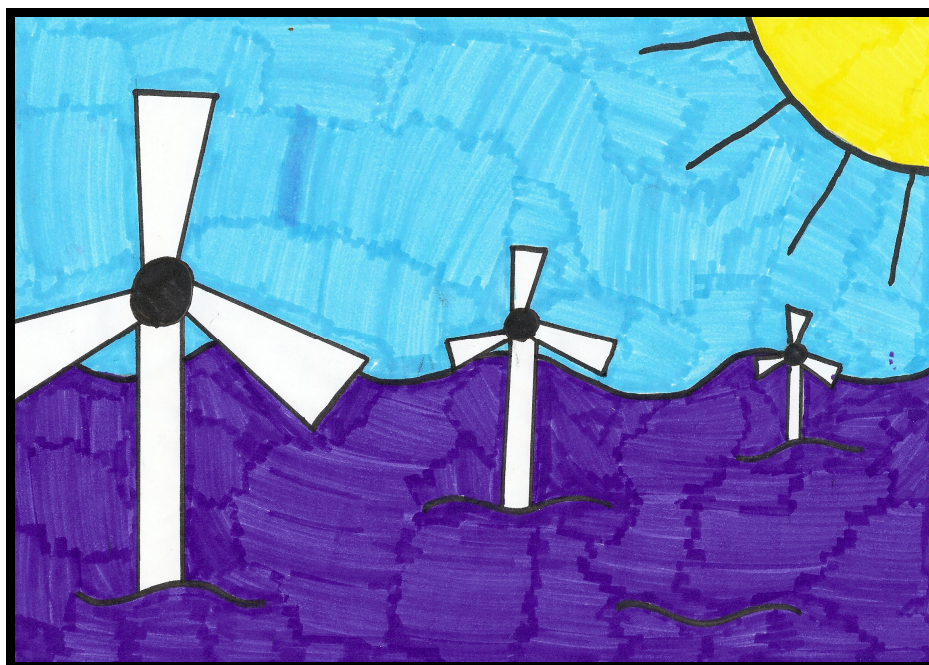


**SCRUTINY REVIEW
of
GREEN GROWTH IN WIRRAL**



A report produced by
**THE ECONOMY & REGENERATION
OVERVIEW & SCRUTINY COMMITTEE**

WIRRAL BOROUGH COUNCIL

GREEN GROWTH IN WIRRAL

SCRUTINY REVIEW

FINAL REPORT

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1. EXECUTIVE SUMMARY AND RECOMMENDATIONS

The low carbon economy has been identified by Wirral and the wider city region as one of the economic sectors on which to focus in order to create jobs. Wirral's Investment Strategy is a key document in setting the future priorities for the economy in the borough as part of the Council's enabling role. The Strategy proposes an increased emphasis on developing a number of key growth sectors that will build on existing local specialisms and will offer the most growth potential. Two of the proposed growth sectors are Offshore Energy and the Low Carbon sector.

There can be no escape from the fact that the current economic climate is extremely difficult for many businesses. This was borne out during the discussions with the business community held during the course of this Scrutiny Review. Nevertheless, although the green sector is of a fledgling and diverse nature, the potential impact of future economic growth makes it an industry worthy of investment and special attention. Wirral has some key opportunities to develop its green sector and the Investment Strategy provides the tools to enable this, being supported where appropriate by national policy. The prospects for green growth in Wirral are clearly linked to those of the Merseyside region and, therefore, synergies with Wirral's regional neighbours should continue to be exploited. The Mersey Partnership report 'Low Carbon Economy Action Plan – Delivering Economic Growth 2011-2015' examines, in detail, the opportunities for the low carbon economy. That report concludes that there is the potential for the creation of 12,000 jobs in the low carbon economy over those five years.

Geography and existing infrastructure, particularly in the form of Cammell Laird, provide Wirral with a great opportunity to support the expansion of offshore wind activity in the North Sea. The Panel Members were informed by an officer that "The off-shore agenda is potentially huge, with significant opportunities for the supply chain". Other specific opportunities relate to the Wirral Waters Enterprise Zone, and the availability of JESSICA funding (Joint European Support for Sustainable Investment in City Areas) to Merseyside which provides the region with a unique advantage. In the longer term, the wider Wirral Waters development being undertaken by Peel Holdings gives the prospect of growth in the low carbon sector. The relationships with the Council's key partners will clearly be instrumental in ensuring that the Investment Strategy is delivered successfully.

The overall strategic aim is to build on the current assets that exist in Wirral and the Council will play an enabling role, where possible, to support this investment and growth. The Panel Members have concluded that there is a great deal of positive activity already taking place both within the Council and amongst partner organisations leading to potential inward investment opportunities and a high level of constructive support available to existing businesses. The feedback from the businesses contacted during the course of this Scrutiny Review has been positive.

Officers from a number of service areas have a part to play in the business support agenda. In order to support the development of the relevant growth sectors, the Panel Members believe that a Working Group should be formed to support that process. The purpose of the Working Group is to ensure that the recommendations and existing initiatives are given the time, attention and resources required to bring about sustainable development. In order to help raise the profile of the issue, consideration should be given to how best members can lead and assist that work.

A key service provided by Wirral Council in terms of business support is that provided by Invest Wirral, which provides business support to existing companies based in Wirral and also provides some Inward Investment advice to prospective employers. The response from the business community regarding the support provided by Wirral Council was positive, with particular recognition being made towards the team at Invest Wirral. Advice and support available from Invest Wirral to those businesses in the green sector was clearly appreciated and highly regarded. Some respondents to the questionnaire, undertaken as part of this Scrutiny Review, also referred specifically to the financial support that has been available to them from Wirral Council in the past. A number of service areas within the Council interact with the business community on a regular basis. As a general point encountered during this Scrutiny Review, it is clearly important that those teams within the Council work closely together.

With regard to marketing, a specified officer from within the Corporate Marketing team provides the press, public relations and marketing support for regeneration projects, tourism, inward investment and business support, including Invest Wirral. Much of the marketing material is available on the internet. Wirral-based businesses are directed to the BusinessWirral.com website which provides online business support for existing businesses. The BusinessWirral.com website has been developed by Invest Wirral specifically for existing Wirral companies. The InvestWirral.com website, which has been recently re-launched, is the site for new businesses looking for investment opportunities in Wirral. The new website includes sector-specific pages, including low carbon and offshore wind.

However, it is recognised that further work needs to take place to raise the profile of the green sector in Wirral. It was important for the future of those businesses who were contacted that there is an increased awareness of green issues. Although a national issue, in order to help overcome some of the perceptions and to highlight the positive image of the green sector, the Panel Members suggest that a large marketing event should be held within the borough at which local companies could showcase their products and services.

There was also a perception among some of the business community that more could be done to market Wirral as a place to do business, specifically within the green sector. It is, therefore, important that the Council continues to take a lead in highlighting the positive image of Wirral. The Marketing team obviously has a major part to play in delivering that service.

As part of the ongoing energy efficiency measures to enable the borough to move closer to its target of reducing carbon emissions by 60% by 2025, Wirral Council is investing heavily in renewable energy in 2011-12, both on making the Council's own buildings more energy efficient and also by helping community and voluntary groups take their own steps to reduce emissions through the Energy Efficiency Grant. Nearly £3 million will be invested in solar energy over the next two years in 30 Council properties. This will mean a significant investment and one which it is hoped will be of benefit to the local economy by providing employment opportunities to local people within Wirral's growing low carbon sector. It is also anticipated that the Council's Home Insulation Programme will continue to encourage local businesses in this sector.

The Council's Corporate Procurement team has developed a Sustainable Procurement Policy which is aimed at addressing the objective to "promote procurement practices and policies which contribute to the Council's priorities on equality, sustainability and regeneration". The purpose of this policy is to help minimise the impact on the environment by providing staff with information and practical help to assist them to buy or specify products that cause the least environmental damage. It sets out Council policy on environmental purchasing and gives tips and advice on how to find products that will be effective, of value for money and do least harm to the environment.

Wherever possible, and legal to do so, local suppliers will also be encouraged to participate in the tender process. The Council will, on occasion, require delivery of goods or services within specified time limits whenever this is relevant to the subject of the tender. However, caution must be applied in order to avoid any prejudice being shown to a supplier's opportunity to deliver a contract on the grounds of localism unless it is essential to the delivery of the contract. The Council can and does encourage participation in the process by advising local suppliers how to work with the Council. It is clear that substantial effort has been made to support the local business community. Nevertheless, there was some feedback from business people that the procurement procedures can appear too complicated, especially for small companies, and "there are too many hoops to go through". As the green sector is a fledgling sector with younger businesses being more prominent, it is suggested that particular emphasis is given to that sector in terms of procurement training.

