

Update on Business Engagement Activity: April - September 2013

Ward(s) All

Portfolios: Cllr A Andrew – Deputy Leader and Regeneration and Transport

Executive Summary:

Introduction

On behalf of Walsall Council, the Regeneration Directorate delivers a range of activity that aims to support employment growth, including:

- Attracting new national and international investment to Walsall
- Retaining and growing businesses in Walsall through signposting to existing support, assisting with their premises and sites and directly addressing business needs and challenges where possible
- Supporting the development of new and existing supply chains within Walsall
- Increasing the amount and number of Walsall businesses accessing and trading in International markets
- Maximise local training, employment and business opportunities from investment, development and growth

The attached report (Summary - Walsall Business Engagement April-September 2013) sets out the key business engagement and support activities delivered through the Strategic Regeneration and Development & Delivery teams working together during the first six months of 2013/14.

Setting out how each activity has looked at the demand, the job creation, the turnover and redevelopment implications, how officers have attempted to meet the demands, and an analysis of systems capacity and barriers to meet the demand.

In delivering both business investment and employment and skills support, Walsall is able to stimulate business growth, work towards increasing investment and securing job opportunities for local people, creating wealth and prosperity and increasing well-being.

A detailed report is attached as Appendix 1, setting out the results of this engagement with 338 businesses, either through one-to-one visits, or over the phone, and details the ways in which we assisted them in meeting these needs both today and moving forward.

Business liaison and support also enables the Council to engage businesses in helping to deliver its priorities, such as addressing youth unemployment, with the opportunity to enhance links with the local community through Corporate Social Responsibility (CSR)

Next Steps

Whilst recognising the value of business engagement captured through a number of roles from within the team, the majority of the activity has been generated by businesses contacting the Authority. Developing a targeted engagement programme is a priority for the service. Complimenting the work being undertaken with the investment service the team will establish the following :-

- a) Targeted Business Liaison focused on Walsall's major employers, our priority sectors, innovation and value added.
- b) Increase liaison with colleagues from other departments, external partners and intermediaries who also have an agenda to work with business,- this includes the college, and the Chamber - to widen the engagement network and provide a joined-up Business Support Walsall offer.
- c) Establish a schedule of workshops to promote both the services and support available, directly through the Council, and partners such as UK Trade & Investment, Walsall College and Black Country Consortium.
- d) Establish a local supply chain programme focused initially on construction to ensure businesses in Walsall are 'fit to supply' and have an opportunity to secure work from a number of key contractors which will be coming forward in the coming two years.

Reason for scrutiny:

To update Members on the approach, impact and outcome of the business engagement activity of the Strategic Regeneration and Development & Delivery teams, for the period April – September 2013.

To ask Members to note the findings of the analysis and the teams response to assisting business in Walsall and endorse the approach and on-going work being undertaken.

For members to comment on and help shape the next steps for the period ahead

Recommendations:

That Scrutiny Panel members;

- 1. Note the contents of this report and the attached Appendix, commenting and scrutinising as appropriate.**
- 2. Recognise and support the proposed next steps as set out above.**

Background papers:

Presentation to be given at the Scrutiny Panel Meeting – Attached as Appendix 1

Resource and legal considerations:

None

Citizen impact:

None

Environmental impact:

None

Performance management:

None

Equality Implications:

No

Consultation:

Contact Officers:

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Scrutiny & Performance Panel Appendix 1:

Summary of Walsall Business Engagement: April-September 2013

Both inward investment and local business retention and growth, are central to Walsall's ambitions of delivering managed growth in the area and increasing employment, prosperity and well-being. Developing and sustaining an effective relationship with businesses and investors, both in Walsall and those with an interest in the area, is central to the service achieving its aims

Aim: To capture local economic growth and ensure this is converted to new employment where possible by:-

- Attracting new national and international investment to Walsall
- Retaining and growing businesses in Walsall through signposting to existing support, assisting with their premises and sites and directly addressing business needs and challenges where possible
- Supporting the development of new and existing supply chains within Walsall
- Increasing the amount and number of Walsall businesses accessing and trading in International markets
- Maximise local training, employment and business opportunities from investment, development and growth

The following provides a summary of business engagement activity as a result of the Strategic Regeneration and Development & Delivery teams working together between: April – September of 2013. Each activity has looked at the demand, the job creation, the turnover and redevelopment implications, how officers have attempted to meet the demands, and an analysis of systems capacity and barriers to meet the demand.

April – September Activity 2013

During the period, the teams Regeneration and Development & Delivery engaged with 338 businesses from Walsall.

