

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

21st July 2014 at 3.00p.m.
at Hadley Industries, Downing Street, Smethwick

<u>Present:</u>	Stewart Towe Cllr Adrian Andrew Paul Brown Andy Cox Simon Eastwood Chris Handy Ninder Johal Cllr Ian Jones Cllr Roger Lawrence Prof Geoff Layer Jat Sharma Cllr David Sparks Tom Westley	Chairman; Walsall MBC; Ernst & Young; Cox & Plant; Carillion plc; Accord Group; Nachural Communications; Sandwell MBC; Wolverhampton CC; Wolverhampton Uni; Walsall College Dudley MBC; Westley Group.
<u>In Attendance:</u>	Sarah Middleton Jan Britton Simon Neilson Keren Jones Laura Shoaf	Black Country Consortium Ltd; Sandwell MBC; Walsall MBC; Wolverhampton CC; ABCA.
<u>Apologies:</u>	Councillors Bird and Cooper.	

48/14 **Minutes**

The minutes of the meeting held on 19th May 2014 and of the away day session held on 23rd June 2014 were circulated.

Agreed that the minutes of the meeting held on 19th May and away day session on 23rd June 2014 2014 be received and confirmed as a correct record.

49/14 **Current Economic Overview**

The Board received a report setting out details of the sectoral performance of the emerging list of companies to be included in the 2014 Black Country Strategic Companies Barometer. The paper highlighted the current and future contributions of the transformational and enabling sectors. These contributions were then aligned with the performance of the strategic companies which had been split into sixteen major sectors. The report also highlighted the companies that had growth expectations and made successful Regional Growth Fund (RGF) applications. Members noted areas where further work was necessary to refine growth figures and possible sources of further information.

Agreed:-

- 1) that work continue to develop the data and categorisation of companies within the framework;
- 2) that the Secretariat liaise with Board Members to identify five companies for members to work with individually to develop a greater understanding of Black Country specific barriers to growth;
- 3) that, where necessary, the Board should look to use results of engagement to engage the LEP Network, MPs and national bodies and groupings to seek changes in Government policy
- 4) that the evidence concerning the extent of supply chain networks and the potential benefits from supporting investment to bring them together be noted for development as a message to support the case to Government and other agencies for addressing issues around barriers to Company growth.

50/14 **Black Country Strategic Economic Plan (SEP) - Growth Deal Announcement, Policy Planning Session Actions and Next Steps**

Further to Minute No. 38/14, Sarah Middleton reported on the details of the Growth Deal and the freedoms and flexibilities agreed by

Government and set out the next steps to implement the Deal and take forward actions agreed at the away session in June.

The Partnership had secured a Growth Deal with the Government totalling an initial £138.7million. £35.4million had been confirmed for 2015/16 with an indicative award of a further £103.3million of funding from 2016/17 onwards. The projects scheduled to start in 2015/16 would help to create up to 6,000 jobs, allow more than 1,000 homes to be built and generate up to £310million in public and private investment. The Deal included approval for fourteen of the proposed sixteen Black Country, with thirteen commencing in 2015/16 and provisional funding for two more in 2016/17, including an additional £7.6m capital investment to create an Elite Centre for Manufacturing Skills.

The Growth Deal also included a set of freedom and flexibilities alongside the priority projects. The Government had acknowledged that the Partnership, along with approximately a third of all 39 LEPs, had demonstrated strong partnership arrangements with a track record of delivering collective decisions. The clear articulation of a deliverable vision for growth in the area, with established strong financial monitoring procedures and cross local authority collaboration had been recognised by Government agreeing to disburse funds to the LEP annually in advance. In return the Partnership would be expected to deliver the projects highlighted in the Deal, but would have flexibility over the management of these projects in order to deliver the greatest economic benefits to the Black Country. Any significant changes to the projects would need to be discussed with the Government in advance. The Partnership also needed to

Strengthen governance and management;

Ensure value for money;

Communicate the ongoing outputs and outcomes of the Deal to the local community and stakeholders.

Members emphasised the need to establish arrangements as soon as possible for the effective management of the funding and projects. Simon Neilson reported on the progress of the establishment of the Joint Committee, Joint Advisory Board and the work to underway to identify the resource, capacity and mechanisms necessary to support the Joint Committee and manage the funding.

