

Minutes of Economy Skills Transport and Environment Scrutiny Board

**Thursday 14th July 2022 at 5.00pm
in the Committee Room, Sandwell Council House, Oldbury**

Present: Councillor Simms (Chair);
Councillors Taylor (Vice Chair), Abrahams, Fenton,
Gavan, Z Hussain, Kaur, Owen and Rahman.

Officers: Tony McGovern (Director of Regeneration and
Growth), Sarah Middleton (Chief Executive of The
Black Country Consortium), Rina Rahim (Towns Fund
Programme Manager) and Stephnie Hancock (Senior
Democratic Services Officer).

29/22 **Apologies for Absence**

An apology for absence was received from Councillor John
Giles.

30/22 **Declarations of Interest**

There were no declarations of interest made at the meeting.

31/22 **Minutes**

Resolved that the minutes of the meeting held on 10
March 2022 are confirmed as a correct record.

32/22 **Urgent Additional Item of Business**

There were no urgent additional items of business to
consider.

The Black Country Consortium Limited – Activity 2021/23

The Board noted a presentation on the activity undertaken by the Black Country Consortium (The Consortium) and the Black Country Local Enterprise Partnership (BCLEP); and the ambitions set out in the Black Country Strategic Economic Plan.

The Consortium was a partnership of public, private and voluntary sector organisations aimed at stimulating the drivers of economic development, education and skills development and infrastructure, and environmental enhancements. It offered a comprehensive understanding of the socio-economic challenges and opportunities in the Black Country and the wider West Midlands area. Its Economic Intelligence Unit (EIU) provided rigorous economic analysis across the three key strategic themes outlined in the Strategic Economic Plan - people, businesses and place, which was used to inform different stages of the policy-making cycle, including:-

- critical assessment of the socioeconomic challenges across the four local authorities;
- evidence-based strategy and policy development;
- project and programme design and feasibility;
- programme management; and
- monitoring and evaluation.

The Consortium provided access to a flexible resource to enable and support the development of the 'place-based narrative' providing quantitative data as well as the latest qualitative insights and the most up to date labour market intelligence.

An overview was provided of the Black Country economy, with the following data highlighted:-

- the number of apprenticeship starts had decreased by 420 in 2020/21, when compared to national data, for Sandwell this meant a reduction of 250;
- employment rates had increased in 2021 by 1.4%, and 2.1% in Sandwell, which was due to a greater shift to

- full time employment and an increase in females going into employment;
- Sandwell had seen an excellent increase in the number of new enterprises in 2020, with an increase of 22%, compared to 0.4% for the Black Country as a whole. Sandwell also had good survival rates for new business.
 - Growth in skills levels stood at 27% for Sandwell in 2021, and 31% for the Black Country.
 - Population growth was substantial, which meant that the Black Country target had been met 13 years early. This was a result of a lot of movement across the Black Country, with a particularly strong interface between Sandwell and Birmingham. Further detail would be provided to members on migration patterns, along with an analysis of tenure.

The impact of the covid-19 pandemic and Britain's exit from the European Union – "Brexit" - was highlighted. Retail, the visitor economy, creative industries and tourism had been most affected by the pandemic. Advanced manufacturing and engineering, retail and transport technologies were most affected by Brexit due to the impact on competition. The Ukraine and Russia conflict was also likely to impact on the manufacturing sector due to the supply of steel and associated costs. A Recovery Plan framework had been developed, which intended to gain an understanding of how to continue to support businesses, with a focus on upskilling and training, green growth, places, and public service reform.

The Local Enterprise Partnership (LEP) was a partnership of private, public and voluntary sector organisations with a focus on stimulating the drivers of economic development, education and skills development, and infrastructure and environmental enhancements. In 2021 the Government undertook a review of the 38 LEPs across England and determined that those LEPs in a Combined Authority area would be merged, "folded", into the West Midlands Combined Authority (WMCA). For the Black Country, Coventry and Warwickshire and Greater Birmingham and Solihull LEPs, 2022/23 was therefore a transition year into these new arrangements and work was being led by the WMCA with engagement from the three LEPs, the three Growth Hubs and the WM Growth Company.

The Black Country Careers Hub aimed to help merge together careers guidance and opportunities between schools and businesses. Schools were benchmarked by how well they were performing in terms of workplace achievements for their students and quality of guidance. All schools had improved as result of measuring progress and focusing on areas of improvement. All schools in Sandwell and some SEN schools were partnered. Engagement was taking place with business to identify their future direction. It was noted that colleges and employers were not yet offering training/jobs in certain fields e.g. installation of heat pumps, due to the currently low levels of manufacturing of the pumps.

