



Minutes of a Meeting of the Black Country Local Enterprise Partnership

23rd April 2012 at 2.00p.m.
at the Offices of Carillion plc, Birch Street, Wolverhampton

Present: Stewart Towe Chairman;
Simon Eastwood Carillion plc;
Tim Hair Chamberlin plc;
Cllr Tim Wright Dudley MBC;
Cllr Roger Lawrence Wolverhampton CC;
Peter Mathews Black Country Metals;
Prof Ian Oakes Wolverhampton Uni;
Jason Wouhra East End Foods.

In Attendance: Sarah Middleton Black Country Consortium Ltd;
Kevin Postones Dept for Business, Innovation
& Skills (BIS);
Kim Rowland BIS;
Anne-Marie Simpson Homes and Communities
Agency;
Jo Lancaster Wolverhampton CC;
Laura Shoaf Black Country Consortium Ltd;
Nigel Easom Black Country Consortium Ltd.

Apologies: Cllrs Mike Bird, Darren Cooper and Les Jones.

27/12 **Minutes**

The minutes of the meeting held on 5th March 2012 were circulated.

Agreed that the minutes of the meeting of held on 5th March 2012 be received and confirmed as a correct record.

28/12 **Current Economic Overview**

Further to Minute No. 25/12, the Board received updated labour market data for the Black Country.

Members welcomed the data as providing a numerical basis for assessing performance and considered how it could be presented to Government.

29/12 **Homes and Communities Agency – Local Stewardship Delivery Plan**

Further to Minute No. 66/11, Anne-Marie Simpson, Head of Midlands Central, Homes and Communities Agency (HCA) attended the meeting and gave a presentation on the work of the Agency, the economic assets it held in the Black Country including those transferred from Advantage West Midlands and proposals for their management, governance and development.

Members discussed the role of the delivery panels, stewardship committees and the role of the HCA in ensuring the delivery of projects and disposals.

Agreed that that the proposed Stewardship Delivery Plan be supported.

30/12 **Review of Board Structure – Update**

Further to Minute No. 23/12, the Board received the recommendations of the Nomination Panel concerning the structure, recruitment and the filling of vacancies to the Partnership Board.

Agreed:-

- 1) that the recruitment and selection process undertaken by the Nomination Panel be endorsed;
- 2) that the private sector representation on the Partnership Board be increased by the appointment of the following, subject to the receipt of references and confirmation of the financial soundness of their respective companies: -

Mr Paul Brown (Ernst & Young);

Mr Ninder Johal (Nachural Corporate Communications);
Mrs Vicki Wilkes (Phoenix Calibration & Services Ltd);

- 3) that a non-public sector, non-private sector Social Enterprise role on the Partnership be established and that Dr Christopher Handy (Accord Group) be invited to take up this position;
- 4) that Mr Simon Eastwood (Carillion plc) be invited to fill the vacancy left by the retirement of John McDonough;
- 5) that supporting Board roles be introduced in order to harness talent and develop potential future full Board Members and to invite Mr Westley to act as a support on international trade;
- 6) that the first meeting of the revised Partnership Board give consideration to proposals for the terms of office and retirement of members to ensure that the Partnership Board continues to have a mixture of experience and innovation in membership as it moves forward.

(The Chairman declared a non-pecuniary interest in respect of recommendation (5) above. Simon Eastwood declared a non-pecuniary interest in the item and withdrew from the meeting during its consideration.)

31/12 **Revised Operational Plan 2012/13**

Further to Minute No.16/12, Sarah Middleton submitted a draft revised operational plan taking into consideration feedback received at the Annual Stakeholders event on 24th February and two workshops focussing on skills priorities and business support. Sarah also informed members of additional comments that had been received relating to the business advice objectives following circulation of the draft objectives for this theme. Members discussed the need to establish appropriate target dates for the delivery of objectives with quantitative measures as far as possible to measure progress. It was noted that some of the responses received related to individual local authority responsibilities where the Partnership's role would be to disseminate, support and promote best practice.

Agreed that subject to the establishment of quarterly targets and quantitative measures where appropriate to measure progress, the draft operational plan be approved.

32/12 **Growing Places Fund – Update**

Further to Minute No. 18/12, the Board considered a report on the initial appraisal of submissions for fund from the Growing Places Fund. A total of ten proposals had been received and assessed and it was recommended that these projects be submitted for a full appraisal and due diligence. One further proposal had been received but had not been appraised because of a lack of detail in the submission.

The report set out proposals to procure specialist support to undertake due diligence on the submitted projects to ensure that they were provided value for money and made the most effective use of the funding. This would include a financial appraisal of each project, a review of the applicant's financial standing, and a risk assessment on the deliverability of each project. The consultant would provide recommendations to the Partnership as to the nature of the funding agreement that should be entered into with the applicant and on what terms the agreement should be based.

Members discussed the assessment of proposals in relation to whether they were applying for loan funding or for grant/equity, the need to maintain the Fund, the need to protect the Partnership's interest in the funding agreements and to ensure that where grant or equity funding was provided that the potential benefit justified the loss of return to the fund and that no other funding route could be adopted.

Agreed:-

- 1) that the ten projects now submitted be approved for submission to full appraisal and due diligence;
- 2) that the due diligence and appraisal process should incorporate:-
 - a) for proposals involving loan funding, a financial appraisal of each project, a review of the applicant's financial standing, and a risk assessment on the deliverability of each project;

- b) for proposals involving grant or equity funding, in addition to (a) above, an assessment to ensure that the strategic benefit of the project outweighed the cost to the Fund and that all avenues for repayment had been explored;
 - c) in all cases the negotiation of appropriate funding agreements including the protection of the Fund's interests in the event of failure to deliver or default;
- 3) that the proposals for the procurement of specialist advice be supported and that the procurement brief should provide for the capacity and expertise to assess and negotiate in respect of the areas set out at (2) above;
- 4) that following completion of the appraisal and due diligence processes final recommendations on funding for the proposals and on any further calls for proposals be submitted for the Partnership Board's determination.

