

Black Country LEP

Minutes of a Meeting of the Black Country Local Enterprise Partnership

20th May 2019 at 3.00 pm

**The Hawthorns, West Bromwich Albion Football Club,
Halfords Lane, West Bromwich B71 4LF**

Present: Chris Handy in the Chair;
Cllr. Adrian Andrew Walsall MBC;
Cllr. Ian Brookfield City of Wolverhampton;
Paul Brown EY;
Prof Jackie Dunne University of Wolverhampton;
Simon Eastwood Richardsons;
Lindsey Flynn Well Associates;
Ninder Johal Nachural Communications;
Prof Geoff Layer University of Wolverhampton;
Jatinder Sharma Walsall College;
Cllr. David Vickers Dudley MBC; and
Tom Westley Westley Group.

In Attendance: Sarah Middleton Black Country Consortium Ltd;
Lara Cragg Black Country Consortium Ltd;
Delma Dwight Black Country Consortium Ltd;
Richard Lawrence City of Wolverhampton;
Colin Parker Black Country Consortium Ltd;
Aaron Toussaint BEIS;
Gareth Wilson BEIS;
Hywel Ruddick Black Country Consortium Ltd.

Apologies: Councillors Mike Bird and Andrew Cox, Stewart Towe and Deborah Williams.

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78/19 **Declarations of Interest**

Agreed that the following Declarations be noted: -

Prof Jackie Dunne and Prof Geoff Layer declared their respective pecuniary interest in Minute No. 99/19, as employees of the University of Wolverhampton, Dudley Institute of Transformational Technology – left the room during the consideration and took no part in the consideration or voting thereon.

Tom Westley and Ninder Johal declared their non-pecuniary interests in Minute No. 99/19 Dudley Institute of Transformational Technology – as Governors of Dudley College of Technology and University of Wolverhampton respectively.

There were no declarations for the Gift Register.

79/19 **Minutes**

Agreed that the Minutes of the meeting held on 15th April 2019 be received and confirmed as a correct record.

80/19 **Policy Update**

In regard to LEP Review reported under Municipal Journal on LEP Geographies, it was noted that in the West Midlands it was Greater Birmingham and Solihull LEP (GBSLEP) that had the overlap issue with authorities in both Staffordshire and Worcestershire being members of GBSLEP and their respective county LEPs. The outcome of the review was anticipated post the local and European elections.

Reference was made the Public Accounts Committee report, which would be circulated to Members. Ninder Johal referenced the Government requirement for a gender balance but queried why there was not any stipulation on the ethnicity make up of LEP boards. Sarah Middleton advised that the Black Country ambition was a for broader spectrum of Board members with the current recruitment campaign.

Ninder Johal referenced SME companies and queried what the National Assurance Framework definition was. BEIS colleagues agreed to check and report back. With reference to the BC LEP response

regarding “in kind” support of private sector members, he asked if this could be quantified in some way.

Sarah Middleton referenced the Stronger Towns Fund and stated that whilst many government funds were directed at the “core cities”, the £212m for the West Midlands was specifically for smaller cities/towns. It was noted that LEPs would have a role to play but that further guidance was awaited.

It was noted that Lindsey Flynn and Ninder Johal had attended the Lord Mayors Mansion House, with Stewart Towe.

The LEP Women Leaders event on 6th June 2019 would be attended by Prof Jackie Dunne, Lindsey Flynn and Sarah Middleton.

Delma Dwight went through the following EIU Statistics - Black Country Sectors, Exports and Black Country Qualifications.

Ninder Johal referenced the High-Tech companies and queried the number of start-ups and was advised that the information could be provided to the next meeting. Paul Brown advised that the Growth Hub tracked business starts ups.

In regard to Exports the meeting was advised that £3.1BN goods and £1.2BN services were exported, with 50% going to EU countries. It was noted that to achieve the GVA ambition the BC needed to export approximately another £750m worth of goods/services. Paul Brown highlighted that this very much represented the national picture.

Prof Geoff Layer queried why education was not a separate category and the Chair stated that he would welcome the figure for education being presented to the Board.

