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ECONOMIC DEVELOPMENT & MANAGED GROWTH SCRUTINY BOARD

13 June 2022

MINUTES

Present: Councillors: D Pinwell (Chairman), M Parker, A Feeney, Mrs D Holl-Allen MBE, W Qais, J Ryan, K Thomas, M McLoughlin and A Hodgson

Councillors in Attendance : Councillor I Courts: Leader of the Council and Cabinet Portfolio Holder for the Economy
Councillor A Mackiewicz: Cabinet Portfolio Holder for Climate Change, Planning and Housing
Councillor K Hawkins: Cabinet Portfolio Holder for Environment & Infrastructure

External Guest Christine Doel: Project Director, SQW

Officers: Perry Wardle: Assistant Director, Growth and Development
Rupert Waters: Interim Head of Economic Development
Rachel Egan: Head of Inclusive Growth
Paul Rogers: Democratic Services

The Economic Development and Managed Growth Scrutiny Board meeting commenced at 6:00 p.m.

1. **CONFIRMATION OF ELECTION OF CHAIRMAN AND APPOINTMENT OF VICE CHAIRMAN FOR THE 2022/23 MUNICIPAL YEAR**

For the position of Chairman, Councillor M Parker nominated Councillor D Pinwell, seconded by Councillor Mrs Holl-Allen MBE.

RESOLVED:

There being no other nominations received, Councillor Pinwell was unanimously appointed to the position of Chairman for the 2022/23 municipal year.

For the position of Vice Chairman, Councillor Mrs Holl-Allen MBE nominated Councillor M Parker, seconded by Councillor A Feeney.

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RESOLVED:

There being no other nominations received, Councillor Parker was unanimously appointed to the position of Vice Chairman for the 2022/23 municipal year.

2. APOLOGIES

No apologies for absence were received.

3. DECLARATIONS OF PECUNIARY OR CONFLICTS OF INTEREST

No declarations of interest were received.

4. QUESTIONS AND DEPUTATIONS

No questions or deputations were received.

5. MINUTES

The Economic Development and Managed Growth Scrutiny Board:

RESOLVED:

- (i) To agree the Economic Development and Managed Growth Scrutiny Board Draft Minutes arising from the Scrutiny Board meeting held on 8th March 2022 as a true record.

6. CABINET PORTFOLIO HOLDERS PRIORITIES FOR THE 2022/23 MUNICIPAL YEAR

The report before the Scrutiny Board outlined priorities for the 2022/23 Municipal Year of the Leader of the Council (and Cabinet Portfolio Holder for the Economy), Cabinet Portfolio Holder for Environment and Infrastructure and Cabinet Portfolio Holder for Climate Change, Planning and Housing.

Councillor Courts (Cabinet Portfolio Holder for the Economy and Leader of the Council) provided the following highlights from his portfolio for the 2022/23 municipal year:

- **The Borough Wide Economic Strategy:** Councillor Courts noted that the Borough Wide Economic Strategy had to be linked and integral to a range of Council policies to be effective.
- **HS2:** In relation to HS2, City College in conjunction with Balfour Beatty were providing construction skills and training opportunities.

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- **Town Centres Framework:** Seeking to re-purpose town centres in the borough (e.g. retail) to enable the Council to repurpose the High Street, an example being Mell Square.
- **Shirley Economic Plan**
- **Kingshurst Village Redevelopment:** Initial site clearance has commenced.
- **Chelmsley Wood Town Centre:** Represents a longer term project, with improvements and re-purposing of the town centre.
- **Arden Cross and HS2:** Multi Storey car park application in place.
- **Transport Infrastructure:** Seeking to implement better cross-borough transport infrastructure.
- **West Midland Combined Authority (WMCA):** Seeking to shape the devolution deal and Levelling Up agenda.
- **Simon Digby Housing Development Site:** Project is being brought forward after 9 years, which is zoned for housing development. It was important to utilise the brownfield element of the site for housing development.
- **Arts and Cultural Sector:** Recognised that there are opportunities for residents to access employment and training via this sector (and linked to transport connectivity strategies).

