



24th July 2017 at 3.00pm
MA224, Wulfruna Building, Wulfruna Street,
Wolverhampton, WV1 1LY

Present: Simon Eastwood Carillion plc, in the Chair;
Paul Brown Ernst & Young;
Andy Cox Cox & Plant;
Chris Handy Accord Group;
Ninder Johal Nachural;
Roger Lawrence City of Wolverhampton;
Prof Geoff Layer University of Wolverhampton;
Tom Westley Westley Holdings.

In Attendance: Keith Ireland City of Wolverhampton
Simon Tranter Walsall MBC;
Sarah Middleton Black Country Consortium Ltd;
Delma Dwight Black Country Consortium Ltd;
Rachel Goodwin Black Country Consortium Ltd;
Kim Rowlands BEIS;
Peter Smith BEIS;
Hywel Ruddick Black Country Consortium Ltd.

Apologies: Councillors Coughlan, Eling, Harley and Moore and Stewart Towe and Lowell Williams.

61/17 **Declarations of Interest**

Tom Westley declared his non-pecuniary interest in Minute No. 69/17 the Elite Centre for Manufacturing and Dudley College 79/17

Ninder Johal – declared his non-pecuniary interest in the Black Country Music Institute Minute 79/17.

Prof Geoff Layer – declared his pecuniary interest Elite Centre for Manufacturing Minute No. 69/17 and left the room during the

consideration of the item.

Ninder Johal, Keith Ireland and Tom Westley declared their respective interests as Directors of the WM Growth Company Minute No 82/17 – Draft Minutes of the Competitiveness Theme Advisory Board.

62/17 **Minutes**

The minutes of the meeting held on 22nd May 2017 were circulated.

Agreed that the minutes of the meeting held on 22nd May 2017, be received and confirmed as a correct record.

63/17 **Policy Update**

The following updates were submitted: -

- a) Policy Away Day;
- b) DY5 – Marketing Strategy/Update;
- c) LA Leaders and Board nominees – for information to note LA Leaders and their nominees – Cllrs. David Vickers, Lee Jeavons, Paul Moore and Peter Bilson;
- d) Midland Engine Investment Fund – meeting advised that there would be a phased release of funds;
- e) LEP Peer Reviews – undertaken reviews with other LEPs limited by guarantee – Cheshire & Warrington and Solent. It was noted that Mary Ney was scheduled to report on her findings in relation to open and transparent LEPs.
- f) Future Funding – UK Shared Investment Fund.
- g) LEP Network priorities for LEP – to ensure that all local action and investment maximises the impact on business and communities.
- h) BC Sector GVA per Head – circulated for information.
- i) HS2 – Contracts – Information relating to winners of £6.6 billion of contracts – to include Carillion, Costain and Balfour Beatty.

Agreed that the LEP Board note the Policy Update.

64/17 **Black Country LEP - Quorum**

Sarah Middleton referenced the table below and highlighted that there was need to change the Quorum arrangements to ensure the Black Country Local Authorities were involved in the decision-making process at LEP Board.

It was noted that only Councillor Roger Lawrence was in attendance and queried if this would affect the Quorum. The meeting was advised that the new arrangements would not be in force until the report had been considered and approved by the Black Country Joint Executive Committee and the Directors and Guarantee Members of the Black Country Consortium Ltd, as the change would require a revision to the Assurance Framework.

| Current Quorum arrangements | Proposed revised quorum arrangements |
|---|---|
| <p>1.3.3 Membership The BC LEP Board also includes membership from all four of the Black Country Local Authorities, as all four Council Leaders are members. Local Authority Members may nominate a named alternate who should normally be a cabinet portfolio holder to act as their deputy in exceptional circumstances. The Black Country Joint Committee may nominate one of its voting members (a Leader of one of the local authorities) to attend the BC LEP Board acting on behalf of all four local authorities.</p> | <p>1.3.3 Membership The BC LEP Board also includes membership from all four of the Black Country Local Authorities, as all four Council Leaders are members. Local Authority Members must nominate a named alternate who should be a cabinet portfolio holder to act as their deputy.</p> |
| <p>2.1 h No business will be transacted at a meeting of the BC LEP Board unless at least four Members of the Board are present (at least two of whom</p> | <p>2.1 h No business will be transacted at a meeting of the BC LEP Board unless a minimum of four Members of the Board are present (at least two of whom</p> |

| | |
|---|--|
| <p>shall be private sector Members) and the Black Country Local Authorities are represented in line with section 1.3.3.</p> | <p>must be private sector representatives and two of whom must be local authority elected members) and the Black Country Local Authorities representation is in line with the provisions of section 1.3.3.</p> |
|---|--|