The Board also noted the points that had emerged in the West Midlands' LEP Chairmen's discussions with Tom Walker, Director of the Cities Policy Unit in the Cabinet Office who had emphasised that delivery would define the success of Deals and the extent of further delegation. He had also stated that the SEP process would not be repeated every year and that the next round of Growth Deal would focus on bringing forward outstanding projects to develop a pipeline of commitments.

Agreed:-

- 1) that the content of the Government's Growth Deal announcement be noted;
- 2) that further report be submitted to the next meeting on arrangements/requirements for the accountable body, management, delivery and monitoring (including risk management) of the Growth Deal;
- 3) that a report be submitted to the next meeting in September to consider a report on SEP II and the steps necessary to establish a pipeline of projects.

51/14 **EU Investment Strategy – Update**

Further to Minute No. 25/14, Keren Jones provided an update on activities to put in place arrangements for the governance and delivery of the Black Country European Investment Strategy including the establishment of a Local Enterprise Partnership (LEP) Area Partnership or Local Sub-Committee (LSC) The group needed to be established during September 2014 to support the draft Implementation proposals and in line with proposed first calls for proposals and Opt-In sign off agreements. Members requested that options for joint arrangements with other West Midlands LEP areas could be explored if it would make arrangements more efficient and facilitate the participation of stakeholders.

Agreed:-

- 1) that officers explore the scope for the establishment of a West Midlands-wide or other joint Local Sub-Committee;
- 2) that, subject to the outcome of (1) above, the Chairman and Cllr Lawrence (the LEP Board member with lead responsibility for

Europe) were authorised to agree the detailed terms of reference and membership of the Local Sub-Committee.

52/14 **Draft Minutes of a Meeting of West Midlands LEP Chairmen – 16th July 2014**

The Board received the draft minutes of a meeting of West Midlands' LEP Chairmen held on 16th July 2014. Members noted the discussions on the future of the M6 Toll Road.

Agreed that officers to give further consideration to approach to be taken in future discussions over the role of the Toll Road and submit further reports as necessary.

53/14 **Transport Issues Update**

The Board received an u0pdate on the development of cross LEP transport activity including:-

- a) proposals for the establishment of 'Midlands Connect', a cross-LEP partnership programme focused in developing the strongest possible case for strategic transport investment in the region with the ultimate aim of ensuring the Midlands was well placed to influence and benefit from future significant funding programmes such as those currently being developed by the rail Industry (e.g. Long Term Planning Process, HS2) and the Highways Agency (e.g. Route Strategies). The group was being facilitated by the Cross-LEP Transport Group with the steer and guidance of a steering group comprising representatives from LEPs across the Midlands, NR, the HA, Local Authorities and the business community. Effective link were also being developed with relevant East Midlands organisations.
- b) an invitation to the Partnership to join the Birmingham Airport Consultative Committee. Members were of the view that the current representation on Airport bodies could effectively make the link although it was felt that it might be appropriate to invite the Airport Chief Executive to attend a meeting to brief on the development of the airport in relation to the Black Country and other West Midlands' Partnership plans.

Councillor Lawrence also updated on the development of the Integrated Passenger Authority including discussions with the Secretary of State

over the future arrangements for rail franchises in the West Midlands that it was hoped would lead to the West Midlands having more control over the selection of routes and other aspects of the management of the system.

Agreed:-

- 1) that the principles underpinning the development of the Midlands Connect group be supported and that a further report be submitted when final proposals for the Midlands Connect programme have been developed;
- 2) that the offer of a LEP seat on the Airport Consultative Committee be declined;
- 3) that the Chief Executive of Birmingham Airport be invited to attend a future meeting to discuss the development of the Airport, its plans in the upcoming year and how the LEP can help support the ambitions of Birmingham Airport. and how they relate to LEPs' growth ambitions;
- 4) that the proposals for the development of midland rail franchises be supported.

54/14

Regional Growth Fund Growing Priority Sectors

The Board received the recommendations of the meeting of the Growing Places Sub-Board held on 30th June 2014 when consideration was given to applications for Regional Growth Fund, Growing Priority Sectors, Wave 5 Fast Track funding. The Sub-Board had considered seven 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. One application did not meet this threshold and a further application was recommended for deferral pending receipt of further information.