Councillor Mackiewicz (Cabinet Portfolio Holder for Climate Change, Planning and Housing) provided the following highlights from his portfolio for the 2022/23 municipal year:

- **Net Zero Action Plan (NZAP):** Is in place for 2022.
- **New Local Plan:** To be implemented 2022/23; to encourage better development and bio-diversity across the borough.
- **Retro-Fitting of Houses:** Net Zero homes from 2025, targeting ECP's down to a B/C rating for residents in Solihull. Elmdon / Chelmsley Wood Council housing stock; seeking to secure funding to pursue retro-fitting.
- **Borough Tree Planting Strategy:** To continue to plant indigenous trees only in sympathy with the local environment.

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- **Wildlife Ways Network:** To embed further to maintain bio-diversity and support of the net zero commitment.
- **Natural Capital Strategy:** Continues to be developed.

Councillor Hawkins (Cabinet Portfolio Holder for Environment and Infrastructure) provided the following highlights from his portfolio for the 2022/23 municipal year:

- **SPRINT Scheme:** Phase 2 – Has links to the Borough Wide Economic Strategy as a barrier to continued economic growth is congestion, which must be addressed.
- **Transport:** In the West Midlands is a key objective in partnership with the WMCA.
- **Modal Shift:** And behaviour change towards utilising public transport is recognised as vital.
- **Walking and Cycling Strategy:** Continue to promote.
- **Autonomous Vehicle Trials:** SMBC is a leading local authority in this field in the U.K.

Having received the respective Cabinet Portfolio Holder's presentations and having considered the report, the Economic Development and Managed Growth Scrutiny Board:

RESOLVED:

- (i) To note the respective Cabinet Portfolio Holder's priorities for the 2022/23 Municipal Year.

7. BOROUGH WIDE ECONOMIC STRATEGY

The report before the Scrutiny Board advised on the commissioning and subsequent progress towards the production of a new Economic Strategy for Solihull and to provide the Board with the opportunity to scrutinise the approach taken and outputs to date.

Ms. Christine Doel (Project Director, SQW) provided Members of the Scrutiny Board with a presentation, through which the following salient points were made:

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- There was a requirement through the Borough Wide Economic Strategy to review productivity and growth for the borough, with an awareness of inclusivity.
- The Council was seeking to produce a strategic vision and guiding narrative for:
 - 1) Regeneration and redevelopment
 - 2) To reflect the Council's wider vision (with an emphasis on 'for all')
 - 3) Actions needed to deliver the strategy
- Development of the strategy is viewed as iterative and divided into three main phases, which are **Scoping**, **Strategic Phases** and **Actions**.
- Consultants were seeking to provide support to the Council for strategic delivery. To date, scoping and consultation was taking place with a range of stakeholders.
- The economic evidence for the borough was generally positive. Rapid economic growth had been evidenced since the inception of the M42 Masterplan regarding (Gross Value Added); however, productivity is less convincing and is not improving substantially.
- The borough has a good skills profile, particularly for younger people.
- Unemployment is relatively low.
- Earnings are better than the national average.
- Residents enjoy living in the borough.

Identified and known challenges include:

- The main challenge is the unequal position of deprivation versus affluence across the borough, which the strategy is geared towards addressing.
- An ageing population, particularly over the next decade.

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- CO² emissions are worse than the national average, which the Net Zero Action Plan (NZAP) is addressing going forward. The NZAP and the Council Economic Strategy have to fit together in this regard.
- New business start-up rates are rather low.

The scoping and consultation exercises undertaken to date have demonstrated that:

- Skills training, productivity, inclusive growth and net zero have all been referenced by consultees, which has led to questioning how to advance these themes simultaneously and positively across the three main phases of **Scoping**, **Strategic Phases** and **Actions**.
- Employment opportunities created in the borough must be made available to those who need them via skills training, access opportunities and employment information.
- Planned inward investment has to be directed towards achieving broader outcomes.
- North Solihull has been an economic priority for the Council for a substantial period of time, for which new solutions are required. There is a recognised link to the public health agenda.