The Panel Members detected skills and training as a significant issue for those individuals aiming to enter the green sector. Members concluded that, within the process for identifying skill requirements and funding allocation within the Further Education system, there appears to be little recognition of local requirements. The process for changes to qualifications and approved courses also appears to be slow. In respect of the green sector, there was an impression that opportunities were greater for upskilling rather than for new entrants to training.

The Wirral Apprenticeship Scheme is widely recognised as a success. The Panel Members suggest that, in order to support the training programme and improve skill levels within the green sector, a number of apprenticeships are made available annually to green businesses. Further consideration should also be given to the feasibility of offering greater subsidies to employers in the green sector including incentives to support access to higher level apprenticeships.

Feedback from businesses gave a strong indication that there was a lack of clarity regarding the availability of relevant training providers and courses in the region. The Panel Members, therefore, suggest that further work takes place to identify and promote the availability of appropriate training to the green sector. The creation of a fund to support upskilling of those working within the green sector should be explored. The fund will also enable those people moving into the sector, including the unemployed, to access existing training opportunities in Wirral.

During the course of this Scrutiny Review, the advantages and disadvantages of using Council-owned land for the development of a green business park have been debated. There was some scepticism expressed that trying to impose sites via a bespoke business park is an approach that will not work. The point was also made that speculative development is extremely difficult to attract in the current economic conditions and such an approach has a high risk factor. On the other hand, a Green Business Park could give Wirral a competitive edge. Members concluded that a report to the Economy & Regeneration Overview and Scrutiny Committee should be produced debating the rationale for creating a green growth cluster of businesses either in a geographical location (a Green Business Park) or by association in various locations across Wirral.

In conclusion, it is recognised that the delivery of all of the recommendations made in this report will involve a significant amount of officer time and effort as well as some financial resource. However, if the borough is to seize the opportunities afforded by the offshore wind and low carbon sectors, then an initial investment will be necessary in order to harvest the long-term gains.

In considering the evidence found during the Review, the Panel Members have formulated the recommendations identified on pages 6 to 8.

Recommendation 1 - Officer Working Group

An officer working group should be created to oversee the implementation of the recommendations from this scrutiny review and the development of a long-term strategy for green growth in Wirral. Work will include monitoring and evaluating the implications of national policy changes, such as the Green Investment Bank and the Green Deal. The working group should include officers from a variety of departments (including Invest Wirral, Strategic Planning, Housing, Procurement, Marketing and Sustainability), as well as a small number of Members. The group will provide regular updates to the Economy and Regeneration Overview and Scrutiny Committee (or successor committee).

(Reference Section 6.1, page 14)

Recommendation 2 – Enterprise Zone

A report on the potential of the Enterprise Zone to provide opportunities for the growth of Wirral's green economy should be produced for the Economy & Regeneration Overview and Scrutiny Committee (or successor committee).

(Reference Section 6.1, page 15)

Recommendation 3 – Relationship with Peel Holdings

The Director of Regeneration, Housing and Planning and the Portfolio Holder for Regeneration and Planning Strategy are requested to hold further discussions with Peel Holdings. The discussions will focus on feasible options for the advancement of Wirral's green economy as part of the Wirral Waters project.

(Reference Section 6.1, page 15)

Recommendation 4 – Relationship with City Region Partners

The Director of Regeneration, Housing and Planning should hold discussions with officers working on inward investment enquiries at a City Region level to explore opportunities for attracting businesses specialising in green products and services to Wirral.

(Reference Section 6.1, page 15)

Recommendation 5 – Cross-Departmental Working

All businesses, as well as those in the green sector, access a range of services provided by the Council, including those provided by Invest Wirral, Inward Investment, Marketing and Planning Departments. As a consequence:

- a) The Director of Regeneration, Housing and Planning is requested to ensure that close working relationships are developed between officers in Invest Wirral, Inward Investment, Marketing and Planning Departments.
- b) The Director of Regeneration, Housing and Planning is encouraged to ensure that dedicated planning support to businesses should be provided by having all business planning applications assigned to a specified team of planning officers.
- c) If a business planning application is submitted to the Planning Department, Invest Wirral should be immediately informed and if a new business is speaking to Invest Wirral regarding planning matters, a referral should be made to the Planning Department so that support is offered.
- d) The Director of Regeneration, Housing and Planning is requested to consider the benefits of Development Control being part of an integrated planning team.
- e) Furthermore, making use of the office rationalisation programme, co-location of relevant teams should be investigated. Therefore, the Head of Asset Management and the Director of Regeneration, Housing and Planning are jointly requested to investigate the feasible options.

(Reference Section 6.2, page 17)

Recommendation 6 – Business Forum Network

Wirral Council should evaluate the current business forum network to ensure that the interests of all companies in the green sector are included in the network. Consideration should be given to the creation of a new green sector network.

(Reference Section 6.2, page 17)

Recommendation 7 – Engagement with Green Businesses at Overview and Scrutiny Meetings

This Scrutiny Review has given the Panel Members an opportunity to discuss relevant issues directly with members of the business community. Therefore, during the forthcoming municipal year (2012/13), the Economy and Regeneration Overview and Scrutiny Committee (or successor committee) is encouraged to invite a minimum of two leading Wirral companies in the green sector to meet the Committee to further explore the problems and opportunities currently faced by those companies.

(Reference Section 6.2, page 17)

Recommendation 8 – Public Awareness Event

Wirral Council is keen to support the local green economy. Therefore, the Council is encouraged to hold a large 'market-place' style event aimed at raising public awareness in the products and services provided by the local green economy. Relevant businesses would be invited to display their products and services at the event, to which potential large-scale customers and members of the public would also be invited. The event should also highlight employment and training opportunities available in the green sector.

(Reference Section 6.3, page 18)

Recommendation 9 – Marketing 'hits' for the Green Sector

The aim is for Wirral to be recognised as a market leader in the green economy and build a reputation as a positive environment for green growth industries. Therefore, the Marketing Department should be set a target to promote a minimum of 30 green issues per year through the Council's website and local media channels. Special attention should be paid to promoting good news stories from local businesses in the green sector. This will require close working relationships between Invest Wirral, Inward Investment and Marketing.

(Reference Section 6.3, page 19)

Recommendation 10 – Developing the relationship with social landlords

Housing is a huge potential market for the green economy. The proposed Officer Working Group, given its cross-cutting remit, will be well placed to encourage a positive relationship between landlords, both social and private, and local green business. Therefore, social and private landlords should also be invited to play a role in the marketing event, proposed in Recommendation 8.

(Reference Section 6.4, page 20)

Recommendation 11 – Procurement training for the Green Sector

The Scrutiny Panel recognises the excellent work done by Invest Wirral and Corporate Procurement to encourage access to the procurement process by all companies. However, recognition needs to be given that the green sector is a fledgling sector. It is, therefore, requested that a sector-specific procurement training programme and support is provided, organised through the Green Sector Forum as proposed in Recommendation 6.

(Reference Section 6.4, page 20)

Recommendation 12 – Promotion of the Council's Environmental Policies to potential suppliers

Potential suppliers are currently provided with a copy of the Council's equality policies. In order to raise the profile of green issues, potential suppliers should be provided, by the Procurement Department, with a copy of the Council's environmental policies relevant to the procurement process.

(Reference Section 6.4, page 21)

Recommendation 13 – Lobbying for changes to the Funding Regime for Training

The training opportunities appropriate to the green sector which are now provided by the private sector in Wirral are welcomed. However, the Scrutiny Panel Members are concerned at the limited flexibility within the current funding regime to enable new courses to be developed within the further education curriculum. Consequently, training provision in colleges does not reflect changing requirements, such as the growth of the green sector. As a result, the Director of Children and Young People and the Director of Regeneration, Housing and Planning are jointly asked to raise this issue with the relevant funding agencies, such as the Skills Funding Agency and the National Skills Academy.

(Reference Section 6.5, page 22)

Recommendation 14 – Creation of a fund to encourage access to existing training opportunities

Access to adequate training is recognised by the Scrutiny Panel Members as an important issue for individuals. The creation of a fund to support upskilling of those working within the green sector should be explored. The fund will also enable those people moving into the sector, including the unemployed, to access existing training opportunities in Wirral.

(Reference Section 6.5, page 22)

Recommendation 15 – Wirral Apprenticeship Scheme

The members of the Scrutiny Panel recognise the success of the Wirral Apprenticeship scheme. In order to help increase the training opportunities in the emerging green sector the Director of Regeneration, Housing and Planning is encouraged to allocate between five and ten apprenticeships to green businesses in the forthcoming financial year. Consideration should be given to offering greater subsidies to employers in the green sector, including incentives to support access to higher level apprenticeships.