It was noted that in relation to residents with no qualifications this figure had increased. Jatinder Sharma advised that the WMCA were picking up priority areas and Sarah Middleton commented that the BC needed a greater share of the resource. Lindsey Flynn stated that she would welcome the figure detailing the difference between different areas in the BC.

Prof Jackie Dunne referenced the level 4 gap, which equated to 107,000 people and thus there was a need for some big interventions.

Sarah Middleton advised that part of the Strengthening Town Fund was to look at upskilling.

Agreed

- 1) that the LEP Board receive and note the following Policy updates:
 - - Local Election Results
 - Municipal Journal on LEP Geographies
 - Outcome of Institutes of Technology Competition
 - Introducing Active Partnerships – the new name for CSPs
 - Public Accounts Committee and National Audit Office
 - Stronger Towns – opportunities to accelerate regeneration in Dudley Ministerial visit by Rt Hon, James Brokenshire – Secretary of State for Housing, Communities and Local Government
 - West Midlands Local Industrial Strategy – launch date 16th May 2019
 - Lord Mayor Mansion House – 16th May 2019
 - LEP Network CEO
 - Queens Award for Enterprise
 - LEP Women Leaders 2019 - 6th June 2019
 - EIU Statistics
 - Black Country Sectors
 - Exports
 - Black Country Qualifications
- 2) That the Public Accounts Committee update from their meeting held on 13th May 2019 be circulated;
- 3) That the Board receive the number of high tech start up businesses in the Black Country to the next meeting;
- 4) That the Board receive a breakdown of the value of education in exports;
- 5) That the Board be notified of the definition of a Small Medium Enterprise; and
- 6) That a monetary estimate of the “in-kind” work undertaken by private sector Board Members be reported through to the next meeting.

81/19

West Midlands Local Industrial Strategy

The meeting was advised that when the Agenda was published the Strategy had not been published and thus was in the private section of the Agenda. However subsequently on 16th May 2019, the WM Local Industrial Strategy was launched and was now available for public viewing. It was noted that Paul Brown, Stewart Towe and Tom Westley had been in attendance and Sarah Middleton had, along with the Minister, the Mayor, Andy Street, and Jonathan Browning, Chair of the WMCA Strategic Development Board.

Paul Brown advised that it needed to be about delivery now and observed that Jonathan Browning, Chair of C&WLEP and the WMCA Strategic Economic Development Board, had praised the work undertaken by the BCLEP.

Agreed that the LEP Board note the launch of the West Midlands Local Industrial Strategy on 16th May 2019.

82/19

Diversity and Representation Scoping Paper

Delma Dwight detailed the proposal to undertake scoping work in regard to diversity and representation across the BC in order to maximise the potential of the diverse population and secure a more equitable society.

Ninder Johal advised that US corporations were strong on diversity and representation to include Coca-Cola and Microsoft. He stated that it would be interesting to look at ethnic owned businesses and their hierarchy.

Lindsey Flynn asked that the scope included social diversity and the Chair asked that the barriers to progression also be considered.

Prof Jackie Dunne referenced the WMCA Leadership Commission pledges and stated that the Black Country could adopt refocussed pledges specifically for the Black Country. It was suggested that the Annual LEP meeting should report on the Pledges.

Agreed that the LEP Board:

- 1) Note the research undertaken and literature review which informs the initial scoping of this work.
- 2) Agree the scope, the 5 'exam questions' (listed below), and next steps of this research, including timescales: -
 - a) How does the Black Country perform on diversity, particularly within leadership, in both the private and public sectors?
 - b) How can the LEP work with partners to influence the Black Country business base to adopt practices that encourage diversity in leadership?
 - c) How can the LEP work with partners to improve leadership diversity in the public sector, including within the LEP itself as an organisation?
 - d) How will the LEP ensure diversity activity is integrated within the existing Black Country strategy and that progress is monitored appropriately?
 - e) What is the potential impact of increased diversity in leadership in the Black Country? How can this contribute to our growth ambitions?
- 3) That the scope includes social diversity and consideration of the barriers to progression.

