

**Minutes of a Meeting of the Black Country Local Enterprise Partnership**

**22<sup>nd</sup> October 2018 at 3.00pm**  
**Dudley College, The Broadway, Dudley DY1 4AS**

**Present:** Chris Handy Accord Housing (in the Chair);  
Cllr. Adrian Andrew Walsall MBC;  
Paul Brown EY;  
Cllr. Keiran Casey Dudley MBC;  
Andrew Cox Cox & Plant;  
Jackie Dunne University of Wolverhampton;  
Prof Geoff Layer University of Wolverhampton;  
Simon Eastwood Carillion Developments;  
Lindsey Flynn Well Associates Ltd;  
Cllr. Bill Gavan Sandwell MBC;  
Ninder Johal Nachural Communications;  
Cllr. John Reynolds City of Wolverhampton; and  
Tom Westley Westley Group.

**In Attendance:** Sarah Norman Dudley MBC;  
Sarah Middleton Black Country Consortium Ltd;  
Katherine Birch Black Country Consortium Ltd;  
Lara Cragg Black Country Consortium Ltd;  
Ian Cribbes Black Country Consortium Ltd;  
Delma Dwight Black Country Consortium Ltd;  
Charlie Hopkirk Black Country Consortium Ltd;  
Peter Smith BEIS; and  
Hywel Ruddick Black Country Consortium Ltd.

**Apologies:** Councillors Bird, Eling, Lowe and Jatinder Sharma,  
Stewart Towe and Deborah Williams.

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158/18 **Appointment of Interim Deputy Chairman**

Sarah Middleton advised that there was a need to appoint an Interim Deputy Chairman to cover the associated duties of the post. She advised that the revised Assurance Framework, would require the appointment of Deputy Chairman role.

Two nominations had been received for Chris Handy to undertake the role and Members:

**Agreed**

- 1) that Chris Handy be appointed Interim Deputy Chair of the Black Country LEP Board; and
- 2) that the LEP Board undertake to appoint a permanent Deputy Chair role for the Board.

159/18 **Declarations of Interest**

**Agreed** that the following Declarations be noted: -

- 1) Lindsey Flynn – referenced European Structural Investment Fund (Minute 165/18) and declared her non-pecuniary interest in the item, in that her company had received funding from the Building Better Opportunities fund. It was noted that the report was for information on future funding and thus no decision was required thereon.
- 2) Tom Westley – referenced his on-going interests in the Elite Centre for Manufacturing Skills and Dudley College. It was noted that there were no decisions required thereon.
- 3) Chris Handy – Funding Applications Sub-Board minutes 1<sup>st</sup> October 2018 (Minute 171/18). With reference to the update on Woods Lane he advised that Accord Group may be undertaking work on the site in the future. He advised the Board in the interests of transparency.

160/18 **Minutes**

The minutes of the meeting held on 17<sup>th</sup> September 2018 were circulated.

**Agreed** that the minutes of the meeting held on 17<sup>th</sup> September 2018, be received and confirmed as a correct record.

161/18 **Policy Update**

The meeting considered the following Policy Updates: -

- i. Garden City Submission
- ii. Economic Intelligence Unit (EIU) – Statistics relating to: -
  - UK Business Counts Annual Release;
  - UK Business Register and Employment (BRES) Survey: 27<sup>th</sup> September Release;
  - 2016 Household Projections – Black Country
  - Employer Skills Survey 2017.

Delma Dwight provided an over of the statistics and highlighted: -

- There had been an increase in new business starts. The Chair queried the figures of 33k and 37k and was advised that one represented a snap shot in time, whilst the latter figure provided the demography overall.
- Andy Cox referenced the support structure from the Growth Hub and stated that it would be interesting to have data on business failures and the types of business that failed. Prof Geoff Layer note that if a business survived the first three years it could be considered sustainable, with another key milestone reached when a business had been established for ten years.
- Sarah Middleton stated that statistics would be provided on business failures.
- The Chair welcomed data on earnings with the new jobs, that is whether earnings were increasing or they were low paid jobs.
- Tom Westley stated a breakdown of data on where the jobs were arising by sector would be useful.
- Reference was made to Dudley and the lack of industrial space available, Sarah Norman advised that this was an issue in the BC Core Strategy Review, which identified the shortage of both employment and housing sites across the region.
- The Employment & Skills survey identified 16,000 vacancies with 4,000 due to a skills shortage, primarily in construction and manufacturing.
- It was noted that work was being undertaken through the Employment & Skills Theme Advisory Board to encourage and provide opportunities for employers to train their staff.

**Agreed** that the LEP Board: -

- 1) note the Policy update; and

- 2) receive an update from the EIU on the additional statistics requested and detailed above.