(Reference Section 6.5, page 22)

Recommendation 16 – Database of Green Skills Training Providers

Wirral Council is encouraged to develop a database of all green skills training providers available in the North West region. The information should be made available through Invest Wirral and other Council websites, colleges and schools.

(Reference Section 6.5, page 23)

Recommendation 17 – Green Accreditation Scheme for Traders

The Director of Regeneration, Housing and Planning is requested to assess the possibility of developing a green accreditation scheme similar to The Wirral Trader to bring increased consumer confidence.

(Reference Section 6.5, page 23)

Recommendation 18 – Opportunities for Section 106 Agreements (or Community Infrastructure Levies)

Wirral Council is encouraged to explore, as have other Councils, the opportunities for the creative use of Section 106 Agreements (or Community Infrastructure Levies) in the planning process, particularly where linked to training or green initiatives. Therefore, a report on best practice and potential use should be provided to the Economy & Regeneration Overview and Scrutiny Committee (or successor committee).

(Reference Section 6.6, page 24)

Recommendation 19 – A Green Business Park for Wirral?

A report to the Economy & Regeneration Overview and Scrutiny Committee (or successor committee) should be produced debating the rationale for creating a green growth cluster of businesses either in a geographical location (a Green Business Park) or by association in various locations across Wirral.

(Reference Section 6.6, page 25)

2. ACKNOWLEDGEMENTS

This report presents the findings of a Scrutiny Review into Green Economic Growth in Wirral. The Review was undertaken by a Working Group which was set up by the Economy and Regeneration Overview and Scrutiny Committee. It is hoped that the recommendations which form part of the report will further develop the good practice that exists within the Council and with our partners. It was apparent during the review that a great deal of work is happening to enable businesses to expand in the emerging green sector of the economy, as is the case with Wirral's economy in general. However, the challenging economic conditions in recent years have certainly made it more difficult for new businesses to emerge and for existing businesses to grow.

The Panel would like to thank all those people who willingly agreed to contribute and to provide information to this review. In particular, the Panel thanks those members of the business community who hosted meetings with Members of the Panel and discussed their past experiences and hopes for the future. The Panel Members also appreciate the input of all those companies who responded to the online questionnaire which was conducted as part of the review. Particular thanks are paid to Ben Lavell (Business Engagement Officer, Invest Wirral) who contributed greatly to the review by helping to establish the meetings with the business community and also coordinated the issuing of the questionnaire to the businesses. In addition, the Panel Members are extremely grateful to all those members of staff with whom they have met and exchanged ideas.

Thank you to those Panel Members who have contributed to the review, which I hope will play a part in the development of service provision in this area. In the future, it is important that the impact of all of the recommendations is reviewed and that progress is monitored.

On a personal level, this has been my first experience of involvement in a detailed Scrutiny Review. I have found the process very helpful. It helps you understand issues, meet officers to explore their roles and engage with businesses and partner organisations. I now place great value in the role of scrutiny and would hope any democratic structure Wirral Borough Council uses in the future ensures that scrutiny has a prominent role and is well resourced.

Thank you to all for your participation and contributions to this Review.



Councillor Mark Johnston
(Chair of the Members' Panel and of the Economy and Regeneration Overview & Scrutiny Committee, 2011-12)

3. **PANEL MEMBERSHIP**

The Green Growth Scrutiny Panel was appointed by the Economy and Regeneration Overview & Scrutiny Committee on 5th September 2011. The purpose of the Panel is to carry out a Scrutiny Review of the potential for growth in the green sector of Wirral's economy. The Panel will make any relevant recommendations for changes which, in the first instance will be discussed by the Economy and Regeneration Overview & Scrutiny Committee. The following members volunteered to be members of the Panel:

Councillor Mark Johnston (Chair)



Councillor Peter Kearney



Councillor Steve Niblock



Councillor Stuart Whittingham



The Scrutiny Support Officer for this Scrutiny Review was Alan Veitch.

4. BACKGROUND AND ORIGINAL BRIEF

At the meeting of the Economy and Regeneration Scrutiny Committee held on 6th June 2011, members agreed to undertake an in-depth scrutiny review to produce an informed response to the Notice of Motion that was approved by Council on 18th April 2011. The Notice of Motion, which was agreed unanimously, was:

That Council:

- (1) Recognises the importance of environmental sustainability to future business growth and the development of the Borough's economy, not just the Green economy.*
- (2) Recognises that aligning resource efficiency, sustainable procurement, waste reduction strategies, commercial waste infrastructure, energy efficiency and the use of renewable energy sources are common across all sectors of the economy and key to long term success and sustainability.*
- (3) Notes the ENWORKS report 'Making an impact in the Liverpool City Region' and the excellent resource efficiency support that this organisation has offered to small and medium sized enterprises (SMEs), making businesses stronger through better use of resources.*
- (4) Instructs officers to review the Council's economic regeneration policies to ensure that businesses in Wirral can access appropriate information and support tools to enable them to benefit from increased profitability, productivity and sustainability through improved energy and resource efficiency.*
- (5) Recognises the green value of Wirral's Home Insulation Programme, set up under the previous Labour/Liberal Democrat administration and continued by the present administration, which will benefit Wirral householders, increase employment opportunities and reduce the Carbon Footprint of the Borough.*
- (6) Believes that there is real potential for the development of emerging Green technologies on Wirral and asks the Economy and Regeneration Overview and Scrutiny Committee to investigate and draw up a report for Cabinet on the best ways to create and support a "cluster" of companies to lead the way in driving a Green economy on Wirral and across the country.*

In developing the scope for the review, the Panel Members suggested that the review should focus on paragraph (6) of the Notice of Motion. The review will, therefore, concentrate on "the best ways to create and support a 'cluster' of companies to lead the way in driving a green economy on Wirral and across the country". It is expected that the scope of this scrutiny review will complement the work requested from officers in paragraph (4) of the Notice of Motion, namely, "to review the Council's economic regeneration policies to ensure that businesses in Wirral can access appropriate information and support tools to enable them to benefit from increased profitability, productivity and sustainability through improved energy and resource efficiency".

The Scope Document for the scrutiny review, attached as Appendix 1 to this report, was agreed by the Economy and Regeneration Overview and Scrutiny Committee in September 2011. It was agreed that the review would concentrate on the following issues:

- What is the national Government policy / strategy and how will this impact on Wirral?
- What is already being done regarding support to local businesses in the green economy and how can we support these companies to expand?
- How are we marketing Wirral to attract inward investment and to create more green investment jobs?
- What is the Council doing to create a green market and support the green economy?
- What are the educational and training needs of the sector?
- Does the existing planning regime encourage green growth? What has Wirral Borough Council got in terms of rentable space and land and how suitable is it?
- What does the Council do with its own properties regarding green technology and is there an opportunity to create a market for green suppliers?

The Panel commenced work in attempting to find answers to these questions.

5. METHODOLOGY FOR THE REVIEW

The Panel has employed a number of methods to gather evidence:

5.1 Visits to local businesses already operating in the green sector

A series of visits have taken place at which the Panel Members could discuss relevant issues with business people who are already running businesses in the green sector. All of the visits were very constructive and highlighted issues relevant to the Review. Those visited during the course of the review were:

- Colin Jones, Managing Director, Inteb
- Mark McManus, Managing Director, Stiebel Eltron UK
- Lee Stewart and Mike Lowes, Joint Managing Directors, Renewable Solutions UK Ltd
- Sue Tunnington and Al Tunnington, Joint Managing Directors, Combined Harvesters

5.2 Questionnaire responses from the business community

Panel Members wanted to enable other members of the business community in the green sector to have an input into the Review. Therefore, a short questionnaire was made available to relevant companies, making use of Invest Wirral's Business Forum contacts. A copy of the questionnaire is attached as Appendix 2 to this Report. In total, responses were received from 12 companies.

5.3 Meetings with Officers

A series of individual meetings have taken place at which the Panel Members could discuss relevant issues with key officers from Wirral Borough Council. In addition, Kevin Adderley, Acting Director of Regeneration, Housing and Planning, provided advice to the Panel Members during the initial planning stage and the closing phase of the review. Those interviewed during the course of the review were:

Invest Wirral

- Paula Basnett, Senior Investment Manager, Invest Wirral
- Graham Maddrell, Investment Manager, Invest Wirral
- Ben Lavell, Business Engagement Officer, Invest Wirral

Wirral Borough Council

- Andrew Fraser, Strategic Planning
- Eddie Fleming, Strategic Planning
- Alan Evans, Strategic Planning
- Gill Rutter, Destination Marketing
- Ian Brand, Asset Management
- Ray Williams, Corporate Procurement
- Joanne Nettleton, Corporate Procurement

Wirral Metropolitan College

- Catherine Court, Head of Employer Services
- Colin Campbell, Head of Construction

5.4 Written Evidence

Written evidence was received from a variety of sources. Details are shown in Appendix 3 to this report.