Agreed: -

That the LEP Board recommends to the Directors and Guarantee Members:

- 1) That the Board quorum be a minimum of 4 members (2 of whom must be private sector representatives and 2 of whom must be local authority elected members).
- 2) That the proposed revised paragraphs 1.3.3 and 2.1 h, detailed above, be substituted for the aforementioned paragraphs currently in the Assurance Framework Version 8.3.

65/17

West Midlands Combined Authority Update

Cllr. Roger Lawrence provided an update on the WMCA. He advised that the first Annual Report had been received and showed the progress of the WMCA. He advised that weekly WMCA bulletins were now being received and that it would be benefit the private sector and education representatives if they received these.

Sarah Middleton advised that there were two areas of collaboration which BC LEP had been involved, to include C4 relocation and the Commonwealth Games.

In regard to the Commonwealth Games she advised that the three non-constituent LEPs had been asked to contribute a sum of £50,000 each to support the funding of consultant s working on the bid. To this regard she was seeking confirmation, subject to Guarantee Member approval, that the LEP Board would support this allocation.

Agreed

- 1) That the LEP Board note the update;

- 2) That LEP Board recommend to the Guarantee Members that they support the allocation of £50,000 towards the cost of consultants who were preparing the Commonwealth Games bid; and
- 3) That LEP Board Members be added to the weekly WMCA Newsletter distribution list.

66/17

Black Country Strategic Economic Plan – Update and Pipeline – Investment Plan

The SEP Board Investment Plan was received and Members were shown a slide detailing how the information could be presented for the City of Wolverhampton.

Keith Ireland welcomed the information and asked if it could be broken down into Wards for the City.

Prof Geoff Layer commented that there was a danger that it could focus on spend in an area instead of impact of that spend. He suggested that an “impact” approach would identify where to spend more or spend less, dependent on the impact of the funded programme.

Cllr. Roger Lawrence highlighted the “Wolves into Work” project, jointly funded by the City Council and Department of Work and Pensions (DWP). He commented that there were a lot of programmes targeting the same people and stated that the challenge was to reach the hard to reach groups.

It was queried whether the information could also capture jobs lost and whether activity the LEP were not sighted on was captured. It was noted that the net employment/unemployment position could be reported in a 12-month cycle and that commercially led investment could be populated alongside the data presented.

Agreed

That the LEP Board endorse the approach of the proposed interventions and achievements in a suite of place-based propositions, as detailed below: -

- a) Develop this approach for the following corridors: -

The City North Gateway is an area that extends from Wolverhampton City Centre; North up to M54 junction 2, South down to Blakenhall, East to Fallings Park & West to Tettenhall and includes areas such as Dunstall Hill, Whitmore Reans,

Merridale, Springfield, Bushbury, Low Hill, Oxley, Pendeford & Fordhouses.

The City East Gateway to Walsall Town is an area that extends either side of the M6 Junction 10; West to Wolverhampton City Centre through to Walsall Town Centre in the East including areas such as Heath Town, Wednesfield, Willenhall, Bilston, Darlaston, Bentley, Short Heath, Leamore, Birchills & Bescot.

The A34 Walsall to Birmingham is an area that extends from Walsall to Birmingham including areas such as Great Barr, Hamstead & Perry Barr.

Wednesbury to Brierley Hill is an area from Wednesbury extending to Brierley Hill incorporating Tipton, Great Bridge, Dudley Port, Dudley Town Centre, Russell's Hall and Merry Hill.

The West Bromwich Triangle is an area from Cradley in the South West to Smethwick in the South East and West Bromwich Town Centre in the North; including areas such as Blackheath, Halesowen, Rowley Regis, Lye and Oldbury.

