



**7<sup>th</sup> September 2017 at 2.00pm at The Deckhouse, Brierley Hill**

**Present:** Simon Eastwood Carillion plc;  
Chris Handy Accord; and  
Tom Westley Westley Group;

**In Attendance:** Rachel Goodwin Black Country Consortium Ltd.  
Mark Lavender Walsall MBC;  
Conrad Parke Sandwell MBC; and  
Hywel Ruddick Black Country Consortium Ltd.

**Apologies:** Ninder Johal.

126/17 **Declarations of Interest**

Tom Westley declared his non-pecuniary interest Min No. 152/17 Dudley College Construction Apprenticeship Training Centre as a Governor of Dudley College and Elite Centre for Manufacturing Skills Min No. 153/17 and reserved his right to speak and vote, should he decide to do so.

(NB Tom Westley left the meeting following consideration of Minute No. 133/17)

127/17 **Minutes**

The Minutes of the meeting held on the 4<sup>th</sup> July 2017 were submitted.

**Agreed** that the minutes of the meeting of the meeting held on 4<sup>th</sup> July 2017, be confirmed as a correct record.

128/17 **Growing Priority Sectors – Application for Funding –  
First Components Ltd (29/76)**

Conrad Parke advised that in respect of each of the 6 Growing Priority Sector applications there was a total grant request of £515,485 and the programme had only £309,603 left to allocate. Members could either look to reduce the share per approved project or a change request could be submitted to the next LEP Board, seeking additional funding to cover the potential shortfall.

The Sub-Group considered an application by First Components Ltd. for £105,000 for a £350,000 project to fund the purchase of new machinery. The application aimed to create 7 new jobs by March 2022, at £15,000 per job and an average salary of £20,700 per annum leveraging £245,000 of private sector funding.

The Sub-Group noted that the overall score was below the accepted standard of 50%, the application offered poor value for money with high cost per job and an average salary below the Black Country. There was a high risk of displacement and a risk the project would not be completed.

**Agreed** that the project be not supported.

129/17 **Growing Priority Sectors – Application for Funding – A&M EDM  
Ltd (Score 42/76)**

The Sub-Group considered an application by A&M EDM Ltd for £58,000 for a £385,000 project to fund the purchase of machinery. The application aimed to create 5 new jobs by March 2022, at £11,600 per job and an average salary of £25,600 per annum leveraging £327,000 of private sector funding.

The Sub-Group noted that the overall score was above the accepted standard of 50%, the application offered good value for money and an average salary above the Black Country average. In regard to issues of local displacement the Sub-Group were advised that this was not an issue.

**Agreed** that the LEP Board be recommended to approve the application for funding by A&M EDM Ltd subject to the following conditions: -

- a) That, subject to a successful bid for additional funding for the Growing Priority Sectors project, a maximum grant of £58,000 to help implement a £385,000 project;
- b) leverage £327,000 of private sector funding;
- c) the creation of 5 new jobs by March 2022;
- d) confirmation of match funding to successfully deliver the project.
- e) In the event of the bid for additional funding being unsuccessful the Project be awarded £50,000.

130/17 **Growing Priority Sectors – Liberty Performance Steels Ltd**  
**(Score 45/76)**

The Sub-Group considered an application by Liberty Performance Steels Ltd for £127,000 for a £1,270,000 project to fund the launch of a new division of the company. The application aimed to create 31 new jobs by March 2022, at £4,096 per job and an average salary of £31,900 per annum leveraging £1,143,000 of private sector funding.

The Sub-Group noted that the overall score was above the accepted standard of 50%, the application offered good value for money and an average salary above the Black Country average. In regard to issues of local displacement the Sub-Group were advised that this was not an issue.