6. EVIDENCE AND RECOMMENDATIONS

6.1 Implications of National Policy for Wirral

The low carbon and environmental goods and services sector (LCEGS or 'Green Economy') is defined as "a community of businesses that provide technologies, goods and services that will enable the UK's transition to the low carbon economy"¹.

The low carbon economy has been identified by Wirral and the wider city region economy as one of the transformational areas on which to focus in order to create jobs and narrow the productivity gap with the rest of the UK. K-Matrix data from 2009/2010, which is used by The Department for Business, Innovation and Skills (BIS) and is sourced from a number of different data banks, shows that in the period 2009/2010 there were 227 registered companies in the following sub sectors in Wirral:

Table 1: Number of low carbon and environmental goods and services (LCEGS) companies by sector in Wirral

Sector	Number of Registered Companies
Low carbon sub sector	105
Renewable energy sub sector	71
Environmental sub sector	51
TOTAL	227

Source: K-Matrix data 2009/2010, Department for Business, Innovation and Skills

This compares to 400 companies in the Liverpool City Region as a whole, where it is estimated that 8,700 people are employed.²

A central plank of the Government policy for green growth is the Green Investment Bank which is designed to accelerate private sector investment in the UK's transition to a green economy. The first priority sectors for the Bank, subject to approval by the European Commission, are:

- Offshore wind power generation
- Commercial and industrial waste processing and recycling
- Energy from waste generation
- Non-domestic energy efficiency
- Support for the Green Deal

The location of the Green Investment Bank is due to be announced by the Secretary of State for Business within the next few weeks with Liverpool being one of the 32 bidding towns and cities. It will build the necessary expertise in financial markets and green investments, with the aim of both achieving significant green impact and making financial returns. However, in reality, it will only impact in Wirral if businesses are in a position to put forward viable schemes and projects which are in need of finance.

The green sector will also be impacted by the Government's Green Deal, which will enable many households and businesses to improve the energy efficiency of their properties. The Green Deal is a new government initiative designed to help meet the upfront cost of making homes more energy efficient. Due to be launched in late 2012, the Green Deal will enable the installation of energy efficiency measures. Although customers will repay the cost over time, this is not a conventional

¹ 'Low Carbon and Environmental Goods and services: an industry analysis commissioned by BERR (Department of Business Enterprise & Regulatory Reform)

² Low carbon Action Plan (2011-2015), The Mersey Partnership

personal loan as the charge is attached to the meter and paid back through the fuel bill. It remains to be seen how this initiative will impact on the green economy. During the course of the review, some local businesses also recognised the launch of the Renewable Heat Incentive Scheme in November 2011 as potentially a very significant step in changing the way that heat is generated and used. However, at the same time, there is considerable concern in the industry that the recently announced reduction in feed-in tariffs for solar panels will have a detrimental effect on the growth of that particular sub-sector.

The green vehicle sector is also expected to receive a boost after the government announced reforms to company tax designed to make it more attractive for firms to purchase low and zero-carbon vehicles, and revealed it will extend enhanced capital allowance tax breaks to cover the purchase of zero-carbon goods vehicles.

Within the national framework, opportunities will emerge for Wirral. Wirral's Investment Strategy is a key document in setting the future priorities for the economy in the borough as part of the Council's enabling role. The Strategy has been developed following consultation with the Council's strategic partners, including Wirral Economic Development and Skills (WEDS) Partnership, the Investment Board and Wirral's Business Forum. In the context of green growth, it is positive that the prospects for the green sector are highlighted within the plan. Wirral's Investment Strategy 2011-2016, approved by Cabinet on 21st July 2011, aims to grow the economy of Wirral by identifying and attracting new investment and by also supporting the existing business base to grow and develop. In particular, two of the Key Policy Statements within the Strategy are:

"We will support the development of key sectors by facilitating investment into specific key projects, such as the infrastructure for Offshore Wind"

"We will attract and support the development of successful businesses, particularly those in key growth sectors".

The new Investment Strategy proposes an increased emphasis on developing a number of key growth sectors that will build on existing local specialisms and will offer the most growth potential. The growth sectors include:

- Research and Development..... Low Carbon
- Offshore Energy..... Biomedical
- Advanced technology and manufacturing

The Strategy stresses that the focus on these key growth sectors and high profile projects will be underpinned by a range of effective support services and enabling measures to attract new investment; to support businesses and to ensure that people have access to the right employment and skills services to benefit from these new opportunities.

The overall strategic aim is to build on the current assets that exist in Wirral and the Council will play an enabling role, where possible, to support this investment and growth. Officers from a number of service areas have a part to play in that process. In order to support the development of the relevant growth sectors (namely, Offshore Energy and the Low carbon sector), the Panel Members believe that a Working Group should be formed to support that process. The purpose of the Working Group is to ensure that the recommendations and existing initiatives are given the time, attention and resources required to bring about sustainable development. In order to help raise the profile of the issue consideration should be given to how best members can lead and assist that work.

Recommendation 1 - Officer Working Group

An officer working group should be created to oversee the implementation of the recommendations from this scrutiny review and the development of a long-term strategy for green growth in Wirral. Work will include monitoring and evaluating the implications of national policy changes, such as the Green Investment Bank and the Green Deal. The working group should include officers from a variety of departments (including Invest Wirral, Strategic Planning, Housing, Procurement, Marketing and Sustainability), as well as a small number of Members. The group will provide regular updates to the Economy and Regeneration Overview and Scrutiny Committee (or successor committee).

There are significant opportunities for Wirral to develop its green technology sector. A wide range of businesses, from the internationally recognised brand of Stiebel Eltron in Bromborough to the small emerging businesses operating in recycling activities, are already in existence. The infrastructure supporting offshore wind activity is reportedly amongst the best in Europe and in Cammell Laird, there is a business capable of taking a significant market share of this emerging UK market. An officer told the panel:

“The off-shore agenda is potentially huge, with significant opportunities for the supply chain”

Potentially other opportunities could arise such as harnessing tidal power using emerging technology and collaborating with the world class facilities at the local universities to promote Research and Development, leading to innovation.

The Investment Strategy envisages that opportunities will develop naturally and Wirral should be able to use the Enterprise Zone and, in the longer term, the Wirral Waters development to enhance the opportunities for the green sector. The announcement of the Enterprise Zone will enable financial incentives, in the form of business rate reductions and potential capital allowances, to be available to potential investors. It is clearly important that the Enterprise Zone is used to maximise the opportunities for inward investment. As a growing sector, green business should be able to benefit. It is therefore, recommended that further work is done to identify ways in which the Enterprise Zone might specifically benefit the green sector. In addition, JESSICA funding (Joint European Support for Sustainable Investment in City Areas) is available to Merseyside and provides the region with a unique advantage. This scheme allows money to be made available on a repayable basis through loans.

Recommendation 2 – Enterprise Zone

A report on the potential of the Enterprise Zone to provide opportunities for the growth of Wirral's green economy should be produced for the Economy & Regeneration Overview and Scrutiny Committee (or successor committee).

Recommendation 3 – Relationship with Peel Holdings

The Director of Regeneration, Housing and Planning and the Portfolio Holder for Regeneration and Planning Strategy are requested to hold further discussions with Peel Holdings. The discussions will focus on feasible options for the advancement of Wirral's green economy as part of the Wirral Waters project.

Wirral has some key opportunities to develop its green sector and the Investment Strategy provides the tools to enable this, being supported where appropriate by national policy. The prospects for green growth in Wirral are clearly linked to those of the Merseyside region and, therefore, synergies with Wirral's regional neighbours should continue to be exploited. The Mersey Partnership report 'Low Carbon Economy Action Plan – Delivering Economic Growth 2011-2015' examines, in detail, the opportunities for the low carbon economy. The report concludes that there is the potential for the creation of 12,000 jobs in the low carbon economy over those five years. Although the economic conditions continue to be difficult, opportunities do exist in sub sectors as varied as offshore wind, microgeneration, biomass and energy from waste, smartgrid technology, retro-fitting of energy efficiency and low emission vehicles.

Recommendation 4 – Relationship with City Region Partners

The Director of Regeneration, Housing and Planning should hold discussions with officers working on inward investment enquiries at a City Region level to explore opportunities for attracting businesses specialising in green products and services to Wirral.