83/19

Black Country LEP Delivery Plan 2019

The meeting was advised that the emerging Black Country LEP Delivery Plan 2019 set out the intentions for the year ahead in the context of progress made so far and longer-term ambitions for the local area, focusing on access to various funding streams.

Crucially, the Delivery Plan demonstrated the Black Country LEP 'journey': what had delivered so far, what effect this has had on the local area and what was the potential impact of our future pipeline.

The Chair noted that the plan would continue to develop and evolve.

Agreed that the LEP Board confirm and agree the content of the LEP Delivery Plan ahead of submission to government by 31st May 2019.

84/19

Local Growth Fund – Transport MRN Development Funding (SEPPL135)

Simon Eastwood advised that a bid for further development funding had been received, in order to continue the development and delivery of the essential transport scheme pipeline. There was an excellent opportunity for funding to be secured from the Major Road Network (MRN) programme for the schemes listed below – subject to an appropriate business case being prepared and development work being continued on the projects.

The funding would be allocated to the following major schemes:

- A4123 – Major Scheme Business Case development
- A454 – Major Scheme Business Case development
- A449 – Major Scheme Business Case development

The main outcome of the funding would be to progress towards major funding submissions to access MRN funding worth an estimated circa £150m in total as well as access to a further £1.6m in development funding from Transport for West Midlands (TfWM).

Agreed that the LEP Board:

- 1) Approves the Accountable Body for the Growth Deal (Walsall Council) to proceed to a Grant Agreement with Wolverhampton City Council to deliver the Local Growth Fund (LGF), funded elements of the Transport MRN Development funding Project with delivery to commence in the 2019/20 financial year; and
- 2) Notes that the funding will be allocated to the following major schemes:
 - a) A4123 – Major Scheme Business Case development;
 - b) A454 – Major Scheme Business Case development; and
 - c) A449 – Major Scheme Business Case development.

85/19

Project Closure: Growing Priority Sectors Regional Growth Fund (RGF)

Simon Eastwood presented the report and advised that the Government had agreed that due to the underperformance of RGF Round 3, been given permission had been granted to look at the prospect of closing it early, making 2017/18 the final monitoring year instead of 2022/23.

In terms of saving a further four year's monitoring and administration costs this offer was well received.

Sandwell MBC, however, had two concerns and sought advice from the BC LEP at the January meeting before agreeing to the offer to close RGF 3 early.

The review request had taken longer than anticipated but had produced the following results:

- **Job Creations** – after an extensive audit the figure for reported jobs has risen from 176 to 476 with a few companies committed to reporting more. This meant the programme had achieved, at least, 92% of its original target for jobs created/safeguarded. These figures suggested that there would be little value in keeping the programme open longer and that the offer from Government to close the programme should be accepted.
- **Under performing companies** – A summary of the companies that had underperformed in terms of job creation had been compiled and the companies fall into two categories:
 - Companies working collaboratively to report further job creation and the expectation that they would get closer to their forecast target.
 - Companies where there was a clear reason why (usually a significant downturn in performance since 2015) they would never achieve their job forecast.

Consequently, there would appear to be a little benefit in enforcing a 'claw back' option because either the companies were complying or they are unlikely to be in a position where they could repay their grant.

- **Impact** – The full Impact Evaluation of RGF from University of Birmingham was due early May and would be circulated. However, as reported at the last meeting, the initial findings were as follows:
 - 62% of companies that received an RGF grant had increased in turnover since 2015.
 - This amounted to a total increase in turnover of £263m, or 42% across all 47 grant recipients.
 - Overall net benefit for the Black Country Economy: £1 of RGF grant = £29.64 increase in turnover.

The full impact evaluation would contain comparative data so that these figures could be compared to the wider Black Country Economy and the region's 'Top 50' performing companies as at 2015.

Nevertheless, even with only these initial findings, it would appear that the RGF programme had been successful in its objective to increase local economic growth and employment and, as such, had not "under performed".

