

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

**19<sup>th</sup> May 2014 at 3.00p.m.**  
**at Carillion plc, Birch Road, Wolverhampton**

**Present:** Cllr Adrian Andrew Walsall MBC;  
Paul Brown Ernst & Young;  
Simon Eastwood Carillion plc;  
Chris Handy Accord Group;  
Ninder Johal Nachural Communications;  
Cllr Roger Lawrence Wolverhampton CC;  
Cllr David Sparks Dudley MBC.

**In Attendance:** Sarah Middleton Black Country Consortium Ltd;  
Kim Rowlands BIS;  
Paul Sheehan Walsall MBC;  
Laura Shoaf ABCA.

**Apologies:** Chairman, Councillors Bird and Cooper Andy Cox,  
Prof Layer, Jat Sharma and Tom Westley

35/14 **Chair**

Simon Eastwood took the chair for the meeting.

36/14 **Minutes**

The minutes of the meeting held on 28<sup>th</sup> April 2014 were circulated.

**Agreed** that the minutes of the meeting held on 28<sup>th</sup> April 2014 be received and confirmed as a correct record.

37/14 **Current Economic Overview Produced by Black Country  
Economic Intelligence Unit**

The Board received a summary of data from the Office for National Statistics on economic output, as measured by nominal Gross Value Added (GVA) focussing on total GVA, GVA per head and GVA per employee in addition to highlighting sectoral output across nine industries in the Sub-Region.

The report highlighted the following:-

- Total GVA in the Black Country in 2012 was £17.2bn, which ranked the Sub-Region 25th of 39 LEPs and third of the six West Midlands LEPs.
- The long term total Black Country GVA increase for 1997-2012 was the lowest percentage increase seen by any LEP.
- However in the short term – since 2009, total Black Country GVA had increased by 10%, above the LEP average increase of 7%, making the Sub-Region the ninth fastest growing LEP.
- GVA per employee (£39,882) The Sub-Region was ranked in 38th place on this measure and was the lowest ranked West Midlands LEP. An extra £6,229 per employee was needed for the Black Country to reach the LEP average.
- The Black Country was currently ranked 25th in terms of total GVA, however the Sub-Region would be ranked 10th if the economy was producing the growth scenario level of GVA.

Members discussed the difficulties involved in using the GVA data, the impact of differing sectors and the need to further analyse the make up of industry in the Black Country to assess relative contributions and impacts.

**Agreed** that the intelligence in the report be examined to explore further at the Policy Planning session:-

- 1) how the Partnership can support strategic companies, promote supply chain development and business growth and start-ups in the context of the twelve strategic programmes;
- 2) review the actions being undertaken to deliver the Black Country's ambitions and understand their impact on driving growth in the economy;
- 3) to set key milestones to understand the direction of travel and short term targets to determine the impact of delivery;
- 4) whether the figures on recent growth in GVA could be used for publicity purposes.

38/14 **Black Country Strategic Economic Plan (SEP) - Freedoms and Flexibilities**

Further to Minute No. 24/14, Sarah Middleton reported that Government had requested additional information from projects and expressed the view that cross-LEP work needed to be brought out more within the Plan. Kim Rowlands reported further on the Government's response. She also reported that Government had reviewed the asks in the Plan and had discussed the extent to which it had the power to grant them, identified the possible timeframe against which these could be achieved and the areas where further evidence building was required.

**Agreed** that the feedback on the Government's view of the freedoms and flexibilities requested in the SEP and the progress of discussions be noted.

39/14 **Draft Minutes of a Meeting of West Midlands LEP Chairmen – 7th May 2014**

The Board received the draft minutes of a meeting of West Midlands' LEP Chairmen held on 7<sup>th</sup> May 2014. Members discussed the impact of Homes and Communities Agency policies in region and the progress of discussions concerning the Enterprise Zone.

**Agreed:-**

- 1) that, if necessary, the Chairman write to Sir Bob Kerslake or Ministers concerning the need for progress in bringing forward the Phoenix 10 Enterprise Zone site;
- 2) that examples of previous similar reclamation schemes be examined to review how liability was treated;
- 3) that further consideration be given to the steps to be taken to highlight the political implications of any Government response.

