



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

**23<sup>rd</sup> July 2012 at 2.00p.m.**  
**at Accord Group, 178, Birmingham Road, West Bromwich**

<b><u>Present:</u></b>	Stewart Towe Cllr David Sparks Paul Brown Simon Eastwood Chris Handy Tim Hair Ninder Johal Cllr Ian Jones Cllr Roger Lawrence Peter Mathews Vicki Wilkes	Chairman; Dudley MBC; Ernst & Young; Carillion plc; Accord Group; Chamberlin plc; Nachural Communications; Sandwell MBC; Wolverhampton CC; Black Country Metals; Phoenix Calibration.
<b><u>In Attendance:</u></b>	Sarah Middleton Jan Britton Kim Rowlands Chris Thomas Nigel Easom	Black Country Consortium Ltd; Sandwell MBC; BIS; Thomas Lister; Black Country Consortium Ltd.
<b><u>Apologies:</u></b>	Cllrs Mike Bird and Darren Cooper and Prof. Ian Oakes.	

### 68/12 **Welcome and Introductions**

Chris Handy welcomed the Board to the Accord premises and Jas Bains gave a short presentation on the AddVentures Initiative for Social Enterprise.

### 69/12 **Minutes**

The minutes of the meeting held on 26<sup>th</sup> June 2012 were circulated.

**Agreed** that the minutes of the meeting of held on 26<sup>th</sup> June 2012 be received and confirmed as a correct record.

70/12 **Growing Places Fund – Appraised Projects**

Further to Minute No. 18/12, Andy Croot of Thomas Lister attended the meeting and gave a presentation on the results and recommendations of their appraisal of the following applications for Growing Places funding:-

**MacArthur Road/Woods Lane, Cradley Heath**

The scheme comprised the construction of a new access road, from Cradley Road into the Woods Lane redevelopment site, involving the realignment of Macarthur Road over land within the ownership of Sandwell MBC. The road would enable the phased development of circa. 247 new homes within an allocated residential site. The requested funding of £748,000 would facilitate demolition of existing buildings, preparation of a planning application, and construction of the proposed road and assist in the bringing forward of the wider regeneration site by supporting the cashflow relating to infrastructure costs and improving market confidence.

**Wolverhampton Canalside Quarter**

The application related to the relocation of a liquid petroleum gas (LPG) storage facility located at Carver (Wolverhampton) Limited builders' merchants and which acted as a major constraint to the delivery of the comprehensive regeneration of the Canalside Quarter in Wolverhampton City centre. The relocation of the LPG facility would release a number of sites to deliver major mixed use development.

Wolverhampton City Council was the project lead and had acquired the freehold interest in the proposed relocation site and the application for a sum of £600,000 related to the costs associated with the removal and relocation of the LPG facility. Wolverhampton City Council had been working with a consortium of owners affected by the HSE Consultation Zone and a formal agreement was anticipated to be entered into, once a decision relating to the provision of Growing Places Funding had been made.

Members considered the options for supporting the proposal either in the form of a grant, a repayable loan or hybrid of these two options to take into account the risks involved in bringing forward the proposals.

### Delivering Superfast Broadband in the Black Country

The Board was also informed that Sandwell MBC was seeking up to £40,000 of Growing Places revenue funding to undertake a required Feasibility Study, including financial and technical modelling, to provide vital detail in support of the Black Country Draft Local Broadband Plan.

The Board also received an update on the progress of approved applications, applications undergoing appraisal and other applications in the course of development.