**Agreed** that the LEP Board be recommended to approve the application for funding by Liberty Performance Steels Ltd subject to the following conditions: -

- a) That, subject to a successful bid for additional funding for the Growing Priority Sectors project, a maximum grant of £127,000 to help implement a £1,270,000 project;
- b) leverage £1,143,000 of private sector funding;
- c) the creation of 31 new jobs by March 2022;
- d) confirmation of match funding to successfully deliver the project.
- e) In the event of the bid for additional funding being unsuccessful the Project be awarded £100,000.

131/17 **Growing Priority Sectors – Application for Funding –**  
**Millennium Pressed Metal Ltd (Score 46/76)**

The Sub-Group considered an application by Millennium Pressed Metal Ltd. for £70,000 for a £350,000 project to fund the purchase and installation of new machinery. The application aimed to create 7 new

jobs by March 2022, at £10,000 per job, and an average salary of £25,000 per annum leveraging £280,000 of private sector funding.

The Sub-Group noted that the overall score was above the accepted standard of 50%, the application offered good value for money and an average salary above the Black Country average. In regard to issues of local displacement the Sub-Group were advised that this was not an issue.

**Agreed** that the LEP Board be recommended to approve the application for funding by Millennium Pressed Metal Ltd. subject to the following conditions: -

- a) That, subject to a successful bid for additional funding for the Growing Priority Sectors project, a maximum grant of £70,000 to help implement a £350,000 project;
- b) leverage £280,000 of private sector funding;
- c) the creation of 7 new jobs by March 2022;
- d) confirmation of match funding to successfully deliver the project.
- e) In the event of the bid for additional funding being unsuccessful the Project be awarded £50,000.

132/17 **Growing Priority Sectors – Application for Funding –  
Repose Furniture Ltd (Score 43/76)**

The Sub-Group considered an application by Repose Furniture Ltd. for £73,000 for a £246,000 project to fund the purchase and installation of new machinery. The application aimed to create 9 new jobs by March 2022, at £10,428 per job, and an average salary of £17,000 per annum leveraging £173,000 of private sector funding.

The Sub-Group noted that the overall score was above the accepted standard of 50%, the application offered good value for money and an average salary below the Black Country average. In regard to issues of local displacement the Sub-Group were advised that this was not an issue.

**Agreed** that the LEP Board be recommended to approve the application for funding by Repose Furniture Ltd. subject to the following conditions: -

- a) That subject to a successful bid for additional funding for the Growing Priority Sectors project, a maximum grant of £73,000 to help implement a £246,000 project;
- b) leverage £173,000 of private sector funding;
- c) the creation of 9 new jobs by March 2022;
- d) confirmation of match funding to successfully deliver the project.
- e) In the event of the bid for additional funding being unsuccessful the Project be awarded £50,000.

133/17 **Growing Priority Sectors – Application for Funding – RP Technology Ltd (Score 45/76)**

The Sub-Group considered an application by RP Technology Ltd. for £82,485 for a £246,000 project to fund the purchase and installation of new machinery. The application aimed to create 12 new jobs by March 2022, at £6,873 per job, and an average salary of £29,200 per annum leveraging £192,465 of private sector funding.

The Sub-Group noted that the overall score was above the accepted standard of 50%, the application offered good value for money and an average salary above the Black Country average. In regard to issues of local displacement the Sub-Group were advised that there was some risk of regional displacement.

**Agreed** that the LEP Board be recommended to approve the application for funding by RP Technology Ltd subject to the following conditions: -

- a) That subject to a successful bid for additional funding for the Growing Priority Sectors project, a maximum grant of £82,485 to help implement a £246,000 project;
- b) leverage £192,465 of private sector funding;
- c) the creation of 12 new jobs by March 2022;
- d) confirmation of match funding to successfully deliver the project.
- e) In the event of the bid for additional funding being unsuccessful the Project be awarded £50,000.

134/17 **Growing Priority Sectors – Application for Project Change/Additional Funding – Hawthorn Trading Ltd.**

The meeting was advised that Hawthorn Trading Ltd had submitted a project change request (pcr) for an increase in their grant of £30,000, due to cost overruns. The company has committed to create three new

apprenticeships if the additional 10% grant is approved. The accountable body, Walsall MBC, had approved in principle a 10% grant increase if the Funding Sub-Group approved the pcr.

