



Minutes of a Meeting of the Black Country Local Enterprise Partnership

28th January 2013 at 3.00p.m.
at Dudley College, Dudley

Present:

Stewart Towe	Chairman;
Cllr Adrian Andrew	Walsall MBC;
Paul Brown	Ernst & Young;
Simon Eastwood	Carillion plc;
Tim Hair	Chamberlin plc;
Chris Handy	Accord Group;
Ninder Johal	Nachural Communications;
Cllr Ian Jones	Sandwell MBC;
Peter Mathews	Black Country Metals;
Prof Ian Oakes	Wolverhampton University
Cllr David Sparks	Dudley MBC.

In Attendance:

Sarah Middleton	Black Country Consortium Ltd;
John Polychronakis	Dudley MBC;
Kim Rowlands	BIS;
Paul Jeffrey	GHK;
Laura Shoaf	Black Country Consortium Ltd.
Nigel Easom	Black Country Consortium Ltd.

Apologies: Cllrs Mike Bird, Darren Cooper, Roger Lawrence and Vicki Wilkes.

01/13 **Introduction and Welcome**

The Chairman welcomed Board members to the meeting, reported on discussions with the Principal of Dudley College prior to the meeting and referred to proposals for the merger of Stourbridge and Birmingham Metropolitan Colleges.

Agreed that the Chairman write to the Principal of Stourbridge College seeking assurances that proposals for the merger have been arrived at by a robust assessment process and will not impact on the capacity to support Black Country priorities for skill development.

(Ian Oakes declared a non-pecuniary interest in this item.)

02/13 **Minutes**

The minutes of the meeting held on 26th November 2012 were circulated.

Agreed that the minutes of the meeting of held on 26th November 2012 be received and confirmed as a correct record.

03/13 **Current Economic Overview**

The Board received further details of the weighted basket of indicators used by Experian in 2012 to provide an analysis of the resilience of each LEP area (Minute No.83 /12 refers).

Members discussed the validity of data from which the indicators were derived but noted that it remained critical to ensure that activities being undertaken as part of Growth Plan had the necessary impact.

Members also discussed how activity could extend to businesses that were not currently engaged.

Agreed that the University offer to explore the scope for events targeted at non-engaged businesses be supported and a further report submitted to a future meeting.

04/13 **City Deal – Update**

Further to Minute No. 116/12, the Board received the final version of the City Deal proposal submitted to Cabinet Office to meet its deadline of 15th January 2013. The Board was also informed that, following the suggestion by Greg Clark MP, in tandem with the City Deal submission, a proposal had been submitted to Lord Heseltine to become a pilot for his proposals.

Councillor Sparks updated the meeting on the decision by West Midlands Joint Committee to assume the role of the Integrated Transport Authority.

Agreed:-

- 1) that the final City Deal proposal be supported;
- 2) that a further report to be submitted once a response has been received from Cabinet Office in February;
- 3) that the decision of the West Midlands Joint Committee to become the Integrated Transport Authority be welcomed.

05/13

Development of the Black Country Growth Plan -Taking Forward the Away Day Actions

Sarah Middleton reported that at the Partnership's 'away day' on 17th December members gave initial consideration to the draft Growth Plan building on the Partnership's vision and strategy for growth and competitiveness, the Black Country Core Strategy that included agreed and adopted growth policies and the previous Operational Plans the LEP had in place. Workshops at the away day discussed six linked economic development areas that cluster within the three drivers of Competiveness – Skills and Infrastructure. She submitted the latest draft of the Plan incorporating the outcomes and discussion at the 'away day' for the Board's consideration.

The Board also received a proposed budget for the use of the £250,000 available from the Departments for Communities and Local Government (DCLG) and Business, Innovation and Skills (BIS) to support the development of the Plan. A one off payment of £125,000 for the remainder of this financial year for core operational needs had already been provided. Funding in 2013/14 and 2014/15 would be fully dependent on matched funding from local partners that it was proposed would be drawn from elements of the Black Country Consortium Ltd budget.