6.2 Local Business Support in the Green Economy – what already exists and how can it be improved?

A key service provided by Wirral Council in terms of business support is that provided by Invest Wirral, which provides business support to existing companies based in Wirral and also provides Inward Investment advice to prospective employers. The team consists of nine staff, most of whom have a lead sector. One member of staff is the officer providing lead support to the low carbon and environmental goods and services sector (LCEGS or 'Green Economy'). The aim is to engage with companies on a proactive basis.

The response from the business community regarding the support provided by Wirral Council was positive, with particular recognition being made towards the team at Invest Wirral. It is worth noting, however, that although feedback was positive, many comments referred to general business support rather than support which was specifically available to companies operating in the green sector. Advice and support available from Invest Wirral to those businesses in the green sector was clearly appreciated and highly regarded. Some respondents to the questionnaire referred specifically to the financial support that has been available to them from Wirral Council in the past. The positive response was reinforced by the reply in the questionnaire to the following question: *“Overall, how do you feel about the level of support currently provided to your business by Wirral Council”?*

Table 2: Perceived satisfaction of business leaders regarding the level of support currently provided by Wirral Council

	Percentage of respondents
Very Satisfied	33.3
Satisfied	58.3
Neither Satisfied nor Dissatisfied	8.3
Dissatisfied	0
Very Dissatisfied	0

Source: Questionnaire of Wirral businesses in the green sector, Green Growth Scrutiny Review, November 2011

One respondent to the questionnaire commented:

“It is quite unusual for a council to offer this level of direct support and it is very welcome in terms of finding out what is going on in the local business community and other business news and have found the networking and forum events to be very useful in making contact with other businesses as prospective partners/clients”.

Another added that:

“I currently work with a number of public sector organisations in other areas and have found Wirral to be one of the most proactive business supporters”.

Meanwhile another said:

“I work very closely with the team at Invest Wirral. They helped me establish the business here on Wirral and have given me support to allow me to develop and grow the business both locally and nationally.”

Nevertheless, through the contacts with business people it became clear that some businesses struggle to obtain information:

“I believe that the help is out there, but as a busy business owner it is sometimes difficult to access the correct help and implement suggestions that are made.”

The drive for inward investment is clearly a high priority for the borough. Panel Members were impressed by the effort and progress that is being made. The Panel Members recognise the need for staff in different service areas to work together in a joined-up way. During the course of the review, a number of examples came to light where areas for some improvement were identified. Although not uniquely relevant to the green sector, it is recommended that a closer working relationship between a number of service areas would lead to a more coherent service provision from the perception of the business community.

Recommendation 5 – Cross-Departmental Working

All businesses, as well as those in the green sector, access a range of services provided by the Council, including those provided by Invest Wirral, Inward Investment, Marketing and Planning Departments. As a consequence:

- a) The Director of Regeneration, Housing and Planning is requested to ensure that close working relationships are developed between officers in Invest Wirral, Inward Investment, Marketing and Planning Departments.
- b) The Director of Regeneration, Housing and Planning is encouraged to ensure that dedicated planning support to businesses should be provided by having all business planning applications assigned to a specified team of planning officers.
- c) If a business planning application is submitted to the Planning Department, Invest Wirral should be immediately informed and if a new business is speaking to Invest Wirral regarding planning matters, a referral should be made to the Planning Department so that support is offered.
- d) The Director of Regeneration, Housing and Planning is requested to consider the benefits of Development Control being part of an integrated planning team.
- e) Furthermore, making use of the office rationalisation programme, co-location of relevant teams should be investigated. Therefore, the Head of Asset Management and the Director of Regeneration, Housing and Planning are jointly requested to investigate the feasible options.

One specific service provided by the Invest Wirral team is the support provided to the Business Forums. During the course of the review, a suggestion was made from the business community that not all businesses operating within the green sector are captured within the current forum network.

Recommendation 6 – Business Forum Network

Wirral Council should evaluate the current business forum network to ensure that the interests of all companies in the green sector are included in the network. Consideration should be given to the creation of a new green sector network.

The Panel Members met with a small number of business leaders during the review. The views expressed during those meetings gave a good insight into the issues faced by those businesses currently operating in a relatively immature business sector. Enabling other members of the Economy and Regeneration Overview and Scrutiny Committee to debate current issues with representatives of the business community could only enhance the understanding of Members and therefore strengthen the role of the Committee in supporting the development of Wirral's green economy in the future.

Recommendation 7 – Engagement with Green Businesses at Overview and Scrutiny Meetings

This Scrutiny Review has given the Panel Members an opportunity to discuss relevant issues directly with members of the business community. Therefore, during the forthcoming municipal year (2012/13), the Economy and Regeneration Overview and Scrutiny Committee (or successor committee) is encouraged to invite a minimum of two leading Wirral companies in the green sector to meet the Committee to further explore the problems and opportunities currently faced by those companies.

6.3 Marketing and Awareness

A specified officer from within the Corporate Marketing team provides the press, public relations and marketing support for regeneration projects, tourism, inward investment and business support, including Invest Wirral.

Wirral-based businesses are directed to the BusinessWirral.com website which provides online business support for existing businesses. The BusinessWirral.com website has been developed by Invest Wirral specifically for existing Wirral companies. The website is password protected to ensure access by known users only. The site provides information on issues such as:

- The ILM programme (Wirral Intermediate Labour Market, supported by the European Social Fund)
- The Wirral Apprenticeship Scheme
- Peel Development
- Sector Information
- Business events and networking opportunities
- Local business news
- Trading opportunities and tender alerts

The InvestWirral.com website, which has been recently re-launched, is the site for new businesses looking for investment opportunities in Wirral. The new website includes sector-specific pages, including low carbon and offshore wind. The website will also make use of email flyers, for example, there will be an offshore wind newsletter for those who have registered. Recent positive innovations include the availability of a Mandarin version of the website in order to attract further interest from the Far East.

With specific reference to the development of the green economy, the Panel Members were informed by business people that the barriers to green companies expanding in Wirral included:

“Overcoming negative perceptions that green business is all about 'eco warriors' or 'chip fat express’”.

And:

“The same barriers exist in other areas of the UK. As well as standard business practices, the knowledge of the Green Economy is very sparse and need investing in”.

In order to help overcome some of the perceptions and to highlight the positive image of the green sector, the Panel Members suggest that a large marketing event should be held within the borough at which local companies could showcase their products and services. It was clearly important for the future of those businesses who were contacted that there is an increased awareness on green issues such as sustainability and the security of energy supplies for local businesses.

Recommendation 8 – Public Awareness Event

Wirral Council is keen to support the local green economy. Therefore, the Council is encouraged to hold a large ‘market-place’ style event aimed at raising public awareness in the products and services provided by the local green economy. Relevant businesses would be invited to display their products and services at the event, to which potential large-scale customers and members of the public would also be invited. The event should also highlight employment and training opportunities available in the green sector.

There was a perception among some of the business community that more could be done to market Wirral as a place to do business and specifically within the green sector. One businessperson informed the Panel Members that:

“I find that Wirral suffers from a lack of identity in being known for any particular sector”.

Meanwhile another added that:

“Wirral should aim to market itself as the capital of the low carbon economy, using companies already here to attract others. The Peel development (Wirral Waters) provides vast opportunities for green technology”.

However, there was equally positive feedback in the comment that:

“The Wirral Investment Forum has helped to raise the profile of Wirral as a good place to do business”.

It is, therefore, clearly important the Council continues to take a lead in highlighting the positive image of Wirral as a place to do business and specifically for those companies in the green sector. Continuing to highlight the activities of the green sector in a positive light is one way in which the Marketing Department can help to advance the borough if it is to become “the capital of the low carbon economy”.

Recommendation 9 – Marketing ‘hits’ for the Green Sector

The aim is for Wirral to be recognised as a market leader in the green economy and build a reputation as a positive environment for green growth industries. Therefore, the Marketing Department should be set a target to promote a minimum of 30 green issues per year through the Council’s website and local media channels. Special attention should be paid to promoting good news stories from local businesses in the green sector. This will require close working relationships between Invest Wirral, Inward Investment and Marketing.

As with some other service areas, detailed in Section 6.2 above, benefits could be gained from the development of a closer working relationship between marketing and other teams, specifically with Invest Wirral to highlight joint strategic marketing issues. As an example, some benefit may be gained from the availability to Invest Wirral of a generic brochure that could include inserts geared towards specific sectors providing information such as case studies and training organisations. It is also understood that further work will be done by the Marketing Department to develop marketing materials in relation to the newly appointed Inward Investment Manager.

6.4 Creating a Green Market

As part of the ongoing energy efficiency measures to enable the borough to move closer to its target of reducing carbon emissions by 60% by 2025, Wirral Council is investing heavily in renewable energy in 2011-12, both on making the Council’s own buildings more energy efficient and also by helping community and voluntary groups take their own steps to reduce emissions through the Energy Efficiency Grant.