**Agreed** that the LEP Board be recommended to approve the project change request application by Hawthorn Trading Ltd for an additional grant of £30,000, subject to the following conditions: -

- a) An additional 3 apprenticeships being created.

135/17 **Growing Priority Sectors – Application for Project Change/Additional Funding – Smart Waste Ltd.**

The meeting was advised of the application by Smart Waste Ltd, where they had not yet identified a site and were seeking their grant funding application be considered for funding in 2018/19.

Concerns were expressed at the high-risk nature of their application and it was noted that if they wished to seek funding in 2018/19, then this should be when they apply.

**Agreed** that the application for funding in 2018/19 be refused, as the application needed to be submitted in that financial year.

136/17 **Growth Hub – Approval for additional funding**

The meeting was advised of the request for the Group to recommend to the LEP Board approval for the Accountable Body for the Growth Deal (Walsall MBC) to proceed to Grant Agreement with the City of Wolverhampton Council to deliver the Black Country Growth Hub Funding within the 2017/18 financial year.

**Agreed:** - that the LEP Board members be asked to confirm for the Accountable Body for the Growth Deal (Walsall MBC) to proceed to Grant Agreement to the value of £328,000 with the City of Wolverhampton Council to deliver the Black Country Growth Hub Funding within the 2017/18 financial year.

137/17 **Update on Black Country Land and Property Investment Fund – Commissioning Framework**

The meeting was advised that following formal approval at the July LEP Board, the Black Country Land and Property Investment Fund

Commissioning Framework had been progressing through the WMCA assurance process for endorsement:

- Investment Advisory Group – 7th August – Endorsed
- WMCA Management Board – 17th August – Endorsed
- WMCA Programme Board – 25th August – Endorsed
- WMCA Board – 8th September – *To be considered*

The framework would also be considered by the Black Country Joint Committee on 13th September which will conclude the approval process.

**Agreed** that the Sub-Group note the update.

138/17 **Black Country Land and Property Investment Fund – Funding proposal for Management and Administrative Functions**

Following formal approval at the July LEP Board, the funding proposal for Management and Administrative Functions was progressing through the WMCA assurance process as per the below timeline: -

- Investment Advisory Group – 7th August – Endorsed
- WMCA Management Board – 17th August – Endorsed
- WMCA Programme Board – 25th August – Endorsed
- WMCA Board – 8th September – *To be considered*

**Agreed** that the Sub-Group note the update.

139/17 **Black Country Land and Property Investment Fund – Bids for consideration**

The meeting noted that no applications had been received but that it was anticipated that: -

- Bull Street, Sandwell would be submitted to the October 2017 meeting; and
- Springfield Land Remediation was anticipated Q4 2017/18.

**Agreed** that the Sub-Group note the update.

140/17 **Forecast utilisation of £31.38m Growth Deal Funds in 2017/18 Programme**

The meeting was advised that the Total LGF / LTB funding allocation for 2017/18 was £31.38m. The latest in-flight Dashboard (1 of 3)

indicated at 01/09/2017 forecast spend for approved schemes to be £31.27m in 2017/18. Whilst the in-year allocation was £110k underutilised, there were a number of projects coming forward for approval which would include delivery within 2017/18.

**Agreed** that the update be noted.

141/17 **Commitment of Growth Deal Funds from 2017/18 to 2020/21**

The meeting was advised that the remaining capacity within Growth Deal, if all committed Schemes came forward as currently valued, was circa £3.9m. Members noted that No Over Programming could be considered for the final year of the Growth Deal as it could result in unfunded contracted spend.