#### **Agreed:-**

- 1) that in respect of the construction of a new access road, from Cradley Road into the Woods Lane redevelopment site, involving the realignment of Macarthur Road an offer of loan funding of £748,000 be approved subject to the following:-
  - i. the applicant entering into a loan agreement within 2 months of the date of approval;
  - ii. the applicant being obliged to meet the following project milestones:-
    - a. submission of planning application – December 2012;
    - b. appointment of demolition contractor – October 2013;
    - c. appointment of main contractor – December 2013;
  - iii. the loan being drawn down in stage payments within 2 years of entering into the agreement, initially upon the provision of evidence of actual expenditure in respect of planning application documents and fees up to the maximum sum of £48,000 and subsequently throughout the period of demolition and construction works upon QS certificates;
  - iv. an interest rate of 2.34% being chargeable;
  - v. The loan being repayable within a 5 year longstop date from entering into the loan agreement;
- 2) that, in respect of the application to support the relocation of a liquid petroleum gas (LPG) storage facility as part of the delivery of

the comprehensive regeneration of the Canalside Quarter in Wolverhampton City centre, the application be supported in principle and that Wolverhampton CC be offered a grant/loan with the applicant repaying, if possible, through additional receipts derived from schemes brought forward, subject to submission of a further report setting out the full terms of the arrangement including further consideration of the arrangements to trigger repayment.

- 3) that, in respect of the application for funding to support the preparation of a feasibility study to support the delivery of a Black Country broadband strategy, a further report be submitted detailing how the outcomes of the study and the Broadband Strategy could be implemented and funded, how and when any funding could be repaid, other sources of funding to contribute toward the cost (including Talent Match) and the experience of other areas.

(Councillors Jones and Lawrence declared non-pecuniary interests in respect of the applications for funding at Macarthur Road and for the Broadband Strategy feasibility study and the Canalside Quarter respectively.)

## 71/12 **Current Economic Overview - Strategic Companies**

The Board received an update on the 568 companies in the Black Country with a turnover of over £1m. The companies were based across the five transformation sectors – Advanced Manufacturing, Building Technologies, Transport Technologies including Aerospace, Business Services and Environmental Technologies (cross cutting sector) and were key to the reduction of the £5.9bn output gap. The paper provided details of their location, contribution to gross value added, turnover and employment levels.

Members noted that these were the companies that would be targeted in the proposed skills pledge campaign (see Minute No. /12 below) and discussed how to reach other companies that had not so far been captured within the data.

## 72/12 **Partnership Asks of Government**

Further to Minute No. 64/12, the Board received a paper summarising the results of preliminary discussions with all four Black Country Chief Executives and Leaders setting out the current understanding on the

nature of the “asks” of Government and related “governance” matters. Local Authority Leaders reported on the discussions taking place at the West Midlands Joint Committee level concerning future governance arrangements.

**Agreed** that discussions concerning a City Deal be supported and that the local authorities’ ongoing discussions concerning a combined authority be noted.

73/12

### **Bringing Forward Housing Development – Update**

Further to Minute No. 44/12, Simon Eastwood and Chris Handy reported further on their work to examine means to bring forward housing development in the Black Country. They proposed a series of meetings with local authority officers, private developers and financial institutions followed by further work to consider putting together a ‘mini revolving fund’ to help kick start developments. They highlighted the key challenge as being to avoid duplicating activity and discussions added value. A recent workshop with the Urban Land Institute and the Homes and Communities Agency had showed how bringing together experts from a range of fields could bring new perspectives to the issues and challenges in bringing forward development land and the ways barriers could be overcome. Issues around the relationship between housing and employment land were also highlighted as potential barriers to growth.

**Agreed** that the proposed programme of activity be supported.

74/12

### **Black Country Enterprise Zone Management Steering Group – 16th July 2012**

The Board received the minutes of the first meeting of the Enterprise Zone Management Steering Group held on 16<sup>th</sup> July 2012. The Chair referred to discussions he was holding with Walsall MBC concerning the resourcing of the Darlaston Zone delivery plan to ensure that the overall delivery plan was a success and that the Zone achieved its goals.

**Agreed** that the minutes of the Enterprise Zone Management Steering Group be received and the decisions set out confirmed and that the Chair of the Steering Group be supported in his discussions concerning the Darlaston Zone Delivery plan.