The Other remaining areas were generally based around Aldridge, Brownhills, Sedgley and Stourbridge.

- b) That each place-based proposition will comprise a combination of text, map(s) and graphics. These will include a least 4 elements:
- The Place:** a pen portrait of the place and a compilation of business, development industry, physical and community intelligence (covering: any clusters, business size and growth, quality of business premises, key land uses and infrastructure, school;
 - The vision:** the place in 2030 and its contribution to the wider vision. The current and potential contribution of the priority propositions and the integrated delivery of the 12 programmes set out in the SEP (under the themes People, Business and Place) to the place in order to deliver that vision;
 - The Pipeline:** pipeline projects, funded and unfunded, supported by a narrative on the most impactful sequencing;
 - Issues that require attention:** identification of emerging/outstanding issues that require attention and proposed action/next steps.

67/17 **Local Growth Fund Programme Dashboards**

Rachel Goodwin provided updates on the respective Dashboards.

In regard to the Transportation Dashboard she advised: -

- Wednesbury to Brierley Hill Metro scheme, the business case had now been formerly submitted to the DfT and Treasury for consideration with the aim of a funding announcement being made in the Autumn Statement/budget. Further funding and resource will be required to ensure BC LEP can address any questions raised by central government or provide further evidence, a request for this will be made to the September Funding Sub Group.
- M54 Junction 2 to Vine Island is currently working through the approvals process to ensure contracts can be awarded and delivery is to commence in in the Autumn 2017.
- Work continues to develop on the 3 strategic corridor business cases with the aim of getting the A449 and A454 completed for Spring 2018.
- An announcement regarding the award of the new West Midlands Rail Franchise is expected imminently with the possibility of new services and stations across the Black Country.
- Some of the LEP transport funding is being held back on the anticipation that some bidding opportunities at a West Midlands and National level may be announced shortly and there will be a requirement for local contributions in order to secure the funding.

Agreed that the Board note and receive the Local Programme Dashboards.

68/17 **Refurbishment of 203-204 Wolverhampton Street, Dudley**

The LEP Board gave consideration to the bid received for the refurbishment of 203-204 Wolverhampton Street, Dudley.

Agreed

That the LEP Board approve the refurbishment of 203-204 Wolverhampton Street, Dudley project from within the Growth Deal programme. Grant funding is to be awarded to the value of £145,947 with delivery to commence in the 17/18 financial year.

69/17 **Elite Centre for Manufacturing Skills – Additional Funding**

The LEP Board gave consideration to the bid received for additional funding for the Elite Centre for Manufacturing Skills.

Agreed

That the LEP Board approve the Additional Funding request for the Elite Centre for Manufacturing Skills (ECMS) project from within the Growth Deal programme. Additional grant funding is to be awarded to the value of £506,400 with delivery to commence in the 17/18 financial year.

(**Declarations** – Prof. Geoff Layer declared his pecuniary interest in this item, as Vice-Chancellor of the University of Wolverhampton, and left room during consideration of this item.

Tom Westley declared his non-pecuniary interest and reserved his right to speak and vote on the matter should he decide to do so.)

70/17 **City Learning Quarter – Site Investigation**

The LEP Board gave consideration to the bid received for Site Investigation for the City Learning Quarter.

Agreed

That the LEP Board:

- 1) Approve the City Learning Quarter Site Investigation from within the Growth Deal programme. Grant funding is to be awarded to the value of £120,000 with delivery to commence in the 17/18 financial year; and
- 2) Note that this Site Investigation will be underwritten by City of Wolverhampton Council.

71/17 **Growth Deal Programme Changes**

The Growth Deal Programme Changes to show updated expenditure and output profiles for Growth Deal Projects was considered.

Agreed

That the LEP Board approve the updated expenditure and output profiles for the Growth Deal projects in line with 16/17 year-end projections, as set out in the report.

72/17 **Black Country Land and Property Investment Fund – Commissioning Framework**

Consideration was given to the Black Country Land and Property Investment Fund Commissioning Framework.