Whilst the only spare capacity remaining to fund new schemes was £3.94m, it was noted that the above forecast includes £52.65m of commitments to 'earmarked' schemes, predominantly part of Growth Deal 3, of which over £10m was currently programmed for 2017/18. If these 'commitments' do not all materialise this financial year it is anticipated that earmarked funds will slip into subsequent years of the programme.

**Agreed** that the Sub-Group note the update.

142/17 **Growth Deal bids – Springfield Campus Site Investigation**

The Sub-Group were advised of a bid from University of Wolverhampton for site investigation.

The meeting was advised that the applicant was seeking a grant of £118,850 in relation to survey costs. On the basis that 30% match funding is now required, it is recommended that a maximum total grant of £83,195 might be offered (as set out in the Initial Assessment Report provided by Thomas Lister). However, this decision remains at the discretion of the FSG.

Quotes for the SI have been obtained and the associated cost has been considered reasonable in VFM terms. The ability to bring forward serviced and remediated sites for future employment / education development as part of the wider campus has a strong strategic fit at local, Black County and Combined Authority levels.



**Agreed** that it be recommended that the LEP Board: -

- 1) That grant funding of £83,195 be approved; and
- 2) that Funding to be drawn down at the rate of 70% against the actual cost of the SI (including VAT), up to the maximum sum.

143/17 **Growth Deal bids – Sandwell Residential Programme – Site Investigation**

The Sub-Group were advised that the application had been submitted by Sandwell Metropolitan Borough Council (SMBC) for site investigation works across six separate unused sites, in the council's ownership, which are considered to be suitable for housing redevelopment. Uncertainty over site constraints have resulted in the sites not being brought forward. These sites remain vacant and underutilised, whilst the demand for housing in the Borough continues to grow. The sites are spread across the Borough and range in size from 0.19 ha to 0.783 ha, with an anticipated overall capacity of circa 78 housing units. SMBC have offered match funding of £18,920 relating to:

- 1) costs anticipated in preparation of Stage 1 Desktop SI's (£10,920)
- 2) internal project management costs (£8,000) associated with the subsequent Stage 2 SI's.

This application is for £70,000 of grant support against a total project cost of £88,920. On the basis that 30% match funding is required, it is recommended that a maximum total grant of £62,244 might be offered (as set out in the Initial Assessment Report provided by Thomas Lister). However, this decision remains at the discretion of the FSG.

**Agreed:** - that it be recommended to the LEP Board

- 1) that Grant funding to be in the maximum sum of £62,244
- 2) The maximum level of grant to be provided in respect of the identified individual sites not to exceed the level included in the table enclosed within the Initial Assessment Report.
- 3) Quotations are to be obtained on the basis that individual costs are provided in respect of SI's for each of the identified sites.

144/17 **Growth Deal bids – Very Light Rail and Autonomous Technologies**

The Sub-Group were advised of a bid from Dudley MBC regarding the Very Light Rail and Autonomous Technologies.

To date the project had received the following funding:

- £300,000 for the completion of feasibility studies (BCLEP);
- £132,000 of development funding (BCLEP/DMBC); and
- £836,778 SEED funding to support time critical works (BCLEP).

The application is now seeking £18,494,242 towards a £24,966,862 project to support the development and completion of the Hub to Home Transport Innovation Centre, Test Track and purchase of key research/testing equipment. Although this is part of a broader £29,489,027 scheme which includes SME Incubation Units and a Vehicle Store, only funding for the construction of the 5,784 sqm Innovation Centre and 2,201m Test Track is being requested through this application.

The meeting was advised that the equipment costs will be funded via the ERDF application, which is to be submitted to DCLG by 8th September 2017 with an outcome anticipated in November. The remaining future phases will be undertaken subject to funding being secured.

Funding for this phase of the scheme consists of:

- **£5,000,000** from ERDF;
- **£1,472,620** of land value and associated fees (match funding from DMBC); and
- **£18,494,242** (*This excludes any feasibility, project development and SEED funding previously received*) from the BCLEP.

