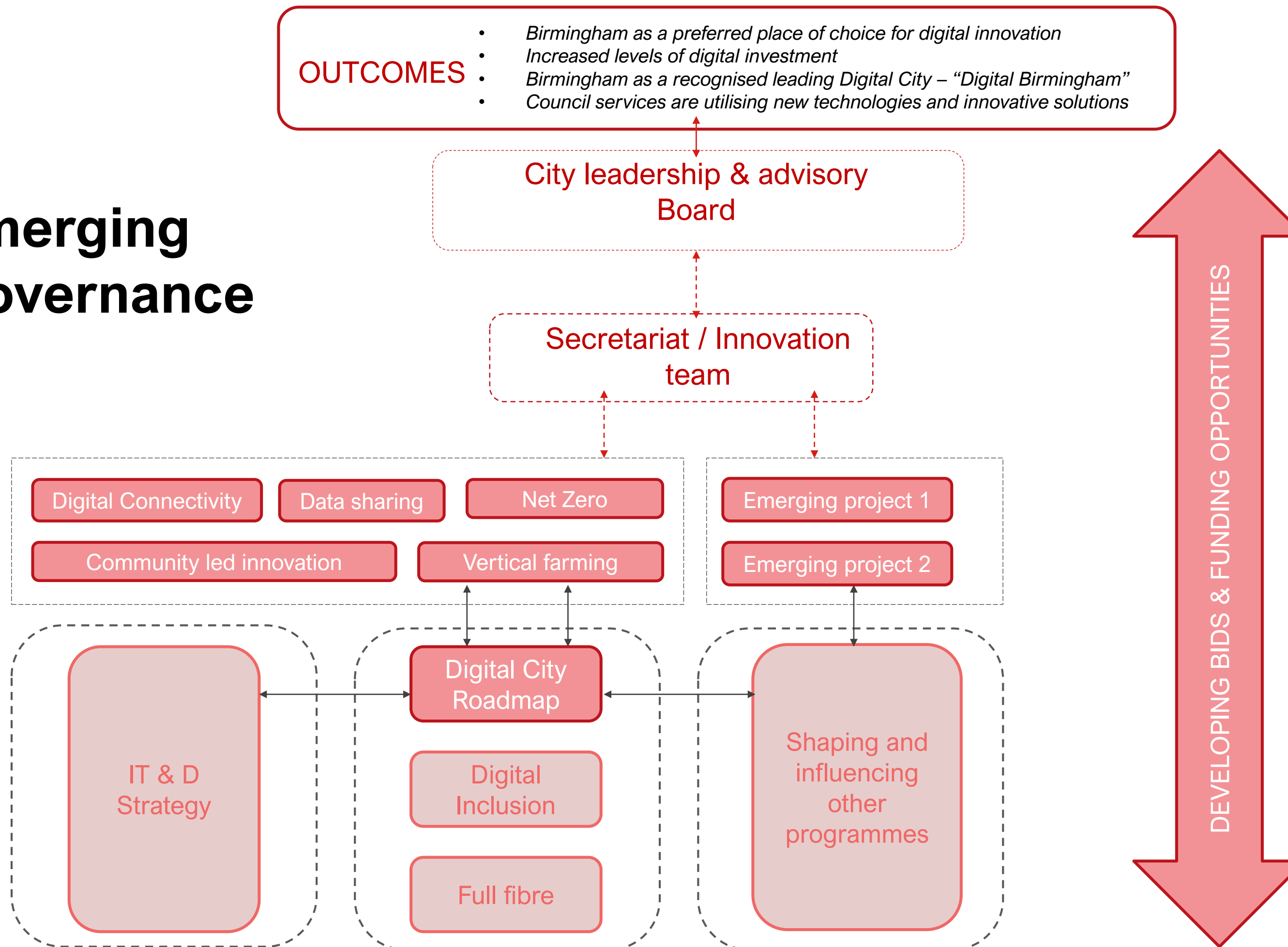
- Water bill savings
- CO2 emissions
- Reduced food miles.

Building the Foundational layers and Early Interventions to accelerate the Digital City

In addition to the 5 business cases, the Council is already developing a number of foundational projects

	Outcome	Project Activity
	Creating the enabling Infrastructure	Soft market tender to attract market investment for full fibre capacity across the City
	Building Digital Skills and Capabilities	Launch and implementation of an action orientated Digital inclusion strategy co-designed by community organisations
	Levelling up areas social deprivation	Attracting private sector investment to provide broadband connectivity for our social tenants
	A testbed for Innovation and ideation	Working with cross city partners to develop the Birmingham Knowledge Quarter to stimulate SME growth and accelerate digital investment

Emerging Governance



Work in Progress

Establish a digital programme for the city as a key deliverer of social, economic and environmental outcomes within the Inclusive Growth and Route to Zero programmes:

- 1) Agree 5 initial business cases and a medium to long term roadmap aligned to the City Board's major challenges to establish a Digital Birmingham
- 2) Agree a form of collective governance reporting to the City Board to oversee delivery of the portfolio
- 3) Appoint a cabinet portfolio holder responsible for the digital city programme, supported by a small digital city team to support ongoing innovation and administration of programme delivery



Economy & Skills O&S Committee: Work Programme 2021/22

Chair:	Cllr Saima Suleman
Deputy Chair:	Cllr Chaman Lal
Committee Members:	Cllrs Alex Aitken, Maureen Cornish, Peter Griffiths, Zaheer Khan, Simon Morrall and Darius Sandhu
Officer Support:	Ceri Saunders, Acting Group Overview & Scrutiny Manager (303 2786) Baseema Begum, Scrutiny Officer (303 1668) Errol Wilson, Committee Manager (675 0955)