Agreed that the LEP Board:

- 1) Approves and offer from the Ministry of Housing, Communities and Local Government (MHCLG) to close the Regional Growth Fund Programme Round 3 (RGF 3) early.
- 2) Approves the actions to be taken for those companies that were recipients of RGF 3 funding, who may have not fulfilled their contractual obligations.

86/19

Project Withdrawal: Hub to Home Transport Innovation Centre and Test Track Project: Very Light Rail and Autonomous Technologies (SEPB5)

It was noted that this report had been withdrawn.

Agreed that the LEP Board note that the report had been withdrawn prior to the meeting, as the WMCA had confirmed funding for the retaining wall.

87/19

Changes to the Growth Deal Programme – Approval of The Projected 2018/19 Year End Position

Simon Eastwood presented the report and highlighted that there were year-end changes required which required approval. These are reproduced in full and attached as an addendum to these minutes.

Agreed that the LEP Board approves the current position of the Growth Deal Projects, reflecting all changes to the Programme (Funding and Outputs) throughout the year and, to maximise the 2018/19 Growth Deal allocation expenditure, requests approval for various changes detailed in the addendum to these Minutes.

88/19

Growing Places Fund - Project Withdrawal - Rolfe Street Regeneration, Smethwick

Simon Eastwood advised that it had been considered prudent to release any funding earmarked/allocated to the site and applicant, until any planning issues had been resolved with the Local Authority and there was a clear and agreed vision for this scheme. The applicant had been advised in April that funding would not be released until such time that a realistic timescale for delivery of the scheme could be provided.

The Programme Management Office at the Black Country Consortium would continue to support the applicant and Sandwell MBC until the project was ready to come forward with a robust bid for funding approval.

Agreed that the LEP Board: -

- 1) Notes the withdrawal of £1,400,000 Grant and £1,167,000 Loan for the Rolfe Street Regeneration Smethwick project from within the Growing Places Fund Programme.
- 2) Notes that the withdrawal of these funds will create spare capacity in the Growing Places Fund.

89/19

Local Property and Investment Fund - Approval of the Black Country Land and Property Investment Fund Accountable Body and Transfer of the Approved Projects

Simon Eastwood advised that the Ministry of Housing, Communities and Local Government (MHCLG) had released its Strengthening Local Enterprise Partnerships (LEPs) report in July 2018, stating that 'LEPs would want to identify a Single Accountable Body that was responsible for all LEP funding'. In order that Local Authorities could fully understand their roles and responsibilities in discharging their role as the Single Accountable Body, MHCLG released National Local Growth Assurance Framework (NLGAF) in January 2019.

Subsequently Walsall Metropolitan Borough Council had agreed to undertake this function.

Agreed that the LEP Board: -

- 1) Approves the request that the Joint Committee endorse the appointment of Walsall Metropolitan Borough Council as the Accountable Body for the Black Country Land and Property Investment Fund Programme; and

- 2) Approves the request that the Joint Committee endorse the transfer of previously considered and approved LPIF projects by the Local Enterprise Partnership Board and the Joint Committee from Wolverhampton City Council to Walsall Metropolitan Borough Council, and recommends Walsall Metropolitan Borough Council proceed to enter into individual grant agreements (as listed in Attachment 1 of the report).

90/19 **Local Programmes – Dashboard**

Lara Cragg presented the dashboards.

Agreed that the updates on the following dashboards be noted: -

- In flight Current Financial Year
- Future Years
- Pipeline
- LPIF (Public)
- Growing Priority Sectors
- Growing Places
- Enterprise Zones
- Transport

91/19 **Minutes of the Funding Sub-Group held on 1st May 2019**

Agreed that the LEP Board to confirm and approve the minutes of the meeting held on 1st May 2019.

92/19 **Minutes of the Competitiveness Theme Advisory Board – 27th February 2019**

Paul Brown

Agreed that the LEP Board note the draft minute of the Competitiveness Theme Advisory Board held on 27th February 2019.

93/19 **Minutes of a Meeting of the Employment & Skills (People) Theme Advisory Board – 9th May 2019**

Prof Jackie Dunne stated that the Advisory Board were aware of confusion and lack of knowledge around the apprenticeship funding.