Members were asked to note that ERDF funding remained unsecured at this stage but it is understood that positive indications have been provided in respect of the £5m required to assist Phase 1 delivery and encouraging signs also in respect of the potential to secure further Phase 2 funding assistance.

Mark Lavender advised that a separate application had been submitted to Transport for West Midlands for the VLR scheme and retaining wall.

It was noted that the Department for Transport letter of support was from last year and suggested that if the application was to proceed then a condition should include a refreshed letter of support. The Chair advised that the Due Diligence should be undertaken by a rail sector expert.

Mark Lavender suggested that a staged plan could be produced so that funding was released when various stages had been completed.

The meeting noted that £13 million had been “earmarked” for the project and that the project was now seeking over £18 million.

Bill Kirk and Dawn Nicholls, Dudley MBC were in attendance to answer questions. They advised that Coventry City Council were producing a similar scheme and would be using the VLR test track at Dudley.

- With reference to a rail sector expert to review the project, it was noted that WSP were involved in the Coventry City Council project but that there would be a need to tender process for the appointment.
- Reference was made to the £5.5 million funding shortfall and it was noted that, to satisfy ERDF funding requirements, the test track whilst potentially transport, had to be innovation.
- The Chair referenced the WMCA Land Fund and asked if the package could be developed for this fund. He suggested that the Group agree to take forward the project subject to additional work being undertaken to identify how it could be divided between the various funding streams. It was noted that this should include “trigger points” for the additional funding.

**Agreed** that FSB recommend to the LEP Board that: -

- 1) Approve the funding request for the Very Light Rail and Autonomous Technologies project. Grant funding is to be awarded to the value of £18,494,243 with delivery to commence in the 17/18 financial year.
- 2) that the project be part funded through the Growth Deal to the value of £13,070,000 (for which funding has been earmarked) and the balance to be funded through the Land and Property Investment Fund. A formal proposal to confirm this funding split will be brought back to the LEP Board in October.

145/17 **Growth Deal bids – Walsall College Digital Engineering and construction expansion**

The Sub-Group were advised that the project would enable the expansion of Walsall College provision of full time, part time and apprenticeships within key sectors of Engineering and Construction.

Employer and learner demand for training in these sectors has risen sharply in recent years and, whilst the College and the LEP have invested in new equipment to help meet the demand, it is clear from both research and current demand for courses at the College that numbers of employers and learners requiring skills training in these sectors continues to rise. All indicators are that this growth will be sustained.

**Agreed** that it be recommended to the LEP Board

- 1) That Funding be approved to the maximum sum of £984,000;
- 2) That funding to the maximum sum of £580,000 to be drawn down against the cost of construction works in relation to 21 Portland Street;
- 3) That funding in respect of all other elements to be in accord with evidenced costs and in respect of equipment and machinery, subject to prior agreement as to the schedule of required purchases;
- 4) That a legal charge to be entered against title in 21 Portland St, to be removed upon confirmation of identified outputs having been achieved; and
- 5) That the following Key identified project milestones to be met:
  - i. Works to commence on site by December 2017;
  - ii. Practical Completion of construction works by July 2018; and
  - iii. Capital Expenditure Completed by September 2018.
- 6) That any cost overruns to be entirely at the applicant's risk.

146/17 **Growth Deal bids – Grand Post House – University of Wolverhampton**

The Sub-Group were advised that whilst the project has a strong strategic fit with LEP priorities as set out within the SEP, it was established early in the due diligence process that the valuation advice provided in relation to the premises did not fully take into account investment value arising. It was recommended that the Applicant seek some additional valuation advice, which reflected the investment value generated and which it was considered, might provide an avenue for deriving private sector investment into the project.

Following further valuation advice, the Applicant had confirmed that an arrangement with the private sector partner had been negotiated. On

this basis, it was recommended that grant funding not be offered in this instance.