## 162/18 **Strategic Company Barometer**

Delma Dwight provided an update on the Strategic Companies and highlighted that the Black Country's Strategic Economic Plan (SEP) identified 12 strategic programmes aimed at enabling businesses in the priority sectors to grow and deliver the Black Country's contribution to the implementation of the UK Industrial Strategy.

She highlighted, some key figures: -

There were 37,490 active businesses in the Black Country in 2017 and the majority of the Black Country Business Base were SME's employing less than 250 people (99.6%) and generating less than £250,000 (69%) in turnover.

Across the 2,160 strategic companies, they contributed an estimated £41bn in turnover, £10.7bn in GVA and nearly 200,000 people to the Black Country economy. This was a decrease from the value of our 2017 strategic companies' barometer, of which the companies generated £47bn turnover, £11.8bn GVA and 332,000 people.

Comparing the 2017 and 2018 barometers, the number of Black Country Strategic Companies with a turnover of £100m or more has reduced from 40 to 35, but the number of strategic companies with 100 or more jobs had increased from 215 to 231.

66% of companies operate within transformational sectors, with the majority in Advanced Manufacturing (29%) whilst across the enabling sectors they were largely within the Retail sector (34%).

The Black Country needed to grow £11.9bn GVA and 54,000 jobs in our transformational sectors by 2030 to reach the Black Country SEP 2030 target and an additional £4.9bn and 49,500 jobs across the enabling sectors. This amounted to a total of £16.8bn and 103,500 jobs across Black Country sectors.

Reference was made to the 9 companies with the highest turnover and it was noted that whilst the WM Growth Company did have a list of BC companies to promote and assist economic activity, the majority would manage their own growth with a requirement for minimal public sector information.

With reference to the reduction on turnover, GVA and jobs from 2017 to 2018, it was noted that Carillion had been on the list of the top companies.

Paul Brown referenced the previous suggestion of having a Board Members championing a company and suggested that this should be revisited.

Reference was made to the Growth Hub to include sales and marketing, return on investment and the issue of land availability being a big factor. The Chair advised that this would be an item for consideration at the Away Day.

In relation to the work of the Growth Hub, Ninder Johal observed that much of the work was reactive and that if smaller companies were bring forward growth then there was a need to identify where the enquiries were coming from, identify whom to target and consider the potential over the forthcoming years.

The Chair concurred that whilst there was a need to identify major companies there was need to review what other companies were doing and what they would be doing in the future. Prof Geoff Layer advised that the University would be able commit some resource.

Cllr. Adrian Andrew welcomed engagement with business owners but stated that there was a need to identify landowners and target them to release land for businesses and homes. Sarah Middleton stated that work could be done to granular categorisation of landowners across the Black Country.

### **Agreed**

That the LEP Board: -

- 1) Note the publication of the Black Country Strategic Barometers report 2018;
- 2) Agree to the production of relevant PR/marketing material to share the strategic companies with wider stakeholders;
- 3) That Growth Hub be and item on the Away Day agenda; and
- 4) That work be undertaken to identify and categorise landowners across the Black Country.

**WMCA Update – including WMCA Local Industrial Strategy (LIS)**

Sarah Middleton presented the WMCA LIS and highlighted that the consultation document represented an opportunity to provide comments by 15<sup>th</sup> November 2018.

She highlighted that the LIS had been developed through a collaborative approach with the three WM LEPs and WMCA and the aim was to enable growth (50,000 more jobs); improve productivity and ensure inclusive growth.

She stated that the Black Country represented 70% of the Productivity and Output gap across the region thus investment was required in order to reduce this gap.

Whilst the Black Country LEP and partners have been heavily involved in the production of the WM LIS until now, there remained an opportunity to respond to the consultation document in order to more deeply engrain a Black Country voice on our area's needs and opportunities and to maximise the overall contribution regionally and nationally.

From an initial assessment of the WM LIS consultation document, it was that, despite there being some really useful components to the strategy and a vitally important narrative around productivity and inclusive growth, there were significant gaps.

Initial thoughts to be considered were:

- The focus on supply chain improvement was included (e.g. through Productivity Factory programme) but underplayed. This should be seen as a crucial part of the opportunities across key sectors such as aerospace and automotive, and should be a strategic thread throughout, reflecting supply chains as the backbone of our economy.
- There appears too much focus on high-level automotive/high ticket items rather than the quality and robustness of the BC supply chain – and how we need to diversify for new technologies such as electric vehicles. This is crucial to the success of these industries locally for years to come.
- Some of the region's key manufacturing sub-sectors (e.g. metals/materials, rail, aerospace) are generally underplayed at the expense of an imbalanced view on automotive. All of these are important going forward, and the cross-sector & supply

chain nature of the manufacturing economy needs to be capitalised on.