Next steps include identifying risks and uncertainties external to Solihull in order to anticipate and respond to substantial themes, particularly:

- Pace of economic growth nationally and how to drive forward the Council's 10-year strategy in the national context.
- Net Zero is being embedded locally and regionally, but there is an issue of longer term commitment over the next 10 years in terms of how far forward the continuing commitment will be resourced.

The above issues lead to four scenarios impacting on the three imperatives previously referenced:

1. Concerns in Solihull – It is recognised that there is substantial innovation in the borough, but not as much enterprise is seen as is desired. Small businesses are required to be responsive to Net Zero and involved in the Council's Local Plan moving forward.
2. The level of demand for developmental sites / land and the relationship with Net Zero objectives in the borough. Demand for office space – not

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all stock is in the top quartile as regards Net Zero aspirations. Big opportunities for retro-fitting and application of green construction methodologies and materials.

3. Access and connectivity – local people accessing local jobs.
4. Future Opportunities – health analytics as a sector within the borough.

Members were further informed that a second series of engagement workshops were scheduled with stakeholders for mid-July 2022, with a completed Strategic Action Plan due by the end of Summer 2022.

Having received the presentation, Members of the Scrutiny Board were invited to submit further questions in relation to the report, which in summary included the matters detailed below.

Councillor Parker welcomed the Borough Wide Economic Strategy, but emphasised that its current weaknesses had to be identified. In this respect, Councillor Parker commented that in its current form the Strategy appeared to be too unwieldy to cascade down the individual themes/components and queried how its implementation would be measured.

In reference to deprivation in the north of the borough, Councillor Parker noted that £500M had been spent over the last decade in regeneration initiatives and that the Council had to be mindful of other areas of deprivation within the borough. All areas in the borough had to benefit from the Borough Wide Economic Strategy.

Ms. Doel (Project Director, SQW) agreed with the matters raised by Councillor Parker and noted that one task to be undertaken involved stripping back the Borough Wide Economic Strategy in order to better communicate it to stakeholders. The borough wide deprivation profile had been recognised and would be addressed as the Strategy was implemented.

Councillor Courts stated that he was not in favour of a Borough Wide Economic Strategy without defining what interventions could be made and what the Council could deliver through it; for example, how to make the borough more attractive to support growth at all times.

Councillor Mrs Holl-Allen MBE welcomed the report, but found the level of business start-up rates detailed within the report worrying and was conscious of the need for new small business to support economic growth. Secondly, in terms of an ageing demographic in the borough, Councillor Holl-Allen saw this as potentially problematic in terms of people continuing to work in later life (post retirement) and thereby blocking access to the employment market for younger people.

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Councillor Courts proposed that it could be stated the presentation was down beat in presenting the borough profile; for example, in 2019 the GVA per head in Solihull was £47,404.00, which was top in the West Midlands region. The Council had to decide how it would further increase GVA across Solihull.

With reference to the arts and cultural sector, 5 – 10% of people were employed in creative industries, which could provide an access point to employment opportunities and new business start-ups in town centres moving forward.

Finally, Councillor Courts stated that the Council needed to create the conditions for encouraging inward investment and job creation in the borough, which included presenting a positive profile of the borough to attract investment.

Councillor Feeney welcomed the Borough Wide Economic Strategy, but queried whether it took account of the Council's desire for economic growth balanced against the potential for over development in light of the Council Plan objectives regarding the NZAP and public health considerations. Councillor Feeney noted that the characteristics of the borough which drew people to live in Solihull should not be overlooked.

The Assistant Director, Growth and Development advised Members that the Strategy would not be taken forward in isolation; for example, the Draft Local Plan details a balanced approach to development in the borough which also supports economic growth.

Councillor Feeney stated that there had to be a recognition and reflection of the diversity of employment and up-skilling opportunities across the borough. The Head of Inclusive Growth explained why there was no separate employment or skills strategy outside of the Borough Wide Economic Strategy, as these themes would be a key component of the Borough Wide Economic Strategy for geographical areas such as North Solihull and Shirley and for service providers such as careers advice, job centres and colleges.