**Agreed** that the project not be offered grant funding.

147/17 **Growth Priority Sectors – Additional Funding Smart Waste Ltd.**

The Sub-Group were reminded that this matter had been dealt with under Minute No. 135/17 and that the applicant would need to re-apply in the 2018/19 financial year.

**Agreed** that the update be noted.

148/17 **City North Gateway – Phase 1**

The meeting was advised that the bid sought approval to invest £6,371,000 of Growth Deal funding on highway, pedestrian and cycle infrastructure improvements to the A449 along the segment south of the M54 Junction 2 to Wobaston Road roundabout. The scheme had funding of £6.12m earmarked through the Growth Deal 3 allocation.

**Agreed** that the Funding Sub-Group recommend to the LEP Board: -

- 1) that the funding request for the City North Gateway – Phase 1 project from within the Growth Deal programme be approved; and
- 2) that Grant funding is to be awarded to the value of £6,371,000 with delivery to commence in the 17/18 financial year.

149/17 **City North and City East Gateway – Major Scheme Development bid of £420,000 (£200,000 in 17/18 and £220,000 in 18/19)**

The meeting was advised that the City of Wolverhampton Council had ambitious regeneration plans, for which a fit for purpose transport network was essential. In supporting economic growth and housing delivery for the City and wider Black Country, the City of Wolverhampton Council have developed major transportation proposals for the City North Gateway (A449 Stafford Road – City Centre to i54) and City East Gateway (A454 Willenhall Road – Wolverhampton to Walsall). Significant progress in developing these proposals had already been made, previously supported by the LEP, but further investment was required to present a robust business case for the next phases of major transport improvement for the City.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) approve the Additional Funding request for the City North and City East Gateway – Major Scheme Development project from within the Growth Deal programme; and
- 2) that the additional grant funding be awarded to the value of £420,000 with delivery to commence in the 17/18 financial year.

150/17 **Springfield Campus Interchange Phase 2, bid of £550,000 in 17/18**

The meeting was advised that the Springfield Campus programme was a multi-million pound redevelopment to the east of Wolverhampton City centre within the Canalside Quarter. The aim of the connectivity project was to substantially enhance access from the Wolverhampton Interchange and from the North of the city to the new campus, particularly by sustainable modes of travel. This would enable students from the wider area to access the new learning opportunity. The project will considerably revitalize this part of the City centre.

**Phase 1**, was now complete and received LEP funding in 16/17, covered the area from Cambridge Street (outside the main entrance to the campus), along Grimstone Street, to the Victoria Halls development and has been fully implemented.

**Phase 2**, for which £550,000 of LEP funding is requested, consists of Wednesfield Road improvements, crossing facilities, Cambridge street improvements and Cannock Road crossing facilities with connections to existing walking and cycle routes including the recently refurbished canal towpath.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the Funding request for the Springfield Campus Interchange Phase 2 project from within the Growth Deal programme; and
- 2) That additional grant funding be awarded to the value of £550,000 with delivery to commence in the 17/18 financial year.

151/17 **Westside Link, Wolverhampton Development bid of £155,000 (£55,000 in 17/18 and £100,000 in 18/19)**

The meeting was advised that the Westside development programme was a £55million leisure led mixed use scheme in the heart of Wolverhampton City centre. The Urban & Civic, appointed developer, had identified the need for improvement and investment in streets and spaces connecting the development area within the city core, to

enhance the pedestrian connectivity and create economic uplift. Victoria Street and the surrounding streets of Salop Street, School Street and Skinner Street have quickly been identified as key linkages where such improvements would need to take place. The area had now referred to as Westside Link as it immediately adjoins the Westside development area and the City core. The area is currently heavily car dominated within significant pedestrian severance and unattractive walking routes.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the funding request for the Westside Link, Wolverhampton Development project from within the Growth Deal programme; and
- 2) That grant funding be awarded to the value of £155,000 with delivery to commence in the 17/18 financial year.