Agreed

That the LEP Board:

- 1) Approve the Black Country Land and Property Investment Fund - Commissioning Framework; and
- 2) Note that, simultaneously it will be necessary to take the Black Country Land and Property Investment Fund - Commissioning Framework through the various layers of Approval at the West Midlands Combined Authority (WMCA). This will provide assurance to WMCA members that the Black Country are clear in how they want to manage and apply the Fund and the Outputs they are targeting.

73/17 **Site Investigation Findings**

The Board were advised that following a review undertaken at the request of the Chairman of the Funding Sub-Group, the Group had confirmed a set of principles to be applied to future Site Investigations, subject to LEP Board approval.

Agreed

That the LEP Board approve that the following be applied to future Site Investigation (SI) bids, subject to discretion on individual applications:

- a) BC LEP continue to invite SI bids for Grant support to encourage development of Brownfield Land packages that have stalled, and continue to utilise the processes and principles presently in place.
- b) Professional Property advisers who appraise bids and report findings to the FSG continue to exclude in-house costs as ineligible and ensure value for money from bids seeking SI Growth Deal grant support.
- c) Introduce a standard 30% match funding requirement from all applicants, for consistency with other Growth Deal grant awards. This will identify the extent of applicants' development costs invested and commitment to the future Development scheme, in place before submitting the application.
- d) Initiate a level of "clawback" of grant from successfully delivered projects, where a developer had been seen to make a significant

profit; To be written into any subsequent Remediation bid contract award supported by Growth Deal Grant support.

- e) That the Funding Sub-Board retain a level of discretion on future SI bids in relation to match funding, with a rationale of why the discretion was exercised being submitted to the LEP Board for consideration.

74/17 **Growing Priority Sectors – Drywell Steel Sections Ltd**

The LEP Board gave consideration to the application received for Growing Priority Sectors – Drywell Steel Sections Ltd.

Agreed

That the LEP Board:

- 1) Approve the Drywall Steel Sections Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme.
- 2) Note that Grant funding is to be awarded to the value of £102,385 with delivery to commence in the 17/18 financial year.

75/17 **Growing Priority Sectors – Strut Direct Ltd**

The LEP Board gave consideration to the application received for Growing Priority Sectors – Strut Direct Ltd.

Agreed

That the LEP Board:

- 1) Approve the Strut Direct Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme.
- 2) Note that Grant funding is to be awarded to the value of £94,262 with delivery to commence in the 17/18 financial year.

76/17 **Growing Priority Sectors – Burcas Ltd**

The LEP Board gave consideration to the application received for Growing Priority Sectors – Burcas Ltd.

Agreed

That the LEP Board:

- 1) Approve the Burcas Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme.
- 2) Note that Grant funding is to be awarded to the value of £125,000 with delivery to commence in the 17/18 financial year.

77/17 **Growing Priority Sectors – Interplas Coating**

The LEP Board gave consideration to the application received for Growing Priority Sectors – Interplas Coating.

Agreed

That the LEP Board:

- 1) Approves the Interplas Coatings Ltd project, part of Growing Priority Sectors, from within the Growth Deal programme.
- 2) Note that Grant funding is to be awarded to the value of £177,000 with delivery to commence in the 17/18 financial year.

78/17 **Appointment of Technical Advisers**

Simon Tranter presented the report and highlighted the costs over the duration as detailed below: -

| <u>Details</u> | <u>2017/18</u> | <u>2018/19</u> | <u>2019/20</u> | <u>2020/21</u> | <u>Total</u> |
|--|------------------|-----------------|-----------------|-----------------|-----------------|
| <u>Local Growth Fund Specialist Technical Advice Support Costs</u> | <u>£120,000*</u> | <u>£125,000</u> | <u>£135,000</u> | <u>£120,000</u> | <u>£500,000</u> |
| <u>Legal Fees in Support</u> | <u>£18,000</u> | <u>£30,000</u> | <u>£33,000</u> | <u>£35,000</u> | <u>£116,000</u> |

Agreed

That the LEP Board:

- 1) that the framework approach is utilised as part of the tendering process, so that all LEP programmes Accountable Bodies and the Programme Office have access to the appointed Technical Advice Service provider;
- 2) that the LEP Board support the appointment of specialist legal advice to assist the Accountable Body and Programme Office with the continued development of robust grant agreements.
- 3) that Board approve £616,000 for Walsall Council in its role as Accountable Body to support the Technical Advice Service and Legal Support costs for the Growth Deal as set out within the above table.