1 Meeting Schedule

Date	What	Officer Contact / Attendees
16th June 2021 (informal) 1000 hours Online meeting	To discuss priorities for the 2021/22 work programme.	Scrutiny Office
14th July 2021 (informal) 1000 hours Online meeting Report deadline: 5 th July	Supporting the Economic Recovery from Covid-19 – jobs & skills & supporting SMEs	Maria Dunn, Head of Development Policy Ilgun Yusuf, Assistant Director, Skills & Employability
15th September 2021 1000 hours BMI Main Hall Report deadline: 6 th Sept	East Birmingham Inclusive Growth Strategy – update Update on Brexit	Mark Gamble, East Birmingham Development Manager Lloyd Broad, Head of European Affairs and Ozge Iskit, Interim Brexit Co-Ordinator
6th October 2021 (informal) 1000 hours Online meeting Report deadline: 27 th Sept	Redevelopment of Birmingham Smithfield and surrounding area Council support to businesses	Richard Brown, Timothy Brown, Inclusive Growth Directorate Mohammed Zahir, Head of Business Enterprise and Innovation



Date	What	Officer Contact / Attendees
3rd November 2021 (informal) 1000 hours Online meeting Report deadline: 25 th Oct	Economic impacts on Birmingham's night-time economy (culture, leisure and hospitality sectors) of new residential developments (in relation to targets set in the Birmingham Development Plan)	Maria Dunn, Head of Development Policy
8th December 2021 (informal) 1000 hours Online meeting Report deadline: 29 th Nov	6-month assessment on the impact of the Clean Air Zone on businesses within the area	Stephen Arnold, Head of Clean Air Zone
5th January 2022 (informal) 1000 hours Online meeting Report deadline: 23 rd Dec	Cabinet Member for Education, Skills & Culture – Annual Skills Update	Cllr Jayne Francis, Cabinet Member for Education, Skills & Culture Illgun Yusuf, Assistant Director, Skills & Employability
2nd February 2022 (informal) 1000 hours Online meeting Report deadline: 24 th Jan	The role of property management, highways and regeneration policies and impact of highways work in relation to the Council's approach to small businesses and small business cooperatives Digital City Programme and Roadmap	Kevin Hicks, Assistant Director, Highways & Infrastructure Mohammed Zahir, Head of Business Enterprise & Innovation Rebecca Farr, Development Planning Manager Ian Chaplin, Head of Investment Property Management, Naomi Griffin, Property Asset Management and Income Manager Dr Peter Bishop, Director, Digital and Customer Services and Raj Mack, Head of Business Engagement, Digital and Customer Services
2nd March 2022 1000 hours Venue: TBC Report deadline: 21 st Feb	Understanding Planning Enforcement: existing practices, enforcement policies and procedures East Birmingham Inclusive Growth Strategy – update (TBC)	Councillor Ian Ward, Leader Simon Delahunty-Forrest, Assistant Director, Development James Wagstaff, Head of Enforcement & Planning Technicians Mark Gamble, East Birmingham Development Manager



Date	What	Officer Contact / Attendees
27 th April 2022 1000 hours Venue: TBC Report deadline: 18 th April	TBC	

2 Other Meetings

Call in Meetings	<i>None scheduled</i>
Petitions	<i>None scheduled</i>
Councillor Call for Action Requests	<i>None scheduled</i>

- 2.1 It is suggested that the Committee approve Wednesday at 1000 hours 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.

3 Forward Plan for Cabinet Decisions

The following decisions, extracted from the Cabinet Office Forward Plan of Decisions, are likely to be relevant to the Economy & Skills O&S Committee's remit. **Please note this is correct at the time of publication.**

Reference	Title	Portfolio	Proposed Date of Decision
009031/2022	DRAFT FINANCIAL PLAN 2022-2026	n/a	08 Feb 2022
009281/2021	Adoption of Perry Barr 2040: A Vision for Legacy Masterplan and endorsement of the Perry Barr 2040 Delivery Plan	Leader	08 Feb 2022
009408/2022	25 Year City of Nature Delivery Framework	Leader	08 Feb 2022
009604/2022	Adoption of the Smethwick to Birmingham Corridor Framework Supplementary Planning Document and approval of the Grove Lane Masterplan	Leader	08 Feb 2022
009717/2022	Digital Strategy 2022-24	Deputy Leader	22 Mar 2022
007884/2020	Proposed Compulsory Purchase Order –Digbeth & Allison Street Birmingham for the Beorma Quarter Development	Leader	22 Mar 2022
008303/2021	Asset Review - Multi-storey car park, Brunel Street, Birmingham	Leader	22 Mar 2022



Reference	Title	Portfolio	Proposed Date of Decision
009407/2022	Enterprise Zone Investment Plan 2022	Leader	22 Mar 2022
009552/2022	Proposed Compulsory Purchase Order – Princip Street Development	Leader	22 Mar 2022
009663/2022	Promotion of Council Owned Land within Bromsgrove	Leader	22 Mar 2022
009685/2022	Adoption of Supplementary Planning Documents: Houses in Multiple Occupation and Large-scale Purpose-built Shared Accommodation	Leader	22 Mar 2022
009718/2022	Digital City Programme and Roadmap	Deputy Leader	26 Apr 2022
009445/2022	City Centre Public Realm Improvement Scheme (CCPR) Full Business Case (FBC) phase 2	Transport & Environment	26 Apr 2022
009239/2021	Disposal of Murdoch and Pitman, Birmingham, 153 - 161 Corporation Street, Birmingham	Leader	17 May 2022
007686/2020	Historic Environment Supplementary Planning Document	Leader	28 Jun 2022