152/17 **Aldridge Mill Land & Aqueduct GRIP 3 Study – Additional Funding (LTB), bid of £70,000 in 17/18**

The meeting was advised that to date the LEP Board had approved £120,000 for the development study to commence during 17/18. It was noted that additional funding was sought as the cost of the study was higher than initially anticipated. This is a very specialised study which is not undertaken frequently and therefore the original funding request was based on estimates. The tendered quotation from Network Rail states the cost of the study is £70,000 higher than initially estimated making the funding request from the LEP £190,000 instead of the initial £120,000.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the Additional Funding request for the Aldridge Mill Lane & Aqueduct GRIP 3 Study project from within the Growth Deal programme; and
- 2) That the additional grant funding be awarded to the value of £70,000 with delivery to commence in the 17/18 financial year.

153/17 **Change Request - Former Severn Trent Works (Funding)**

The meeting was advised that the request was to transfer £8,085 of funding allocated to the Former Severn Trent Works Site Investigation from 2017/18 financial year into 2018/19.



The reason for this Change Request was due to a requirement that some of the environmental surveys were taken at a specific time of year as they are weather/temperature dependant. The contractor appointed for these works was not available during Spring 17/18 as originally planned and would therefore need to reschedule for Spring 18/19.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the Change Request for the Former Willenhall ST Works project from within the Growth Deal programme; and
- 2) Note that this request is to transfer £8,085 of funding allocated to the Former Willenhall ST Works - Site Investigation from 2017/18 financial year into 2018/19.

154/17 **Change Request – Very Light Rail SEED (Funding)**

The meeting was advised that of a request to transfer £188,963 of SEED funding, allocated for advanced works for the VLR project, from 2016/17 financial year into 2017/18. It was anticipated that the defrayed expenditure will be claimed in Q2 of 2017/18.

Members were advised that the reason for this request was that, while these works were completed in 2016/17 (and therefore all invoices are dated during that period) there has been an overspend against the following agreed cost headings:

Site Investigation Works	- £18,674.73
Geotechnical Works	- £18,998.17
Design Fees	- £143,985.91
Access	- £6,690.70
BREEAM Excellence Compliance	- £641
<b>Total</b>	<b>- £ 188,963.51</b>

The predominant overspend was been due to “underestimating the amount of time required to undertake design works and changes to designs”. Whilst the project had overspent in some areas, there had been significant cost savings elsewhere, totalling £188,963.

Members were advised that the total project expenditure was therefore still within the approved grant award.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the Change Request for the Very Light Rail SEED Funding project from within the Growth Deal programme for a transfer £188,963 of SEED funding, allocated for advanced works for the VLR project, from 2016/17 financial year into 2017/18; and
- 2) Note that it is anticipated that the defrayed expenditure will be claimed in Quarter 2 of 2017/18.

155/17 **Change Request – Dudley College Construction Apprenticeship Training Centre (Funding)**

The meeting was advised that request was to transfer £92,753 funding allocated for the Dudley College Construction Apprenticeship Training Centre project, from 2016/17 financial year into 2017/18.

The reason for the request was that, while these works were completed in 2016/17 (and therefore all invoices are dated during that period) there has been an overspend against the maximum sum approved for “IT Equipment”:

<b>Expenditure</b>	<b>Grant Award 16/17</b>	<b>Total Claimed 16/17</b>	<b>Variance</b>	<b>Transfer into 17/18</b>
New IT	192,000	309,018	117,018	92,753
New Equipment	258,000	169,768	-88,232	0
Furniture	150,000	145,480	-4,520	0
<b>TOTAL</b>	<b>600,000</b>	<b>624,265</b>	<b>24,265</b>	<b>92,753</b>

Whilst the project had overspent on IT Equipment, they had made significant cost savings on other equipment and furniture elsewhere due to donations and savings on bulk ordering.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the Change Request for the Dudley College Construction Apprenticeship Training Centre project from within the Growth Deal programme; and
- 2) Approve the transfer of £92,753 funding allocated for the Dudley College Construction Apprenticeship Training Centre project, from 2016/17 financial year into 2017/18.