Nearly £3 million will be invested in solar energy over the next two years in 30 Council properties. This will mean a significant investment and one which will bring a return over many years as savings in both energy costs and CO₂ emissions are realised. It is hoped that there will also be an additional benefit to the local economy in that switching buildings over to solar power will provide employment opportunities to local people within Wirral’s growing low carbon industry. The Cheshire Lines building last year became the first Council building to install solar panels to allow it to generate its own electricity and microgeneration is something that the Council is supporting.

Other organisations are also being encouraged to follow suit. To achieve this, grants are being used to help community groups, through the Energy Efficiency Grant, to introduce a range of different energy efficiency technologies, including building insulation, heating and lighting upgrades and IT energy efficiency improvements. Applications for the Grant, which can be made up to £4000, aim to support the long-term sustainability of community groups running community buildings. In so doing, it is hoped that such schemes will help to stimulate the market for green businesses in the local area,

albeit in a limited form. Likewise, and on a larger scale, it is anticipated that the Council's Home Insulation Programme will also continue to encourage local businesses in the low carbon sector.

In general, housing providers, both social and private landlords, have the potential to generate a great deal of work for green businesses. It is, therefore, suggested that effort is made to further persuade the borough's landlords of the benefits of making buildings more energy efficient and of pursuing the green agenda.

Recommendation 10 – Developing the relationship with landlords

Housing is a huge potential market for the green economy. The proposed Officer Working Group, given its cross-cutting remit, will be well placed to encourage a positive relationship between landlords, both social and private, and local green business. Therefore, social and private landlords should also be invited to play a role in the marketing event, proposed in Recommendation 8.

The Council's Corporate Procurement team has developed a Sustainable Procurement Policy, which is aimed at addressing the objective to "promote procurement practices and policies which contribute to the Council's priorities on equality, sustainability and regeneration". The purpose of this policy is to help minimise the impact on the environment by providing staff with information and practical help to assist them to buy or specify products that cause the least environmental damage. It sets out Council policy on environmental purchasing and gives tips and advice on how to find products that will be effective, of value for money and do least harm to the environment. The purchase price may only be a fraction of final cost to the Council, or wider society, with a variety of impacts associated with the way goods and services are made, delivered, moved, used and disposed of. These include running costs, repair and disposal charges, along with indirect and hidden costs like traffic congestion and pollution.

Wherever possible, and legal to do so, local suppliers will also be encouraged to participate in the tender process. The Council will, on occasion, require delivery of goods or services within specified time limits whenever this is relevant to the subject of the tender. However, caution must be applied in order to avoid any prejudice being shown to a supplier's opportunity to deliver a contract on the grounds of localism unless it is essential to the delivery of the contract.

The Council can encourage participation in the process by advising local suppliers regarding how to work with the Council. In partnership with Invest Wirral, Corporate Procurement have held supplier workshops on 'How to do Business with Wirral Council', with over 300 companies having received training to date, most of whom are local. A guide, 'How to do Business with Wirral Council' is also published on the Council's website. Within the current legislation, it is also allowable to request an explanation from the supplier regarding how they will work with the local community. That approach is more difficult with large contracts. However, in those circumstances, the supplier will often want to work with local companies through sub-contracting. As an example, Portsmouth Council has developed a portal specifically to support companies with second and third level sub-contracting.

It is clear, therefore, that substantial effort has been made to support the local business community. Nevertheless, there was some feedback from business people that the procurement procedures can appear too complicated, especially for small companies, and "there are too many hoops to go through". As the green sector is a fledgling sector with younger businesses being more prominent, it is suggested that particular emphasis is given to that sector in terms of procurement training.

Recommendation 11 – Procurement training for the Green Sector

The Scrutiny Panel recognises the excellent work done by Invest Wirral and Corporate Procurement to encourage access to the procurement process by all companies. However, recognition needs to be given that the green sector is a fledgling sector. It is, therefore, requested that a sector-specific procurement training programme and support is provided, organised through the Green Sector Forum as proposed in Recommendation 6.

With regard to the environmental credentials of suppliers, all contractors, suppliers and service providers that bid for major or strategic contracts are required to provide their Environmental Management System and to detail what impact their business has on the environment. All are required to provide any information about failure to comply with any legislation or where they have been subject to fines for transgressing those regulations and failure to do so would mean withdrawal of any contract offer. However, the Panel Members suggest that greater awareness among suppliers of the Council's environmental policies might help to influence those suppliers.

Recommendation 12 – Promotion of the Council's Environmental Policies to potential suppliers

Potential suppliers are currently provided with a copy of the Council's equality policies. In order to raise the profile of green issues, potential suppliers should be provided, by the Procurement Department, with a copy of the Council's environmental policies relevant to the procurement process.

6.5 Education and Training

The following question was asked in the questionnaire:

"How would you rate availability of skilled labour for businesses in Wirral's green sector"?

Replies varied but included:

"There is a known shortage of green skills across the North West".

"This is a new economy and people have to learn or develop the skills. This is common for all areas of the UK".

"There is a strong base of skilled employees from established industries such as chemical, engineering and shipbuilding where contraction has taken place".

The funding of courses delivered through Further Education Colleges is driven by national agencies. The Sector Skills Councils are employer-led organisations that are responsible for providing the leadership to address skills needs within and across sectors. However, there is no specific Sector Skills Council to represent the green sector. As the green sector covers a wide spectrum, the requirements will sit across a number of the Sector Skill Councils, for example, Construction, SEMTA (Science, Engineering and Manufacturing Technologies) and Summitskills (Building Services / Engineering). Data is collated at a national level by the Sector Skills Councils, who identify training requirements at a national level. Included in the remit of the National Skills Academy is to identify the requirements of new business sectors. As part of that process, Liverpool Community College has been named as the region's lead hub for the green sector.

Among the most the relevant courses to the green sector offered by Wirral Metropolitan College are those courses that fall within the electrical and plumbing sectors. Within those courses, elements applicable to the green technologies are included, although Panel Members were told that, to date, there was little demand for 'green' training. The Panel Members were also informed that in order to be eligible for a free course, the student must be under nineteen years of age and the course must be on a list of recognised qualifications. There are currently no 'green' courses on that list.

Wirral Metropolitan College operates the Plumbing and Gas Skills Academy at Lumina Park, Bromborough. The courses at Lumina Park include biomass and the new technologies. In addition, the roof at the Twelve Quays Centre has been fitted with solar panels. Therefore, the training facilities are available. However, there has been little take-up. This may well be due to the fact that the relevant courses are non-funded and have to be paid for by the individual. One officer commented:

"Decisions (regarding the availability of courses) are often driven by what funding streams are available. This means that the selected course is not necessarily the best for the individual."

Companies in the private sector do provide welcome opportunities for training in Wirral. In particular, the Green Energy Training Centre in Bromborough, operated by Stiebel Eltron in collaboration with Scientiam, offer training facilities. Those courses attract customers from a wide area, often travelling from outside the borough although they appear to be targeted at upskilling existing tradespeople rather than new entrants. Indeed, from a national perspective, there appears to be an increasing focus to ensure that employers are more responsible for identifying training needs and providing the training opportunities for employees.

Members concluded that, within the process for identifying skill requirements and funding allocation within the Further Education system, there appears to be little recognition of local requirements. The process for changes to qualifications and approved courses also appears to be slow. In respect of the green sector, there was an impression that opportunities were far greater for upskilling rather than for new entrants to training.

Recommendation 13 – Lobbying for changes to the Funding Regime for Training

The training opportunities appropriate to the green sector which are now provided by the private sector in Wirral are welcomed. However, the Scrutiny Panel Members are concerned at the limited flexibility within the current funding regime to enable new courses to be developed within the further education curriculum. Consequently, training provision in colleges does not reflect changing requirements, such as the growth of the green sector. As a result, the Director of Children and Young People and the Director of Regeneration, Housing and Planning are jointly asked to raise this issue with the relevant funding agencies, such as the Skills Funding Agency and the National Skills Academy.

Recommendation 14 – Creation of a fund to encourage access to existing training opportunities

Access to adequate training is recognised by the Scrutiny Panel Members as an important issue for individuals. The creation of a fund to support upskilling of those working within the green sector should be explored. The fund will also enable those people moving into the sector, including the unemployed, to access existing training opportunities in Wirral.