- Many of the asks BC LEP put forward (from the sector action plans & the Black Country LIS) have either not been included or underplayed – e.g. extension of the Black Country Skills Factory, the CITEC innovation programme).
- The “big ticket” items relate to Coventry and Birmingham (Commonwealth Games/Coventry City of Culture). The Black Country needs to proactively put across a number of smaller (but impactful) projects which, together, can be similar in scale to these. We envisage that these need to be based around supply chain development.
- Innovation spending was highly concentrated in OEMs and that BC supply chains across sectors need greater support (e.g. through the Black Country Innovation Factory).

The meeting was advised that the consultation was open until Thursday 15<sup>th</sup> November. In the weeks ahead, a large number of organisations were running events and discussions about the ideas and actions in the document.

Through the LEP Board and all LEP advisory groups, it was important for the Black Country to provide a strong overall response to the WMCA, possibly incorporating other local partners.

The Chair acknowledged the comments and agreed that there was a need to influence and strengthen the document with a greater emphasis on the needs of the BC.

Reference was made to Exports and the limited number of International Trade Advisors it was agreed that there was a need to strengthen business support for the BC and wider WM. It was commented there was a need for a “Business Link” style support to include mentoring and export support.

Peter Smith advised that the LIS should build on strengths and opportunities, with an additional focus for the region.

With reference to the UK Shared Prosperity Fund (UKSPF), it was noted that there was a need to be ready to respond to funding calls and the BC’s Pipeline of projects with an understanding of the shape of interventions required was critical.

With reference to any potential impact of the LEP Review, Peter Smith advised that the potential impact would be on areas with geographical overlaps. It was noted that it was critical in business asks that importance of the metals sector and other supply chain sectors remained.

Sarah Middleton advised that the BC LIS would overlap with the 10 priorities identified in the WMCA LIS.

**Agreed** that the LEP Board notes: -

- 1) Note the Black Country's ongoing role in developing the WMCA Industrial Strategy and within the consultation period.
- 2) Support and add to our initial thoughts on the WM LIS consultation and what it means for the Black Country. Provide comment on what is missing.
- 3) Agree process for consultation to the WM LIS.

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### **Black Country Local Industrial Strategy**

Sarah Middleton presented the BC LIS and stated that it aimed to maximise the Black Country's contribution to the national economy & was the BC part in the delivery of the West Midlands LIS, in particular focusing on the drive to raise productivity and increase inclusive growth.

Peter Smith advised that whilst the Government were requiring LIS's from the CA's it was expected that LEPs would provide delivery or implementation plans.

Sarah Middleton highlighted the 11 programmes that underpinned the Black Country LIS:

1. Black Country Productivity Factory, provided productivity support for BC supply chains; three themes of *supply chain, exporting & funding*;
2. Black Country Innovation Factory, to increase the innovative capacity of our SMEs;
3. Black Country Garden City, promoted the use of modern methods of construction to accelerate the delivery of our Garden City programme;

4. Black Country Skills Factory, extended the reach of our current provision of employer-led training;
5. Better Energy, through a programme of activities based around our Energy Innovation Zone;
6. Skills Capital, provided the training facilities and equipment required by industry;
7. Careers & Schools, raising performance throughout, from early years to adult education.
8. Skills for the Unemployed, to improve the life chances of residents through employability and skills development of hard-to-reach groups;
9. HVM City, a comprehensive programme of activity to uplift the quality of existing employment areas and identify sites of industrial excellence;
10. Connected Black Country, providing the infrastructure to better connect the Black Country by road and rail;
11. Economic Capital, building on our cultural heritage to strengthen local town & city centres.

The Chair noted that the BC key priorities should be fed into the WMCA LIS.

Behind the work of the BC plan was the development of Smartsheet which provide an economic profile at a glance and an example was presented to the meeting.

**Agreed** that the LEP Board: -

- 1) Note the progress of the Black Country LIS production;
- 2) Provide comments on the first draft including identification of any gaps and comment on the existing pipeline; and
- 3) Agree to the continued development of this document in line with emerging government timescales, including supporting a consultation period.
- 4) that the Smartsheet link be circulated to Members.

Zoey West provided an update on the current Black Country ESIF programme, including current funding commitments across the European Regional Development Fund (ERDF) and European Social Fund (ESF) funding streams, together with the recent uprating (increases as a result of the lower value of the £) of Black Country ESF funding allocations.

The letter from Big Lottery to Stewart, advising – that the Big Lottery Fund Board (BLFB) had met and agreed to put further Lottery investment into Building Better Opportunities (BBO), the Fund's ESF activity, under ESF investment priority 1.4, Active Inclusion was received and noted.