In line with its normal annual business planning cycle, the Consortium was working with its contracted partners to finalise objectives for the forthcoming financial period. The business plan would align Consortium activity to the Black Country Growth Plan and in turn the LEP and it is proposed to present this to the March Board meeting.

Agreed:-

- 1) that the Draft Growth Plan be approved as the basis for further development and consultation with other relevant groups and bodies;
- 2) that Board Members submit detailed comments to Chief Executive for transmission to GHK (ALL);
- 3) that the need for deliverable actions/projects in the Plan with clear allocation of responsibilities be noted;
- 4) that the proposals for the broad utilisation of funding be endorsed to enable the proposals to be submitted to BIS and DCLG and that a further report to be submitted following completion of the Black Country Consortium business planning process.

06/13 **Strategic Transport Developments**

Further to Minute No. 112/12, the Board was informed that Black Country officers supporting the development of the proposed Black Country Local Transport Body (LTB) had drafted an 'assurance framework' with proposals for sign-off of governance, financial management, accountability and meeting/testing value-for-money. Wolverhampton City Council had agreed to be the accountable body for the LTB. The Black Country was aiming to provide an initial prioritised list of Black Country major transport schemes by April 2013, which would cover the four-year Comprehensive Spending Review (CSR) period 2015-19. The indicative amount of funding to be devolved to the Black Country LTB for 2015-19 was £27.6 million as confirmed by the Department for Transport on 23rd January 2013. The Department had indicated that LTBs should plan for +/-33%.

The Black Country Strategic Transport Board would be meeting on 19th February to sign off the assurance framework for submission, and it would also be submitted to the Association of Black Country Authorities on 27th January. The Board was asked to delegate the sign off of the assurance framework to the Strategic Transport Board.

The Board was also informed that a meeting was held with Greater Birmingham on the 20th December where agreement had been reached that the two LTBs should come together as one LTB supporting both LEPs subject to the approval of the Secretary of State. A two stage process was proposed:-

Stage 1 – Interim arrangements – development of closer working arrangements to ensure a joined up approach (to commence in February)

Stage 2 – Creation of one LTB covering the LTB geographies (dependent on Secretary of State determination of the geography of the Greater Birmingham LTB and both LEPs full approval).

As part of the first stage it was proposed to develop a number of foundations and protocols to ensure a joined up approach including:-

- Assurance Framework drafted to ensure flexibility to combine in the future;
- Early discussions on governance and accountable body arrangements;
- Alignment of a robust prioritisation framework;
- Extended invitation of lead Transport Board Members to LEP Board and Strategic Transport/ LTB meetings;
- Exchange of LEP and Strategic Transport/ LTB minutes;
- Approval framework for joint decision making on transport; and
- Joint pre-meetings for Chairs and lead Transport Officers.

The Board was also informed of the announcement of a further call for Pinchpoint programme schemes by the Department for Transport and of a further consultation on aviation capacity being carried out by the Mayor of London.

Agreed:-

- 1) that the work to complete the assurance framework be noted and that the Strategic Transport Board be authorised to sign off the Framework for submission to Government;
- 2) that the proposed two stage process for the development of a combined LTB for Greater Birmingham and Black Country be supported and that the lead Board Member for Transport (Cllr Lawrence) be authorised to agree the actions to implement the first phase of the process in consultation with members of the Strategic Transport Board;
- 3) that the implementation of the second phase of the agreement - the creation of one LTB will require full Board approval;
- 4) that letters of support for proposals for inclusion in the next round of Pinchpoints be submitted with the agreement of Chairman in consultation with local authority transport leads and circulation to Board Members;

- 5) that the further consultation on aviation capacity be noted and that a response be submitted in line with that submitted to draft Aviation Policy Framework.