The Active Black Country Partnership was the strategic lead for Sport and Physical Activity across the Black Country; funded by Sport England as part of the national network of Active Partnerships. The Partnership focused on the power of physical activity and sport to change people's lives. The vision was to create an active, healthy and prosperous Black Country and get the regions 323,000 inactive residents active, to cut health and adult social care costs alongside contributing to carbon zero ambitions and Black Country Plan for Growth.

The following was noted in response to members' comments and questions:-

- There was a general lack of understanding about the different pathways available into apprenticeships.
- Right to Buy remained available to help people own their own homes. Shared ownership with a housing association was also an option. First Homes was another new means for people to purchase their own homes offering a 30% discount (funded by Homes England) against market value in perpetuity. The Council was working with Homes England to designate a number of properties in Sandwell.
- Work was being undertaken with the Canals and River Trust to develop a canal strategy to focus on integration across the Black Country, walking and cycling strategies and cleaner travel.
- Sandwell's population was growing faster than other Black Country boroughs, however, this presented a risk in terms of loss of employment land to housing.

- Healthcare was a growth sector for Sandwell, with the development of the new Midlands Metropolitan Hospital. Towns Fund monies were being used to develop a learning quarter on the hospital site, which it was anticipated would lead to a decline in manufacturing careers in favour of higher paid roles in the health and care sector.
- Site investigations had taken place on a number of used/derelict sites in Sandwell, however, many of them presented challenges in terms of their previous uses and the need to decontaminate them. It cost an average of £10-12k per home to remediate a brownfield site for residential development.
- There was a shortage of all housing types in Sandwell. Less than 50% of the target for new homes was currently being delivered.

34/22

Towns Fund Full Business Cases

Further to Minutes Nos. 31/21 (30th September 2021) and 22/22 (10th March 2022) the Towns Fund Programme Manager updated the Board the Towns Fund Programme to provide assurance that the programme was progressing in line with Government requirements and the agreed local assurance process.

The remaining 13 business cases had now been approved by Government, which would bring West Bromwich £25m; Smethwick £23.5m and Rowley Regis £19m, making Sandwell's total Towns Fund allocation £67.5m.

As the programme entered Phase 3 (delivery) the Council would become the Accountable Body for the funding, responsible for administering the funds and responsible for ensuring the projects deliver the contracted outputs and outcomes in accordance with the Towns Fund Terms & Conditions. Partnership Agreements were being prepared between the Council and projects to ensure appropriate risk transfer relating to project delivery.

The governance structure in place during Phase 1 and 2 - the Towns Fund Superboard, supported by three Local Boards - had been effective in allowing the development of projects to Full Business Case through robust due diligence

and assurance processes. However, to better serve the efficient reporting throughout the delivery phase, the Superboard had been dissolved and the Local Boards had inherited the Superboard responsibilities from May 2022 (Minute No. 108/22 of the Cabinet meeting held on 18th May 2022 refers). Local Boards would meet quarterly to review programme and project progress to provide assurance that projects are delivering as per approvals.

To enable the Council to fulfil its Accountably Body responsibilities, an Assurance Framework had been approved by the Cabinet on 22 June 22 (Minute No 125/22 refers), setting out how the Accountable Body, Local Boards and project partners would monitor and manage the Towns Fund Programme effectively, ensuring timely release of funds. At least every six months, the Council's Chief Finance Officer was required to provide Government with a comprehensive set of data relating to each Towns Fund Project, including both claimed and forecast spend, and output metrics.

Following comments and questions from members of the Board, the following responses were made, and issues highlighted:-

- Levelling Up Fund projects required support of local MPs. Towns Fund projects did not. Some member engagement had taken place to select the projects, however lessons had been learned and it was recognised that engagement could have been better.
- Oldbury Town Board had developed a list of potential projects, should the opportunity to bid for funding arise in the future.

A further update would be given at the Board's meeting in November 2022.

35/22

Cabinet Forward Plan

The Board noted the Cabinet forward plan for the period March to May 2022.

36/22

Work Programme

The Board noted its work programme for 2022/23, which had been developed following a work programming event for all scrutiny boards on 13 June 2022.

Further to Minute No. 23/22 (of the meeting held on 10 March 2022), the scope for the review of the Strategic Road Safety Plan 2017-2022, which had been approved by the previous Chair and Vice-Chair was noted. All Board members would participate in the review, and Councillors Kalari and Williams would be invited to attend working group meetings.

Meeting ended at 6:48pm

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