75/12 **Social Enterprise Position Statement: Discussion Paper**

Further to Minute No. 48/12, Chris Handy, Ian Oakes and Vicki Wilkes reported on a range of initiatives that could be explored to help stimulate the creation of social enterprises and to help them become sustainable. Their report proposed that consideration be given to the development of an initiative that could help encourage each of the stages of social enterprise development drawing in whatever other support was available across local authorities and enterprise support agencies to help put together a more effective start-up programme. Social care businesses were highlighted as a possible sector to focus activity.

**Agreed** that the development of the initiative be supported.

76/12 **Black Country Economic Growth Pledge Focus on Skills**

Further to Minute No. 61/12, the Board received a revised Growth Pledge proposal focusing on skills as the key driver of economic competitiveness. The revised proposal was based on an approach adopted by Wolverhampton Skills and Employment Board and private sector companies had expressed a view that it was a simple but workable approach. Approval would support a consistency of approach that could be promoted on a Black Country wide basis.

**Agreed** that the revised growth pledge be supported.

77/12 **Regional Growth Fund (RGF) – Update**

The Board received an update detailing the submissions made as part of Round Three of the RGF Programme including individual applications, cross LEP proposals and the submission by Sandwell MBC on behalf of partners for a growing priority sectors proposal for companies with projects worth less than the £1 million threshold for individual applications. Seventeen bids were submitted from Black Country Organisations, requesting £72 million to leverage in a further £370 million. If successful these projects and programmes would create 5,580 direct and indirect jobs, and safeguard 3505 jobs. Eight cross LEP bids had been submitted, covering all or parts of the Black Country. These bids requested £126 million to leverage in a further

£110 million. These programme and projects would create and safeguard over 33,000 jobs across a number of LEP areas.

The report also updated on the development of the Advanced Manufacturing Supply Chain Initiative including applications from Black Country companies and the appointment of representatives to its investment boards.

The Board thanked the staff of the secretariat for their support for prospective applicants and noted the continuing delays in the processing of successful applications by BIS.

**Agreed:-**

- 1) that the update be noted;
- 2) that the Board place on record it's thanks to the secretariat staff for their work in supporting applicants;
- 3) that further representations be made to BIS concerning the continuing delay in the RGF approval process and that the issues be referred to MPs and the Chair of the Select Committee on Business, Innovation & Skills.

78/12 **Big Lottery Fund, 'Talent Match'**

The Board was informed that The Big Lottery Fund (BIG) had launched an ambitious investment of up to £100 million to deliver creative ways to help young people find work or start their own enterprises. The Fund was looking for a range of interventions designed to complement existing local provision and fill identified gaps in current services. The Black Country LEP along with 20 other LEP areas had been identified as an area hot spot and had an opportunity to secure funding to tackle this issue. The Fund had calculated an indicative and conditional funding allocation for the Black Country area of £9,500,000. This was not guaranteed funding and the Black Country could expect to receive a higher or lower amount or the Fund could decide not to invest in the area at all if the area was unable to meet its desired outcomes. BIG expects the partnership to work with local partners and specifically the business community to analyse data and local intelligence to further refine the hotspots to be targeted and provide evidence of findings. Proposals need to complement other investments targeting youth unemployment.

Following a launch event it had been agreed that Black Country Consortium would act as the secretariat and apply for and hold the partnership development funding (c£10,000) and support the activity to liaise with stakeholders, look at evidence sources, engage with young people and prepare a timetable for action to coordinate and complete the Talent Match Proposal required by November 2012.

**Agreed** that the work and focus of the Talent Match Programme Co-ordinating Group and the development of a prospectus for submission to the Big Lottery Fund be supported.

79/12 **PR and Communications Update**

Members received the update on communications activity for June 2012.

Ninder Johal updated the meeting on work to co-ordinate communication activity across LEP organisations and to arrange regular meetings with MPs.

The Chairman reported on a proposed national LEP Network event on 18<sup>th</sup> and 19<sup>th</sup> September 2012

**Agreed** that the proposed activity be supported and that a paper be submitted to the September or October meeting of the Partnership

80/12 **Date of Next Meeting**

25<sup>th</sup> September 2012

(The meeting closed at 5.00 p.m.)