33/12 **Black Country Enterprise Zone – Update**

Further to Minute No. 19/12, the Board was informed of the issues discussed with Philip Cox, Director, Local Economies, Regeneration and European Programmes at DCLG, concerning the progress and development of the Darlaston Zone when he had visited the Darlaston Zone sites on 30th March 2012.

One of the issues discussed with the Director was the need to formalise the governance arrangements for the Zones and the Board considered draft terms of reference for a management steering group prepared in consultation with Walsall MBC. The Board also discussed the need to incorporate monitoring arrangements within the Operational Plan and to make progress on the marketing arrangements for sites

The Director also raised the issue of the British Business Embassy that would be held at Lancaster House during the Olympics and the scope for Zones to feature within the Embassy to secure an international for the marketing of Zones internationally.

It was also reported that the Government had confirmed the award of a grant of £100,000 from the Enterprise Zone Skills Fund to collaborate and address skills priorities for the Enterprise Zone area. The money had been paid to the accountable body - Wolverhampton CC and

discussions were taking place to develop specific proposals to use the funding.

Agreed:-

- 1) that the issues discussed with the DCLG Director be noted;
- 2) that the establishment of the Management Group for the Enterprise Zones be supported subject to any further feedback from Government;
- 3) that a number of indicators be brought forward and included within the monitoring framework for the Operational Plan;
- 4) that representations be made to UKTI and the Minister for Trade and Investment to support the representation of Enterprise Zones at the 2012 Olympics British Business Embassy.

33/12

Growth and Innovation Fund (GIF) – High Value Manufacturing National Skills Factory

Further to Minute No. 04/12, Professor Oakes reported that the UK Commission for Employment and Skills had confirmed approval of the GIF proposal and allocated £50,000 to develop the full bid by August 2012. The Commission's response had identified a number of issues as needing further clarification in the full proposal and further meetings were planned with BIS, SFA and employers to discuss the bid. A bid team would be established to develop the full proposal for consideration in August 2012.

Agreed that the allocation of funding to develop the GIF proposal be noted and that a report on the full proposals be submitted for consideration by the Partnership in time to meet the submission deadline of August 2012.

34/12

Employer Ownership of Skills Prospectus

The Consortium Chief Executive reported that Government had published a prospectus for employer ownership of skills pilot projects targeted at up-skilling the workforce, ensuring that training, both in its content and delivery, best meets the needs of the employer. The pilot invited employers to put forward proposals that set out how they would

use direct public investment, alongside their own, to improve the skills of their current and future workforce and to drive enterprise, jobs and growth within a sector, supply chain or locality.

A number of organisations had expressed interest in the proposals but were struggling to complete the complex documentation. Given the tight timeframe for applications of 26th April, it was not proposed to submit a proposal at this stage but discussions would continue with possible partners with a view to submitting proposals in a subsequent round scheduled for September. It was also noted that NHS partnerships would also be approached concerning a submission.

Agreed that the proposals for the establishment of Employer Ownership of Skills pilots be noted and that discussions continue with interested companies and other organisations concerning the submission of a proposal in the next round of submissions.

35/12 **Appointment of Named Alternate on Local Management Committee**

Further to Minute No. 20/12, the Board considered the appointment of an alternate for Councillor Lawrence on the Local Management Committee. In view of the representations that had been made to Government Ministers over the last few months in relation to ERDF, it was considered that it would be appropriate for another Council Leader to be the substitute. Councillor Les Jones had indicated that he would be able to undertake this role.

Agreed that Councillor Les Jones be appointed as the named alternate to Councillor Lawrence on the Local Management Committee.

36/12 **Delivery of Structural Funds 2014-20 – Informal Consultation**

Further to Minute No. /12, the Board considered a response to the Department for Business Innovation and Skills (BIS) informal consultation on the various delivery options for the Structural and Cohesion Funds in England for 2014-2020. The aim of the consultation was to explore how the funds could be deployed more effectively in England. The proposed response emphasised that:-

- A limited number of priorities for funding should not restrict local growth;
- Arrangements should be re-introduced to enable more local and regional control in the coordination and management of ESF;
- the concept that funding be delivered through competitive programmes at national level should not be adopted;
- simplification in management and administration needed to be rigorously addressed and given a high priority.

Agreed that the proposed response be supported.

37/12 **PR and Communications Update**

Members received the update on communications activity for February and March 2012.

38/12 **AoB – Confidential Item**

This item is confidential by reason of the commercial sensitivity of the matters discussed.

39/12 **AoB – BIS Support**

Kevin Postones reported that Kim Rowland would be assuming the role of BIS Support Officer to the Black Country LEP. Chairman and members thanked Kevin for his work in support of the Partnership and the Black Country.

40/12 **AoB – Highways Agency Pinchpoint Programme**

Further to Minute No. 15/12, the Board was informed that the Highways Agency had invited submissions for funding from the 'Pinchpoints' Programme for highway schemes that would facilitate immediate job creation and growth. It was proposed that a submission should be made to the Agency around improvements to M5 and M6 Motorway junctions.

Agreed that the proposed submission for funding from the Pinchpoints Programme be supported.

41/12 **Date of Next Meeting**

28th May 2012.

(The meeting closed at 4.20 p.m.)