40/14 **Financial Engineering Instruments – Update**

Further to Minute No. 27/14, the Board received an update on progress of work on the establishment of a West Midlands Fund of Funds including further details of the hypothecation of funds, Issues around structure of holding company for the fund, the application for the return of the former Advantage West Midlands (AWM) funds and the development of a project plan and set up costs. Each of the West Midlands LEPs had been asked to contribute £8,000 towards the initial set up costs. This would be matched by technical assistance from the 2007-2013 ERDF programme and the AWM legacy funding. The contributions would be used to fund due diligence/ex-ante evaluation and early work and legal costs in setting up the Fund of Fund programme.

**Agreed** that the allocation of £8,000 to support continued work on development of the fund be supported.

#### 41/14 **Regional Growth Fund (RGF) – Growing Priority Sectors**

The Board received the recommendations of the meeting of the Growing Places Sub-Board held on 19<sup>th</sup> May 2014 prior to the meeting of the Board on applications for Regional Growth Fund, Growing Priority Sectors, Wave 4 Fast Track funding. The Sub-Board had considered four applications. The applications had been appraised by officers using a pre-determined scoring matrix (developed by external technical experts). Applicants were required to reach a minimum score threshold of 23 in order to be approved for funding. Two of the applications exceeded this threshold and were therefore recommended for approval. The Sub-Board also gave further consideration to an application by Goldring Industries that had been deferred from a previous round of applications.

The Board also received details of the overall spend on the Fund and the progress of applications. £12.9m had been allocated from Round 3 and 4 of the RGF. A further £1.6m had been awarded to the LEP via the Growth Hub. In order to allocate all available funding a further Wave of funding was currently open.

#### **Agreed:-**

- 1) that the recommendations of the Sub-Board to approve following applications for Growing Priority Sectors, RGF Funding having exceeded the minimum score threshold:-

Assa Abloy;  
Midland Tool and Design;  
Goldring Industries;

- 2) that data from the analysis of the RGF process be utilised to support discussion at the policy planning session on 23rd June 2014.

## 42/14 **Social Enterprise and Innovation Update**

Further to Minute No. 41/13, the Board received an update on the progress of the work of the Social Enterprise Cabinet. The actions included:-.

- a) The establishment of a Black Country Social Enterprise Vision Statement:
- b) The holding of a social enterprise summit to raise the profile of social enterprise across the Black Country and profile the work of a number of more successful agencies.
- c) The holding of a national LEP social enterprise conference, hosted at the Goldmine in Walsall. The event showcased the work that the Black Country had done around the cabinet and the social enterprise zone approach.
- d) The publication of a Social Enterprise Barometer.
- e) A series of roll out practical sessions in local areas for people interested in setting up social enterprises.
- f) Liaison with local authorities on the Social Value Act stressing the contribution that social enterprises could make to support added social value. The intention was to take this work further forward especially with NHS organisations.
- g) The Identification of a number of funding streams, including:
  - i). The social incubator fund from the Cabinet Office of £1m for the Black Country, administered by Accord and targeted at pre-start up individuals. Some 22 people were currently going through the programme.
  - ii) EU Leonardo Fund, to support people up to 25 years of age in developing their social enterprise ideas at the Amsterdam Enterprise Hub. Eight people were on the current programme and a further twenty were due to go to Amsterdam in the summer.

- iii) University of Wolverhampton "Green Shoots" programme which had been extended to cover social enterprise start-ups.
  - iv) Existing funding streams offered by the local agencies.
  - v) Welfare Pilot of the City Deal – this would have an enterprise creation link and dimension that had still to be fully developed.
- h) An e-prospectus of guidance and advice that was currently being developed, sign-posting people to the key support agencies and funding sources, including case studies of successful social enterprises working in the patch.
- k) The submission of a proposal for European Funding with the help of Eastside and Prof. Ian Oakes, to develop an overarching multi-agency approach run by the LEP itself and delivered through local agencies on the ground. This programme would be an important and essential step forward in providing scaled up support for social enterprise across the Black Country and would be the first of its kind in the country, making the social enterprise zone approach a reality.

Members also referred to the recent publication of proposals for the establishment of social impact bonds.

**Agreed:-**

- 1) that the update be received and the ongoing work outlined above be supported;
- 2) that the Social Enterprise Cabinet be requested to explore the possible role of social impact bonds in development of social enterprise programmes.