Councillor Qais noted a section of the report referencing young people, fostering services and access to education and questioned how these elements would be taken forward. Members were advised that the Council supported the delivery of careers advice and education, with schools increasingly requesting labour market data, such as the type of sectors actively employing young people and the types of employment available locally and regionally. The intention would be to match access to training and pathways into the job markets identified through such data sharing. The Assistant Director, Growth and Development further noted that the Borough Wide Economic Strategy entailed a 10 year look ahead, involving various scenario planning and detailed action planning over the next 2 – 3 years. All actions would be constantly monitored with a performance dashboard in place to measure the 3 aspects of the Economic Strategy.

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Councillor Thomas highlighted that logistics recruitment was problematic in the region and that up-skilling was not always the solution to raising productivity. Rather, to be effective, training had to be embedded in the workplace and employees empowered to make changes to the productivity processes themselves.

With regard to the Council Vision detailed in the report, Councillor Thomas noted that there was a requirement to watch that all residents were given the same opportunities, with a greater emphasis on equity across the borough, with some areas requiring greater levels of resource and support in order to level the positions from which residents were starting in terms of accessing training and employment.

Regarding the ageing population, Councillor Thomas queried whether with an ageing population in the borough leading to more retirees, would this scenario lead to more people entering the borough seeking to fill potential employment opportunities and therefore increase housing pressures.

Finally, Councillor Thomas observed that on line retail continued to present a risk to High Street retail businesses and a major threat to town centres.

The Head of Inclusive Growth advised that there was currently a tight labour market, which required supporting more people into employment. The Council was exploring ways of improving the overall awareness of job opportunities available in the borough. In terms of improving access to training opportunities, the Council continued to work with training providers and colleges and was working to address the suitability of courses on offer to ensure that they provided the type of skills and qualification in demand from local employers.

The Assistant Director, Growth and Development noted that in terms of town centres, part of the Council's response to some of the issues highlighted by Scrutiny Board was addressed via the Town Centre Master Plans. With regard to equity of access to training and employment opportunities, the Council was addressing the specific needs of different communities in different areas across the borough.

Councillor Ryan noted that a number of young people were effectively trapped by deprivation and that any strategies put in place to address this should only be measured by the effectiveness of the outcomes arising. Councillor Ryan emphasised the need for local engagement with local residents when discussing job creation in order to properly understand local needs.

Councillor Courts noted that at this point in the development of the Borough Wide Economic Strategy, key issues and drivers identified for further consideration included why was the Council adopting its current approach, what was the Council seeking to achieve, what outcomes were desired, what were the unique selling features the borough had to offer to attract inward

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investment, what interventions would deliver the desired goals, what were the obstructions to delivery and what form would monitoring and measurement of outcomes take.

Councillor McLoughlin stated that his main concern involved developing a strategy that could be measured in terms of outputs, for example, how retaining value in local communities through the inclusive growth agenda would work. Councillor McLoughlin further noted that there was a big difference between economic and social value and the distribution thereof, with those residents not benefitting directly from any economic growth suffering from the further economic inequalities generated. As such, understanding what comprised social value was an imperative.

With reference to the presentation, Councillor McLoughlin referenced the commitment to delivering Net Zero and the potential threat to local priorities (i.e. wider availability of resources) and noted that there must be a credible plan and terminology in place to address this area. In terms of the scenarios detailed for the various economic projections during the life time of the strategy, Councillor McLoughlin stated that the Council must plan for the worse-case scenario, rather than hope for the best, and stated concern that the Council probably had more work to do addressing this.

Finally, Councillor McLoughlin raised the threat to the Council's climate commitments, stating that there had to be economic and social value leading to net benefit to the environment, which should be reflected in the Borough Wide Economic Strategy. The Council Vision must be equitable, with clear measurement methodologies in place.

Councillor Courts observed that presenting a negative perspective of the borough's economic potential could deter further inward investment opportunities. In terms of delivering net zero objectives, climate change policy and supporting actions needed to be embedded in economic growth policies.

Councillor Mackiewicz observed that economic growth and climate change were one and the same thing, as exemplified by electric vehicle growth, retro fitting of houses and green construction technologies.