She also advised that the meeting had received updates on how local businesses could access funds; an update on the work of the

Agreed that the LEP Board note the draft minute of the Employment & Skills (People) Theme Advisory Board held on 9th May 2019.

94/19 **PR and Communications Report**

Ninder Johal presented the report and highlighted the success of social media campaigns.

Agreed that the update on the PR and Communications be noted.

95/19 **Date of Next meeting**

Agreed that the LEP Board note that the next meetings will be held on Monday, 1st July 2019, Policy Away Day and Monday 22nd July 2019, LEP Board meeting.

96/19 **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).

97/19 **Local Growth Fund**

- a) i54 Western Extension
- b) Sandwell Aquatic Centre

Simon Eastwood advised that these had been withdrawn.

Agreed that the LEP Board note that these items had been withdrawn as the Funding Sub-Group were awaiting the change controls.

98/19 **Project Approval - Iron Park**

Simon Eastwood presented the report and advised that the application was to remediate Iron Park, the former Moxley Tip.

Councillor Adrian Andrew advised that Walsall MBC were looking at rebranding the site as “Moxley Iron Park”

Agreed that the LEP Board: -

- 1) Approves the request of the sum detailed in the private report to be offered for the Iron Park (Moxley Tip) Project subject to the standard form of grant funding agreement, when the BC LEP considers that it can accommodate this grant funding from its funding programme(s);
- 2) Note Walsall MBC were considering to rebrand the site, Moxley Iron Park; and
- 3) Note that the approval was subject to funding being available to the BC LEP.

99/19 **Dudley Institute of Transformational Technology**

Simon Eastwood presented the report and advised that the project related to the delivery of a new educational facility of around 4,750 sq.m. located on the site of the former railway station, adjoining Castle Hill and situated between the site of the proposed Very Light Rail facility and Black Country Living Museum.

Agreed that the LEP Board: -

- 1) Approves the request of the sum detailed in the private report to be offered for the Dudley College Institute of Transformational Technologies (IoTT) Project subject to the standard form of grant funding agreement, when the BC LEP considers that it can accommodate this grant funding from its funding programme(s).
- 2) This approval is subject to funding being available to the BC LEP.

(Prof Jackie Dunne and Prof Geoff Layer declared their respective pecuniary interest, as employees of the University of Wolverhampton, Dudley Institute of Transformational Technology – left the room during the consideration and took no part in the consideration or voting thereon.

Tom Westley and Ninder Johal declared their non-pecuniary interests in Dudley Institute of Transformational Technology – as Governors of Dudley College of Technology and University of Wolverhampton, respectively.)

100/19 **LEP Review Update**

Sarah Middleton advised that no outcome had been received.

Agreed that the LEP Board note the update.

(The meeting closed at 4.20pm)

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Attachment 1 – Minute 87/19 - Changes to the Growth Deal Programme – Approval of The Projected 2018/19 Year End Position

Approvals		Applicant	Project Title	Commenced	Contract in place (with WCC)
BC LEP	BCJC				
20/03/2017	13/09/2017	BICMP Limited	Music Institute - Cable Plaza Site	2017/18	Yes
21/03/2018	11/04/2018	Dudley Council	Dudley Brownfield Land Phase 2	2018/19	Yes
21/03/2018	11/04/2018	Francis Group (Goscote) Ltd	Goscote Lane Residential Development	2018/19	Yes
16/08/2018	26/09/2018	Blackacres Property Ltd	Narrowboat Way Site Investigation	2018/19	No
16/08/2018	26/09/2018	Walsall Council	Phoenix 10	2018/19	No
23/07/2018	26/09/2018	Sandwell Council	Tibbington Open Space (The Cracker) Site Investigation	2018/19	Yes
17/12/2018	23/01/2019	Avenbury (Dudley) Ltd	Portersfield phase 1 Project	2018/19	No
21/03/2019	17/04/2019	Wolverhampton City Council	I54 Western Extension	2019/20	No
21/03/2019	17/04/2019	Sandwell Council	Sandwell Aquatic Centre	2019/20	No