There are over 200 frameworks for apprenticeships. The frameworks, which are groups of nationally recognised qualifications, are due to have some green element added to them, if they do not already do so. The National Apprenticeship Service is working in partnership with the relevant Sector Skills Councils to ensure frameworks are developed to meet the needs of employers. Apprenticeship frameworks exist, for example, in Electrotechnical, Electrical and Electronic Servicing, Heating and Ventilation and so on. Within each of those frameworks, there are relevant elements that provide training in the new technologies, for example, sustainable materials, alternative energy sources, modern construction techniques, and methods to reduce the sector's carbon footprint. Therefore, it is the existing apprenticeship frameworks with additional green focus units that will provide individuals with the green industries skills. The Wirral Apprenticeship Scheme is widely recognised as a success. The Panel Members suggest that, in order to support the training programme and improve skill levels within the green sector, a number of apprenticeships are made available annually to green businesses.

Recommendation 15 – Wirral Apprenticeship Scheme

The members of the Scrutiny Panel recognise the success of the Wirral Apprenticeship scheme. In order to help increase the training opportunities in the emerging green sector the Director of Regeneration, Housing and Planning is encouraged to allocate between five and ten apprenticeships to green businesses in the forthcoming financial year. Consideration should be given to offering greater subsidies to employers in the green sector, including incentives to support access to higher level apprenticeships.

Discussions with businesses and also feedback from the questionnaire gave a strong indication that there was a lack of clarity regarding the availability of relevant training providers and courses in the region. The Panel Members, therefore, suggest that further work takes place to identify and promote the availability of appropriate training to the green sector.

Recommendation 16 – Database of Green Skills Training Providers

Wirral Council is encouraged to develop a database of all green skills training providers available in the North West region. The information should be made available through Invest Wirral and other Council websites, colleges and schools.

One businessman informed the Panel Members that:

“The industry has to have an awareness of getting information to the public that is from a credible, trustworthy source”.

In order to support that process, the Panel Members suggest that, in order to further build customer confidence in the green sector, those traders who have the appropriate skill levels are eligible to join a green accreditation scheme.

Recommendation 17 – Green Accreditation Scheme for Traders

The Director of Regeneration, Housing and Planning is requested to assess the possibility of developing a green accreditation scheme similar to The Wirral Trader to bring increased consumer confidence.

6.6 Planning, Land Availability and Council Properties

There is a need for land availability and industrial units to enable existing companies to grow and to encourage inward investment. Ensuring that the supply of accommodation supports the Council's inward investment strategy is a critical factor in the development of the sector. An employment land study was carried out two years ago. The study suggested that much of the available employment land was low grade. One officer described the Wirral International Business Park as “the jewel in the crown”. There are 70 hectares of land left for development, estimated to be used in five to 10 years time. Therefore, there are limited options for the future.

Within the Council's ownership, the industrial portfolio comprises 123 units located in nine industrial estates in the Tranmere / Birkenhead / Wallasey areas. In addition, there are five individual units located throughout Wirral. The sizes of the units range from starter units of 22.75 m² (245 sq ft) at the Wirral Business Centre, through to the largest units of 667.75 m² (7,185 sq ft) at Kelvinside in Wallasey. The predominant characteristic of the Council's industrial portfolio is that it comprises small units, on average less than 185.87 m² (2,000 sq ft) in area. The units are let on leases or licences and, at any one time, there will be a small number of units available. Therefore, there are limited options within the Council's industrial / commercial estate.

The relationship between the Planning Department and other service areas has been discussed earlier in Section 6.2. Within the planning system, it is understood that little can be done to incentivise the green sector. As the Council can make planning policy, the main options relate to the level of restrictions that are applied. Therefore, it is possible that policies could be relaxed to promote further business expansion. However, policies would have to be relaxed for all sectors (not just the green sector) for reasons of legality, equity and probity. All industrial development within a similar class would need to be dealt with in the same way.

Some Councils elsewhere have been successful in using Section 106 agreements during the planning process to secure benefits for the local community. However, it is fair to say that the greatest benefits are secured where the demand for land is greatest, for example London and the South East of England. As an example, Milton Keynes Council and key partners have worked together to support job opportunities for local people. The planning service at Milton Keynes has been instrumental in supporting local employment via planning policies and securing benefits through Section 106 agreements. Councils in Camden, Islington, Ealing and Greenwich have all secured substantial benefits in the areas of job creation, training and apprenticeships through the use of section 106 agreements.

Nevertheless, this does not mean that opportunities could occur, particularly in a more buoyant economic environment which could be linked to green initiatives. It is, therefore, suggested that work is done to explore prospects further. It is understood that the Council has the option to make use of Community Infrastructure Levies (instead of Section 106 Agreements) in the future. Recognition is also given to the fact that whenever the possibility of a Section 106 agreement is available, there are conflicting interests and priorities. As an example, should a green initiative have a higher priority than a transport scheme or a community leisure scheme?

Recommendation 18 – Opportunities for Section 106 Agreements (or Community Infrastructure Levies)

Wirral Council is encouraged to explore, as have other Councils, the opportunities for the creative use of Section 106 Agreements (or Community Infrastructure Levies) in the planning process, particularly where linked to training or green initiatives. Therefore, a report on best practice and potential use should be provided to the Economy & Regeneration Overview and Scrutiny Committee (or successor committee).

In respect of Council-owned property, Wirral Council has put in place a series of energy efficiency measures, some involving Council-owned property as discussed in Section 6.4 above. This includes the initiative to install solar panels on Council-owned buildings. In addition, Cabinet, in November 2010, approved the Green Specification, in the form of a Best Practice Guide for designers. The Best Practice Guide would require sustainable materials and products with recognised environmental benefits, and, where practicable, renewable energy technologies, to be incorporated into all Council building projects. Not only will this contribute to the Council's Carbon Reduction Programme and Carbon Budget, it will also, hopefully, support the local green sector.

During the course of this Scrutiny Review, the advantages and disadvantages of using Council-owned land for the development of a green business park have been debated. There has been some feedback supporting the principle of developing a green business park with one respondent to the questionnaire remarking:

“(A green business park would) give Wirral a competitive edge. Wirral needs to be seen as leaders in this new economy while it is still developing to therefore take as much market share as possible as the market grows”.

Another remarked that:

“Synergies between green businesses would be better served by closer locations”.

However, there was also considerable scepticism expressed that trying to impose sites via a bespoke business park is an approach that will not work. The point was also made that speculative development is extremely difficult to attract in the current economic conditions and such an approach has a high risk factor.

The concept of a cluster of green businesses could equally be developed by association, that is, for example, a major green company is established which then creates supply chain opportunities for emerging local companies. However, the companies in the supply chain do not all need to be geographically together. The biggest impetus would come from the investment by a company from the green sector. This would create a 'pull' effect and business would follow business. A further example might see a company operating in a particular sub sector which may offer synergies for other similar companies to develop as ancillary business opportunities develop.

Recommendation 19 – A Green Business Park for Wirral?

A report to the Economy & Regeneration Overview and Scrutiny Committee (or successor committee) should be produced debating the rationale for creating a green growth cluster of businesses either in a geographical location (a Green Business Park) or by association in various locations across Wirral.

This report was produced by the Green Growth Scrutiny Panel.

Appendix 1: Scope Document for the Green Growth Scrutiny Review

Date: 4th August 2011

<p>Scrutiny Panel Chair: Cllr Mark Johnston</p>	<p>Contact details: mobile: 07986 540930</p>
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<p>Other Key Officer contacts:</p>	
<p>1. Which of our strategic corporate objectives does this topic address? 1.1 Market Wirral as a world class location for businesses and visitors. 1.2 Make Wirral Council one of the most business friendly and supportive Councils in the country.</p>	
<p>2. What are the main issues? 2.1 National Policy - What is national Government policy / strategy and how will this impact on Wirral? 2.2 Current business support - What is already being done regarding support to local businesses in the green economy and how can we support these companies to expand? 2.3 Marketing - How are we marketing Wirral to attract inward investment and to create more green investment jobs, for example, through involvement with trade fairs? What will be the opportunities for the green economy arising from the proposed Enterprise Zone? 2.4 Creating a green market – What is the Council doing to create a green market and support the green economy? 2.5 Education / training – What are the educational / training needs of the sector? 2.6 Planning and land availability – Does the existing planning regime encourage green growth? What has Wirral Borough Council got in terms of rentable space / land and how suitable is it? 2.7 Council properties – What does the Council do with its own properties regarding green technology and is there an opportunity to create a market for green suppliers?</p>	