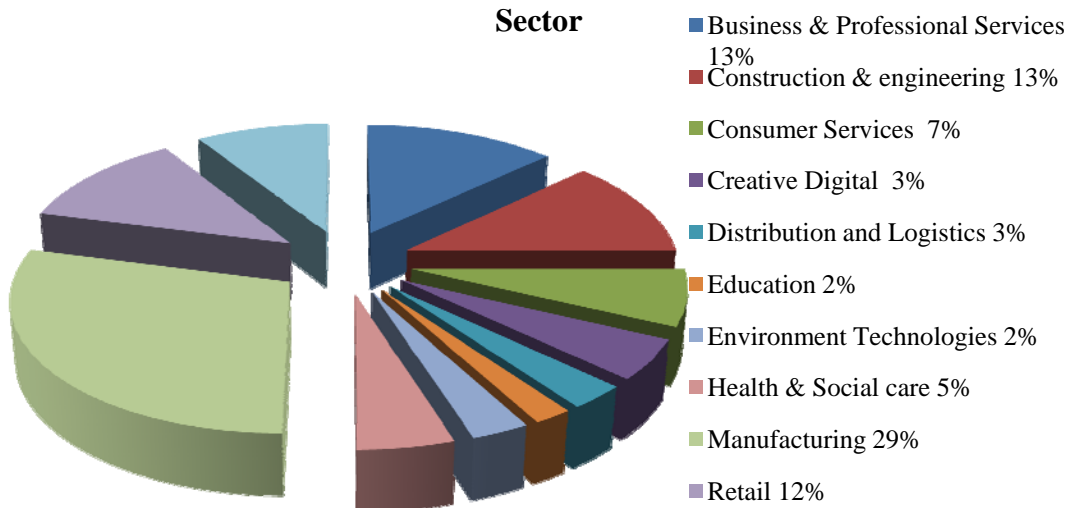
The following graphs below provide a breakdown of the size of the business, the sectors they have come from and the reason for engaging