It was noted that the BLFB would be in contact to provide a list of the projects in the BC area that meet the criteria and would ask for the ESIF Committee's initial comments on the proposal to extend BBO projects in the BC area to ensure that the projects continued to meet the local context. They would then then contact the Chair and the ESIF Committee to advise how much more ESF and Big Lottery Fund investment would be needed to extend the existing projects up to 2023.

The further investment is to be used to extend the existing BBO projects in your LEP area, provided they were performing satisfactorily against targets.

**Agreed** that the LEP Board: -

- 1) note the report; and
- 2) note the information in the letter received.

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### **Local Programme Dashboards**

The meeting received the following dashboards: -

- In Flight Current Financial Year
- Future Years
- Pipeline
- Land and Property Investment Fund (LPIF) (Public)
- Growing Priority Sectors
- Enterprise Zones

**Agreed** that the LEP Board receive and note the updates on the respective dashboards.

167/18 **Local Growth Fund – Growing Priority Sectors - Rubber and Plastics Ltd**

The Rubber and Plastics Ltd application was submitted.

**Agreed** that the LEP Board approves the UK Rubber & Plastics Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme. Grant funding is to be awarded to the value of £50,000 with delivery to commence in the 2018/19 financial year.

168/18 **Local Growth Fund – Valent Applications Ltd**

The Valent Applications Ltd application was submitted.

**Agreed** that the LEP Board approves the Valent Applications Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme. Grant funding is to be awarded to the value of £83,264 with delivery to commence in the 2018/19 financial year.

169/18 **Local Growth Fund – RP Technology**

The RP Technology application was submitted.

**Agreed** that the LEP Board: -

- 1) that the LEP Board approves the Change Request for the RP Technologies Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme; and
- 2) that the Board note that additional Grant funding is to be awarded to the value of £1028.72.

170/18 **Local Growth Fund – Assurance Framework**

The LEP Board were advised that within section 1 of the framework, under BCLEP governance and decision-making, it was stated that authority for change control had been delegated to the PMO manager. *“Deploy a Change Control process with clearly stated range of Project Tolerances, at 10% maximum of the total value of in year grant, applied to in-flight projects, approved by BCLEP Board. “*

Given the level of responsibility and potential conflict of interest, it had been suggested that the authority should be given to the Chair of the Funding Sub Group.

Following consideration, it was

**Agreed** that the LEP Board: -

- 1) Approves the proposed change to Delegated Authority to Deploy a Change Control as detailed above, to the Chair of the Funding Applications Sub-Board; and
- 2) That the change in delegation be captured in the Black Country LEP Assurance Framework.

171/18 **Funding Sub-Group – 1<sup>st</sup> October 2018**

The Minutes of the Funding Sub-Group held on 1<sup>st</sup> October 2018 were submitted.

**Agreed** that the minutes of the meeting held on 1<sup>st</sup> October 2018 be confirmed and approved.

172/18 **Employment & Skills (People) Theme Advisory Board – 11<sup>th</sup> July 2018**

Jackie Dunne presented the minutes and advised that currently, arising from the LEP Away Day session in June 2018, there was a Task & Finish Group considering the Health & Care Sector. The aim was to report back to the December 2018 Away Day.

**Agreed** that the LEP Board note the contents of the minutes of the Employment & Skills (People) Theme Advisory Board held on 11<sup>th</sup> July 2018.

173/18 **PR and Comms Report**

Ninder Johal presented the report.

**Agreed** that the report and dashboard be noted.

174/18 **Date of Next Meetings 17<sup>th</sup> September 2018**

**Agreed** that the LEP Board note that the next meetings would be held on 19<sup>th</sup> November – NMC, West Bromwich at 3.00pm and 17<sup>th</sup> December 2018, at noon.

175/18 **Exclusion of Press and Public**

**Agreed** that the public and press be excluded from the rest of the meeting to avoid the possible disclosure of exempt information under Schedule 12A to the Local Government Act 1972.

Paragraph 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

176/18 **Private minutes of the LEP Board – 17<sup>th</sup> September 2018**

The Private Minuets of the meeting held on 17<sup>th</sup> September 2018 were submitted.

**Agreed** that the minutes of the private session of the meeting held on 17<sup>th</sup> September 2018, be received and confirmed as a correct record.

177/18 **LPIF Dashboard (Private)**

The LPIF private dashboard was submitted.

**Agreed** that the LEP Board receive and note the LPIF dashboard.

178/18 **Policy Update – LEP Review Update**

The Board were advised of the current direction of travel and the timescales for the forthcoming consultation on the LIS.

**Agreed** that the LEP Board: -

- 1) note the Geography response submitted on 28<sup>th</sup> September 2018;
- 2) note the emerging response to the LEP Review Stage 2 Implementation and the comments thereon of the Board; and
- 3) confirm acceptance of Walsall MBC as the single accountable body for all funds secured by the LEP.

(The meeting closed at 4.40pm)