Councillor Parker questioned how the Borough Wide Economic Strategy could benefit from the West Midlands Industrial Strategy, how collaborative working across geographic areas could benefit Solihull, could the Borough Wide Economic Strategy be published on the Council website once approved and could a Borough Wide Economic Strategy Update Report be provided for the Scrutiny Board in 6 months' time.

The Interim Head of Economic Development advised Members that the West Midlands Industrial Strategy was being phased out. Consideration was being given to developing Action Plans for the Borough Wide Economic Strategy. The Council was looking to engage a range of stakeholders, both regionally and

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across geographic areas with other partners. The Council will seek to fully utilise partnership and stakeholder arrangements in order to deliver economic benefits for Solihull.

Councillor Courts noted that Solihull was not a transport authority and that it was important to join up across Cabinet portfolios to make cohesive policy links for transport and infrastructure. Transport policy required collaboration and Councillor Courts was mindful not to lose the functional economic geography brought about the Local Enterprise Partnership's (LEPs) arrangements. A substantial part of the SMBC economic agenda was predicated on a regional basis for private and inward investment.

Councillor McLoughlin stated that the role of scrutiny was to provide critical friend challenge, otherwise it was not helpful. Councillor McLoughlin stated that he understood the market of the Borough Wide Economic Strategy to attract inward investment into the borough, but also stated the Council must be cognoscente of the economic challenges present in the borough, for example child poverty.

Councillor Courts noted that the role of scrutiny was to also provide alternative policy development and generally contributing towards Council wide policy development, which contributed towards offering solutions for some of the borough's issues.

Having considered the Borough Wide Economic Strategy report, the Economic Development and Managed Growth Scrutiny Board:

RESOLVED:

- (i) To note the issues set out in the report regarding the preparation of a new Economic Strategy for the Borough; and,
- (ii) To note the methodological approach taken in the preparation of the strategy.

8. ECONOMIC DEVELOPMENT AND MANAGED GROWTH SCRUTINY BOARD WORK PROGRAMME 2022/23

The purpose of the report was to provide Members of the Economic Development and Managed Growth Scrutiny Board with reference to the Work Programme for the 2022/23 municipal year. Members were invited to propose additional topics for scrutiny, remove topics and re-prioritise subjects detailed in the Work Programme for the 2022/23 municipal year.

Members were informed that the following requests had been received from SCH and the Economy and Infrastructure Directorate for additional reports outside of the Work Programme 2022/23 to be considered. The requests for

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additional reports to be scrutinised by the Economic Development and Managed Growth Scrutiny Board were:

- Housing Allocation Scheme Report: Request received from SCH to report to the Economic Development and Managed Growth Scrutiny Board meeting scheduled for 13th September 2022.
- Council Housing Asset Management Strategy Report: Request received from SCH to report to the Economic Development and Managed Growth Scrutiny Board meeting scheduled for 17th November 2022.
- Housing Strategy Report: Request received from the Economy and Infrastructure Directorate to report to the Economic Development and Managed Growth Scrutiny Board meeting scheduled for 17th January 2023.

Having reviewed and discussed the Work Programme 2022/23, the Economic Development and Managed Growth Scrutiny Board:

RESOLVED:

1. To move ⁴ **CIL Levy / Section 106 Arrangements Report** originally scheduled for 13th September 2022 to 17th January 2023;
 2. To consider the **Housing Allocation Scheme Report** (SCH) on 13th September 2022;
 3. To consider the **Borough Wide Economic Strategy Final Draft Report** on 13th September 2022;
 4. To receive a briefing via e-mail on ⁵ **Town Centres Framework Update Report**, originally scheduled for 13th September 2022 (with Members taking a view prior to the Board meeting as to whether they do take a formal report at the Board meeting on 13th September 2022);
1. To receive a report on ⁷ **Net Zero Action Plan** on 17th November 2022, with an e-mail update briefing on the Low Carbon Energy Network;
 2. To receive a **Council Housing Asset Management Strategy Report** (SCH) on 17th November 2022; and,
 3. To receive a **Housing Strategy Report** from the Economy and Infrastructure Directorate on 17th January 2023.

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The Economic Development and Managed Growth Scrutiny Board
meeting closed at 8:13 p.m.

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