79/17 **Music Institute Cable Plaza**

The LEP Board gave consideration to the application received for a revised funding profile for the Music Institute.

Agreed

That the LEP Board:

Approve the revised funding profile for the Music Institute Cable Plaza project from within the Land and Property Investment Fund. The total grant funding awarded is to be reprofiled to the value of £4,876,583 in 17/18 and £2,282,969 in 18/19, with delivery to commence in the 17/18 financial year.

(Ninder Johal declared his non-pecuniary interest in this item and reserved his right to speak a vote on the matter should he decide to do so).

80/17 **Black Country Land and Property Investment Fund – Accountable Body**

The LEP Board gave consideration to the appointment of the Accountable Body for the Black Country Land and Property Fund.

Agreed

That the LEP Board:

- 1) Approves the appointment of the City of Wolverhampton Council as Accountable Body for the Black Country Land and Property Investment Fund Programme on behalf of the BCLEP.
- 2) Approves the proposed funding model for administrative functions to support the Black Country Land and Property Investment Fund as set out in the addendum to this report (*Appendix 1 - Proposal for funding of administrative functions to support the Black Country Land and Property Investment Fund*).
- 3) Notes that a future proposal will be submitted to the West Midlands Combined Authority (WMCA) for a future bid of a minimum of £150m to support the BC wide Strategic Land & Property Investment Programme, subject to the success of the initial phase;
- 4) Notes that a member from the WMCA is to sit on the Funding Sub-Board of the Black Country LEP when Land & Property Investment Fund bids are being considered;

- 5) Notes the requirement for the WMCA branding to be displayed at the supported site; and
- 6) Confirms the requirement for sites being supported to also display the BC LEP branding.

81/17 **Minutes of the Funding Sub-Board – 8th June and 4th July 2017**

The Minutes of the Funding Sub-Board held on 8th June and 4th July respectively were submitted.

Agreed that the minutes of the meetings of the Funding Sub-Board held on 8th June and 4th July 2017 be approved and confirmed.

82/17 **Draft Minutes of the Competitiveness Theme Advisory Board - 25th May 2017**

The Draft Minutes of the Competitiveness Theme Advisory Board held on 25th May 2017 were submitted.

Agreed

- 1) That the draft minutes of the Competitiveness Theme Advisory Board held on 25th May 2017 be received and noted; and
- 2) That the Board confirm the establishment of the Innovation Sub-Committee, to be Chaired by Andy Cox.

(Ninder Johal, Keith Ireland and Tom Westley declared their respective interest as Directors of the WM Growth Company.)

83/17 **Draft Minutes of the Active Black Country Board – 23rd May 2017**

The draft Minutes of the Active Black Country Board held on 23rd May 2017 were submitted.

Agreed that the draft minutes of the Active Black Country Board held on 23rd May 2017 be received and noted.

84/17 **Draft Minutes of the Employment and Skills Theme Advisory Board – 5th July 2017**

The draft Minutes of the Employment and Skills Theme Advisory Board held on 5th July 2017 were submitted.

Agreed that draft Minutes of the Employment and Skills Board held on 5th July 2017 be received and noted.

85/17 **Black Country Executive Joint Committee – 28th June 2017**

The decisions of the Black Country Executive Joint Committee held on 28th June 2017 were submitted.

Agreed

That the decisions of the Black Country Executive Joint Committee held on 28th June 2017 be noted.

86/17 **PR and Communications Update**

The Board received the regular update on PR activity since the last meeting and updates on work to improve response rates to e-communications from the LEP.

Agreed that the report be noted.

87/17 **Dates of Future Meeting**

The dates of future meetings were noted, with the next meeting to be held on 18th September 2017 at a Sandwell venue.

88/17 **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.

- 1) Items of business for the Black Country Consortium Ltd. Directors – Audit Committee minutes – 6th July 2017

(The meeting closed at 4.05pm)