<p>3. The Committee's overall aim/objective in doing this work is:</p> <p>3.1 Council agreed a motion on 18th April 2011 which included: "This Council believes that there is real potential for the development of emerging Green technologies on Wirral and asks the Economy and Regeneration Overview and Scrutiny Committee to investigate and draw up a report for Cabinet on the best ways to create and support a 'cluster' of companies to lead the way in driving a Green economy on Wirral and across the country".</p>																		
<p>4. The possible outputs/outcomes are:</p> <p>4.1 To understand the current position regarding the green economy in Wirral. 4.2 To gauge the current strength of the low carbon sector in Wirral. 4.3 To develop proposals to help stimulate further green growth in the borough.</p>																		
<p>5. What specific value can scrutiny add to this topic?</p> <p>Further scrutiny will help to raise the profile of green growth within the Council and, hopefully, remove barriers to future development.</p>																		
<p>6. Who will the Committee be trying to influence as part of its work?</p> <p>6.1 Appropriate Cabinet members and Directors, Wirral Borough Council. 6.2 Indirectly, potential investors.</p>																		
<p>7. Duration of enquiry?</p> <p>Report due at the end of 2011.</p>																		
<p>8. What category does the review fall into?</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Policy Review</td> <td style="width: 10%; text-align: center;">x</td> <td style="width: 10%; text-align: center;"><input type="checkbox"/></td> <td style="width: 50%;">Policy Development</td> <td style="width: 10%; text-align: center;">x</td> <td style="width: 10%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>External Partnership</td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>Performance Management</td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Holding Executive to Account</td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td></td> <td></td> <td></td> </tr> </table>	Policy Review	x	<input type="checkbox"/>	Policy Development	x	<input type="checkbox"/>	External Partnership		<input type="checkbox"/>	Performance Management		<input type="checkbox"/>	Holding Executive to Account		<input type="checkbox"/>			
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Holding Executive to Account		<input type="checkbox"/>																
<p>9. Extra resources needed? Would the investigation benefit from the co-operation of an expert witness?</p> <p>The review will be conducted by councillors with the support of existing officers. However, the Panel Members are looking for advice from people with expertise on this topic.</p>																		

10. What information do we need?	
<p>10.1 Secondary information (background information, existing reports, legislation, central government documents, etc).</p> <p>Relevant Government Departmental documents</p> <p>Recent Committee / Cabinet reports</p> <p>Relevant national documents</p> <p>Reports from other Councils into similar topics</p> <p>Examples of good practice from other Councils, for example, Bristol.</p>	<p>10.2 Primary/new evidence/information</p> <p>An evaluation of the businesses currently operating in the green economy sector in Wirral. (How many businesses, number of employees, type of business, etc..)</p> <p>Interviews with key officers</p> <p>Interviews with representatives of the business community</p> <p>Possible survey of representatives of the business community</p>
<p>10.3 Who can provide us with further relevant evidence? (Cabinet portfolio holder, officer, service user, general public, expert witness, etc).</p> <p>Several meetings will be held including: Ben Lavell (Invest Wirral, WBC)</p> <p>Mark McManus (Managing Director, Stiebel Eltron) plus other representatives of the business community</p> <p>Kevin Adderley, Interim Director of Corporate services, WBC) – to discuss Inward Investment strategy</p> <p>Gill Rutter (Destination Marketing, WBC)</p> <p>Andrew Fraser (Strategic Development, WBC) - to discuss the planning regime and land issues</p> <p>Ian Brand (Asset Management, WBC)</p> <p>Alan Evans (Strategic Development, WBC)</p> <p>Visit to the Green Energy Training Centre (Stiebel Eltron)</p> <p>Wirral Metropolitan College</p>	<p>10.4 What specific areas do we want them to cover when they give evidence?</p> <p>Which part of the Council’s current service provision is particularly successful?</p> <p>Where can improvements to service provision be made?</p> <p>What are the current barriers to green growth in Wirral?</p> <p>Can these barriers be removed?</p> <p>What should be the priorities for the future?</p>

11. What processes can we use to feed into the review? (site visits/observations, face-to-face questioning, telephone survey, written questionnaire, etc).

11.1 Meetings with officers and representatives of the business community

11.2 Visits to include the Green Energy Training Centre, Invest Wirral

11.3 Survey of businesses in the green economy sector

11.4 Desk-top analysis

12. In what ways can we involve the public and at what stages? (consider whole range of consultative mechanisms, local committees and local ward mechanisms).

12.1 None at this stage, other than through the business community

Appendix 2 : Questionnaire issued to businesses in the Green Sector

GREEN GROWTH SCRUTINY REVIEW

BUSINESS QUESTIONNAIRE – FEEDBACK SUMMARY

SECTION A – BUSINESS SUPPORT PROVIDED BY WIRRAL COUNCIL

Q1. What support does your business currently receive from Wirral Council?

Service	Number of respondents receiving the service.
Funding Support	
Personal advice from an Invest Wirral adviser	
Newsletters (via email or website)	
Attendance at Business Forums	
Events and networking opportunities	
Links to suppliers	
Wirral apprenticeship scheme	
Wirral ILM	
International links support	
Invest Wirral Business Forum membership (www.businesswirral.com)	
None of the above	

Q2. How useful is this service on a scale of 1 to 5 (where 5 is the most useful)?

Service	Number of respondents giving each rating				
	1	2	3	4	5
Funding Support					
Personal advice from an Invest Wirral adviser					
Newsletters (via email or website)					
Attendance at Business Forums					
Events and networking opportunities					
Links to suppliers					
Wirral apprenticeship scheme					
Wirral ILM					
International links support					
Invest Wirral Business Forum membership (www.businesswirral.com)					
Others (please specify)					

Q3. Overall, how do you feel about the level of support currently provided to your business by Wirral Council?

	Number of respondents
Very Satisfied	
Satisfied	
Neither Satisfied nor Dissatisfied	
Dissatisfied	
Very Dissatisfied	

Any other comments:

Q4. What more can Wirral Council do to support your business?

SECTION B – BUSINESS SET-UP

Q5. How easy/ difficult did you find it to set up business in Wirral?

	Number of respondents
Very Easy	
Easy	
Neither easy nor difficult	
Difficult	
Very Difficult	

Any other comments:

Q6. Are there any barriers to other green businesses being set up in Wirral?

Q7. Do you think a green business park would be beneficial to Wirral?

	Number of respondents
Yes	
No	
Don't know	

Any other comments:

SECTION C – TRAINING AND SKILLS

Q8. How would you rate availability of skilled labour for businesses in Wirral's green sector?

	Number of respondents
Very Good	
Good	
Average	
Poor	
Very Poor	

Any other comments:

Q9. What training opportunities, of which you are aware, are available to meet any skill gaps?

Q10. What further training requirements does your business have?

SECTION D – MARKETING

Q11. How effectively do you feel Wirral markets itself as a place to do business?

	Number of respondents
Very Effectively	
Fairly Effectively	
Fairly Ineffectively	
Very Ineffectively	

Any other comments:

Q12. What is Wirral’s ‘Unique Selling Point’ and how could the marketing of Wirral as a place to do business be improved?

SECTION E – TRANSPORT

Q13. Do you think that Wirral’s transport infrastructure is business-friendly?

	Number of respondents
Yes	
No	

Any other comments:

SECTION F – ADDITIONAL COMMENTS

Q14. Please add any other comments that you wish to make.

Appendix 3 References

Reference Documents included the following:

‘Low Carbon Economy Action Plan – Delivering Economic Growth 2011 – 2015’, The Mersey Partnership, 2011

Report of the Interim Director of Corporate Services, ‘Joint European Support for Sustainable Investment in City Areas (JESSICA)’, presented to Cabinet, 4th November 2010

Report of the Director of Technical Services, ‘Green Specification and Renewable Energy Generation by Council’, presented to Cabinet, 25th November 2010

Report of the Director of Finance, ‘Community Benefits in Tenders’, presented to Cabinet, 4th November 2010

Report of the Interim Director of Corporate Services, ‘Wirral Investment Strategy 2011-2016’, presented to Cabinet, 21st July 2011

Report of the Interim Director of Corporate Services, ‘Targeted Inward Investment Activity’, presented to Cabinet, 21st July 2011

‘Creating Green Jobs – Developing Local Low-carbon Economies’, Local Government Association

‘Sector Skills Councils’, UKCES (UK Commission for Employment and Skills), November 2011

‘College opens one of the largest “green” training centres in the UK’, Liverpool Community College website, November 2011

‘Wolf Review proposes major reform of vocational education’, Department of Education website, November 2011

‘Section 106 for training and skills’, Planning Advisory service website, November 2011

Various, Bristol City Council website, November 2011

‘Wirral plans renewable energy innovation Centre’, BBC website, September 2011

‘Cammell Laird wins £5m Wind Farm Contract’ Liverpool Echo, 5th October 2011

Mersey Solar Panel Firms Shocked at Feed-in Tariff Cut’, Liverpool Daily Post, 2nd November 2011