43/14 **Transport Update**

The Board received an update on transport activity including HS2 development, rail devolution and progress on changes to the structure and governance of the Integrated Transport Authority.

Pursuant to Minute No. 33/14, the Board also considered the future of the Transport Board in the light of the development of the SEP and the Black Country Joint Committee. The funding for major transport schemes had been absorbed into the Growth Deal and the schemes would now be delivered as part of the wider Strategic Economic Plan. The membership of the proposed Advisory Board to support the Black

Country Joint Committee would include the Local Authority Cabinet Members for Regeneration, three of whom sat on the Strategic Transport Board. It was seeking private sector representation from the LEP and it was proposed that the private sector representation on the Transport Board could also be utilised for this role.

The Transport Board had also established an assurance framework for assessing transport schemes which it could be useful to embed in the work of the Advisory Group.

**Agreed:-**

- 1) that the principle of aligning the Strategic Transport Board and the Joint Committee Advisory Board be supported;
- 2) that, subject to the consent of the Joint Advisory Board, the private sector Strategic Transport Board members be included within the pool of members from which the private sector LEP representation on the Board is drawn;
- 3) that the Joint Advisory Committee be requested to consider incorporating the principles of the assurance framework within its work on processes to manage the Growth Fund.
- 4) that a paper on revised governance arrangements to facilitate private sector engagement and support for the SEP and Growth Deal arrangements be submitted to Policy Planning session on 23<sup>rd</sup> June 2014.

44/14 **PR and Communications Update**

Members received the update on communications activity for April 2014. He also updated on discussions with greater Birmingham concerning the development of the Black Country Visitor Economy Strategy and liaison with the Express and Star.

**Agreed** that a meeting be sought with the Chairman of the Greater Birmingham and Solihull LEP concerning the development of the 'Greater Birmingham' concept and the mechanisms for continued engagement.

45/14 **Black Country Local Enterprise Partnership Funding**

The Board received a report setting out the Partnership's core funding position for 2012/13 to 2014/15 in order to enable Walsall MBC, the

Partnership's nominated accountable body, to comply with its internal Accountable Body processes.

**Agreed:-**

- 1) that the apportionment of the Core Funding budget be confirmed as follows:-

<b>Budget</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Direct Expenditure	42,919	£66,000	£40,100
Capacity	0	£168,000	£201,281
Mileage and Travel	0	£9,360	(included above)
IT	0	£4,000	£4,000
Contingency	0	£2,640	£4,619
Carry forward	82,081	0	0
<b>Total</b>	<b>125,000</b>	<b>£250,000</b>	<b>£250,000</b>

- 2) that, subject to (3) below, the apportionment of the Strategic Development funding budget be confirmed as follows:-

Budget Line	Year	SEP	EU	Total
Black Country Consortium				
SEP Development	2013/14	£120,000		
	2014/15	£55,000		£175,000
Wolverhampton CC				
Low Carbon development	2013/14		£37,500	
	2014/15		£37,500	£75,000
Walsall MBC				
Technical Post	2013/14		£25,000	
	2014/15		£25,000	
Technical Assistance	2014/15		£33,333	
	2015/16		£33,333	
	2016/17		£33,333	
	2017/18		£33,333	
	2018/19		£33,333	
	2019/20		£33,335	£250,000
<b>Total</b>		£175,000	£325,000	£500,000

- 3) that the allocations for technical assistance within the Strategic Development Fund for the years 2015/16 to 2019/20 be approved in principle subject to appropriate funding being received and payment made within the financial year in which they occur;
- 4) that Walsall MBC be requested:-

- a) to implement the apportionment of the budget allocations as required by its internal processes;
- b) to make an expedient payment to Black Country Consortium Ltd of outstanding LEP funds;
- c) to ensure that interest attracted on LEP funds be accounted for and forwarded to the Consortium.

46/14 **Governance Matters - Decisions of the Black Country Joint Committee – 7th May 2014**

The Board noted the decisions made by the Black Country Joint Committee at its meeting on 7<sup>th</sup> May 2014.

47/14 **Date of Next Meeting**

23<sup>rd</sup> June 2014 – Policy Planning Session – 12 Noon

(The meeting closed at 4.35 p.m.)