Our Customer

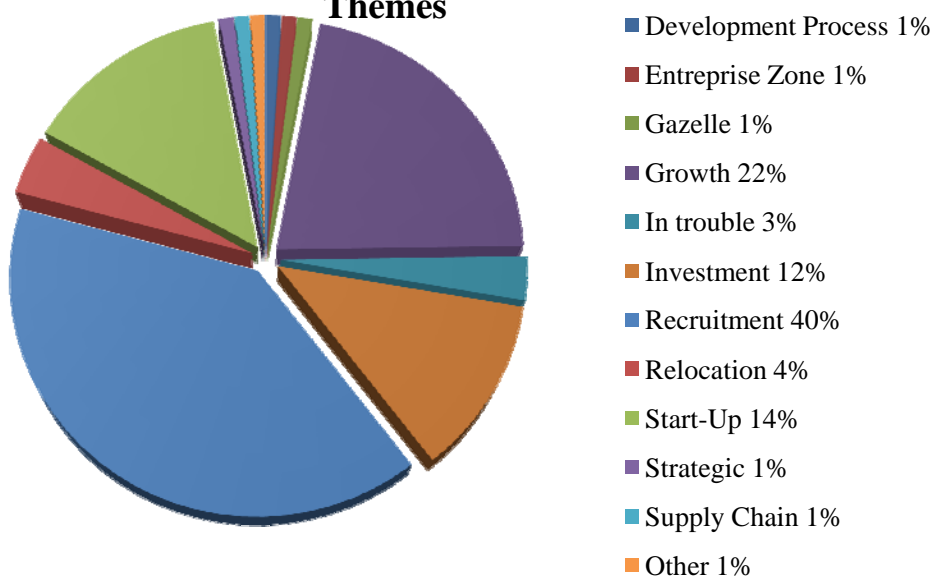
Enquiries by size of business



Sector



Themes



How we Helped

Issue	Our Response	Difficulties
Recruitment	Businesses who contacted the team have either been supported through the Walsall Works programme, or have been referred to partners such as JCP or Steps to Work	Majority of companies taking up WW had been contacted by the team. Difficulties arose when business presented vacancies for technical skilled positions. Approaches were made to HE and FE as a route to support the request
Growth	<p>Business who asked about funding received advice and guidance from the team, to identify a suitable route and advice on the process to apply</p> <p>Of the 133 enquires, half went on to make an application. Of those who did 42 % (15 out of 36) were successful</p>	Challenges relate to their understanding of what public funding sources are there for - seen as 'free' money , the capacity and skills of businesses to apply, value for money and risk.
Investment	We have undertaken a number of property searches and facilitated discussion with planners, agents and landowners	Challenges relate to suitability of land and premises, the unknown condition of land and reluctant landowners have made securing investment difficult
Struggling	Signposting the business to existing support around business planning, mentoring, cost reduction, quality improvements or marketing support etc.	A number of businesses approach us seeking grant funding when in reality the business is fundamentally struggling and the additional requirements of managing a grant would hinder the business even further
Start Up and Micro	We signpost to a range of providers, subject to the need and stage of the start-up. We actively encourage the enquiries to think beyond their ambitions, to set up a more value added enterprise. By hand holding the individual we are able to assess the feasibility of the proposal.	There is still confusion in the market about who a person initially needs to speak to regarding support. There are at present, a range of public and private offers. There is also a degree of uncertainty about the quality of the service these providers are offering, we are unclear of the progress and receive few updates from the referrals

Examples of Business Engagement Working

Company A - The team picked up through the planning system expansion of a warehouse facility. This prompted a call and visit to the business to introduce the services of the team. The business, who are within the top 100 strategic companies are now looking to make a funding application to support expansion of their products, and have come on to the Construction Supply Chain

Company B – Attended an event hosted by Walsall Works. Follow up discussion identified a unique growth opportunity the company were looking to set up in the area. An AMSCI bid, written by the team, has recently been submitted to help support the design of a new machine, the first in the UK

Company C – Looking to expand in the borough. Discussions with the team have promoted a link with local suppliers to assist the development taking place

Company D– Approached the team with a change of use planning enquiry. This prompted a joint visit which brought to light the company's growth plans to expand their market –tier 1 suppliers to the commercial vehicle OEMs – to the US. Assistance is being identified to help the company address its current inefficiencies in its production operation (the process happens over 4 different locations in Walsall).

Addressing the Challenges

Targeted and in-depth Approach

Business Support activities are currently delivered through a number of roles from across the teams. The activity is driven in part by proactive approach to companies but in the main it has been generated by companies contacting the Authority.

We recognise that more could be done to capture growth in Walsall but in order to do so we need to introduce a targeted engagement programme involving regular, face-to-face meetings at the business premises, as electronic communication alone cannot be relied upon to disseminate information and support effectively, with Walsall businesses also stating that they are less willing to travel further afield to access support.

The development of trust through these meetings will hopefully lead to a greater acceptance and take-up of the support on offer. In turn, a greater acceptance and take-up of business support programmes and tools may help overcome wider challenges around risk (from investors, funders) and engagement (customers, potential employees, suppliers).

A programme will be designed with a particular emphasis on those businesses, sectors, locations where our support will then maximise economic opportunities for the Borough. Comprehensive data will be collated and systematically analysed in order to assess performance and effectiveness and to identify improvements.

Raising Awareness

The teams regularly receive feedback, showing that businesses, including intermediaries such as accountants or legal services, are unaware of what is on offer to help them. We have been working with colleagues from Planning, Procurement and Property Services to utilise the links colleagues have with the business community.

A message outlining the support available to help business recruit and grow is and will increasingly become part of the dialogue and literature within these departments. Discussions are also underway with partners, including: Walsall College and Chamber to provide a consistent Walsall Support message to the business community, and regular briefings with professional services in the area are being considered to expand the reach.

Workshops

A 12-month schedule of workshops has been compiled, responding to those areas that businesses have asked the team for help, and which have a direct benefit to their business. This includes Procurement Support, Raising Finance, Business Succession Planning, Innovation. The format will enable the team to respond to a wider market, helping their needs and will provide the opportunity for the team to pick up new companies that are showing signs of growth

Supply Chain/s

The team have engaged with a number of developers to open the construction supply chain for local suppliers of services and material in Walsall. To date, 8 key developments all facilitated by the Regeneration teams, have agreed in principle to work with the team and to consider local suppliers.

These are:-

- Kier Development Cinema proposals at Walsall Waterfront
- Kier Homes with WHG
- Walsall College
- JHoots Investment proposals
- Darlaston SDA Access Project new road infrastructure
- Morgan Sindell – Walsall Council for tenants Primark & Co-op Food Stores
- ZF Lemforder

The above 8 projects represent circa £90 million of works, for Walsall proposed to take place over the next two years. Further discussions are underway with Lafarge Tarmac and Amey and with the Authority's capital build Officer.


Work is underway compiling a database of local suppliers, which is also being assessed by the team in regards to their suitability to meet the requirements, as requested by the prime contractors. For those who do not yet meet the criteria, the team will be assisting them through business support programmes, to become Fit to Tender.

To date 750 businesses have been identified, and over half have been contacted

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