The Sub-Board also received an update on the progress of the Growing Places fund and applications and on the policy to be adopted where the Accountable Body was the applicant as in the application for support for the Black Country Broadband Plan (see Minute No. 30/14)

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 be supported:-

Top Tubes Ltd.

Heartlands Furniture (Wholesale) Ltd.

Mar City Developments Ltd.

GF Laser Ltd.

AJS Profiles Ltd.

A&M EDM Ltd.

FA Gill Ltd.

- 2) that the recommendation that the application from KMC Food Group be deferred until the company had become limited and its financial records had been made available be supported;
- 3) that, for the Broadband Project and in any other case where the accountable body, Sandwell MBC, is also the applicant for funding, that the Heads of Terms of the funding agreement be signed by the duly authorised officer within the Council.

55/14

Black Country Broadband Plan - Update

Further to Minute No. 30/14, the Board received an update on the development of the project and results of the tender evaluation exercise for the contract to complete the fibre broadband infrastructure in the Black Country. The results of the exercise were considered by the Plan Project Board at a meeting on 17th July where it had recommended that BT be confirmed as the preferred bidder.

The Board was also update on discussions with BDUK concerning arrangement for dealing with the small number of properties where no broadband provision solution was available/

Agreed:-

- 1) that the recommendation of the Project Board to confirm BT as the preferred bidder and for Sandwell MBC to conclude the contract as the accountable body.be supported;
- 2) that the position concerning BT's proposal to establish an innovation fund to deal with the premises with no broadband provision solution be noted and considered for discussion at the meeting with the Secretary of State for Business, Innovation and Skills on 24th July.

56/14 **PR and Communications Update**

Members received the update on communications activity for May and June 2014. The Board noted the increase in Twitter followers and discussed how to develop engagement with businesses further.

57/14 **Representation on City Deal and Growth Fund Advisory Board**

Further to Minute No. 33/14, the Board received a report on responses to proposals for lead/alternate arrangements for LEP representation on the City Deal and Growth Fund Joint Advisory Board,

Agreed:-

- 1) that Simon Eastwood, Ninder Johal, Mark Saunders and Tom Westley be named as the lead private sector members on the City Deal and Growth Deal Advisory Board;
- 2) that the remaining private sector members and Mark Robinson, Carillion plc be named as alternate members;
- 3) that Walsall MBC be requested to:-
 - a) provide all lead and alternate members are provided with copies of the agenda and papers for all meetings to help ensure continuity and maintain communications;
 - b) consider the proposal that alternate members be authorised to attend meetings of the Advisory Board as observers if they are not acting as formal representative.

58/14 **Governance Matters - Decisions of the Black Country Joint Committee – 20th June 2014**

The Board noted the decisions made by the Black Country Joint Committee at its meeting on 20th June 2014.

59/14 **Black Country Local Enterprise Partnership Funding**

Further to Minute No. 45/14, the Board received an update on LEP Government Funding paid to Walsall MBC as accountable body and on

the allocation of part of the balance of unallocated LEP Strategic Funding. An unallocated balance of £166,667.00 was available and it was proposed to use part of the funding as follows:-

- a) BC Environmental Infrastructure Implementation Plan –creation of a coherent framework to ensure that the Black Country was able to get the maximum benefit from its environmental assets whilst also identifying the most effective interventions to protect and enhance them - £13,688.
- b) SEP Outline Business Case development – employing Genecon Ltd to work forward with the LEP and Growth Fund project promoters to review and refine the priority project outline business cases - £23,280.
- c) Development of cross-LEP Smart Specialisation initially relating to Advanced Manufacturing by Birmingham Science City - £10,000.

Agreed:-

- 1) that Walsall MBC be requested to ensure that systems are in place to facilitate the timely drawdown of LEP funding by BCC Ltd to ensure that the company is not disadvantaged by the processing and payment of LEP expenditure (Gloria);
- 2) that the allocation of part of the balance of unallocated LEP Strategic Funding as set out above be approved

60/14 **AoB – Meeting with Secretary of State for Business, Innovation and Skills – 24th July 2014**

The Board considered a draft agenda for the meeting with the Secretary of State on 24th July 2014.

61/14 **Date of Next Meeting**

22nd September 2014.

(The meeting closed at 4.50 p.m.)