156/17 **Change Request – Elite Centre for Manufacturing Skills (ECMS)**

The meeting was advised that Endorsement was requested for the transfer of £24,266 into 2017/18.

The ECMS project expenditure was used by the Accountable Body to balance the 16/17 year-end accounts and ensure that the full £46.30m was paid against eligible expenditure. Whilst the project had reported actual year-end expenditure of £2,257,073, the Accountable Body are requesting approval to amend the grant agreement so that anything above £1,751,940 is paid out of the 17/18 Growth Deal allocation.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

Approve the Change Request for the Elite Centre for Manufacturing Skills (ECMS) project from within the Growth Deal programme for the transfer of £24,266 into 2017/18.

157/17 **Change Request – Managing Short Trips Tranche 2 (Scope)**

The meeting was advised that Endorsement is requested for route SAN05: Oldbury towpath linking to Smethwick development sites and on into Birmingham cycle links to be replaced with DUD04: Deepfields Bridge to Factory Junction Towpath Improvements.

Members were advised that the request was due to SAN05 being on the Old Main Line, whereas DUD04 is on the New Main Line, which had been identified as higher priority. DUD04 had therefore become critical to the programme as it enabled the continuous linking of the towpath works for the direct Birmingham to Wolverhampton route.

It was anticipated that the current funding package of £4.254m may be able to accommodate delivery of SAN05 as a secondary priority. However, this will be reviewed once the detailed costs for the existing schemes are confirmed.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

Approve the Change Request for the Managing Short Trips Tranche 2 project within the Growth Deal programme, for route SAN05: Oldbury towpath linking to Smethwick development sites and on into Birmingham cycle links to be replaced with DUD04: Deepfields Bridge to Factory Junction Towpath Improvements.

158/17 **Change Request – Advanced Manufacturing Training Centre – Additional Funding – Additional Funding Request £223,000 in 2017/18**

Members were advised that the Advanced Manufacturing Training Centre (AMTC) was seeking a contribution towards additional equipment necessary to enable the AMTC to deliver their apprentice programmes to the required trailblazer standard. Members were advised of the reasons for the additional funding request.

**Agreed** that the Funding Sub-Group recommend that the LEP Board:

- 1) Approve the Additional Funding request for the Advanced Manufacturing Training Centre project from within the Growth Deal programme.; and
- 2) That additional grant funding is to be awarded to the value of £233,000 with delivery to commence in the 17/18 financial year.

159/17 **Growth Deal provision of Development Funding 17/18**

Members were reminded of the request for the opportunity to endorse the use of Development support, from 2017/18 Growth Deal funds, for each Councils Strategic Priority schemes receiving Development support, to give transparency to the use of Growth Deal grant funds by Councils. Each Council has been requested to supply the information for early consideration by FSG members.

**a) Walsall MBC Development funding priorities 17/18**

The Development funding made available through BC LEP will be used by Walsall Council to assist with the process of drawing up detailed proposals for either the Growth Deal or the Land and Property “Investment” Fund.

**b) Sandwell MBC Development funding priorities 17/18**

The Development funding made available through BC LEP will be used by Sandwell Council to assist with the process of drawing up detailed proposals for either the Growth Fund or the Land and Property “Investment” Fund.

**Agreed** that the Funding Sub-Group note and endorse:

- 1) That Walsall MBC had committed the full £250,000 allocation and that, currently, Sandwell MBC had committed £95,500 of their allocation.
- 2) That further bids against the balance of £250k Development Funding available in 17/18 are still being considered by Sandwell Council, using their own process for prioritisation of bids.

160/17 **Date of Next Meeting**

LEP Board members noted that the next meeting would be held on, 3<sup>rd</sup> October 2017.

(The meeting closed at 5.30pm)