Operational Plan 2012/13

07/13 Growing Places Update

Further to Minute No.113/12, the Board was informed that The Black Country Growing Places Sub-Board had met on the 15th January, 2013 to consider the following:

- a) YMCA Growing Place Fund Application;
- b) Progress on Opus Blueprint (see Minute No. 59/12);
- c) Revised working for Canalside Quarter and implications (see Minute No.88/12) ;
- d) Alignment of funding streams (including RGF, AMSCI and PIP);
- e) PR & Communications.

Agreed:-

- 1) that the Application from the YMCA be deferred for further consideration by the Growing Places Sub-Group following changes in the applicant's financial circumstances;
- 2) that the following changes to the Canalside Quarter Agreement be supported:-
 - a) repayment of loan including interest to be made, through identified uplift derived from the removal of the Carvers Hazardous Substances Consent, upon the sale of Council owned assets within the HSE consultation Zone;
 - b) values to be agreed with the Council for an asset in their ownership at the point of sale/transfer of the asset that reflects the market value of the asset with the Hazardous Substances Consent in place and without the Hazardous Substances Consent in place;

- c) repayment against comparable values (with and without LPG in place) at a rate of 75% of any uplift derived by virtue of the removal of the Carvers Hazardous Substances Consent (not 100% so as not to remove incentive for value to be maximised), payable upon granting/transfer of any interest in Council owned land/property within the agreed Asset Schedule;
 - d) Wolverhampton CC to be responsible for the cost of procuring independent valuations on the basis as set out in b) above;
 - e) such other terms and conditions as may be agreed;
- 3) that the extension of the remit of the Growing Places Sub-Board to consider, RGF, AMSCI, and potentially PIP proposals be supported;
 - 4) that LEP Secretariat submit a proposal to the Sub-Board, scoping out the process for a single application process, marking process and decision process;
 - 5) that LEP Secretariat prepare a PR and Communications outline for the 'single pot approach' for the Sub-Board's consideration.

08/13 Access to Finance Update

Further to Minute No. 103/12, the Board received an update on the progress of Rounds One to Three of the Regional Growth Fund Programme, the 'Growing Priority Sectors in the Black Country' Programme, Black Country Property Improvement Programme and the Growth Accelerator Programme

The Board was informed that BIS had announced the launch of Round Four of the Fund with a closing date of noon on 20th March 2013. A further £350 million had been allocated in this round. Unsuccessful applicants from Round 3 had been contacted and two had expressed an interest in reapplying. The potential for a further programme bid was being explored. Initial options for the content of this bid included a top-up of the existing Black Country Regional Growth Fund Programme (Round 3), a bid to support tooling in the automotive sector and a bid in support of the Black Country City Deal proposal on High Value Manufacturing.

The Chancellor had also announced a further £120 million of funding for stream 1 of the Advanced Manufacturing Supply Chain Initiative (AMSCI). It was understood that this fund would be open to applicants nationally. A new stream 3 of AMSCI funding was being developed to

utilise the uncommitted funding from stream 2 and would be available to automotive and aerospace supply chain companies in the Black Country, Greater Birmingham and Solihull, Coventry and Warwickshire, and Liverpool LEP areas. An indicative £12m of funding was likely to be made available.

A partnership of the four local authorities and key sub-regional stakeholders (Black Country Enterprise Loan Fund, Access2Business etc.) were proposing to deliver a Black Country wide business support framework to improve co-ordination of existing business support services and plug gaps in provision through a tailored programme of thematic workshops; business grants and 1-2-1 support to improve performance by enabling growth. An outline application had been submitted to DCLG, where the appraisal panel had noted the similarities between the programme and the previously submitted Growing Key Sectors project. The panel had therefore invited the Black Country local authorities to combine the proposals into one single full application with a combined allocation of £1 million.

Finally, the Board was informed of the discussion at the meeting of the Access to Finance Group meeting held on 14th December. The Group had noted the complexity and variety of initiatives in this area and had agreed that officers supporting the Group should look to produce:-

- An Access to Finance events calendar
- A two Page summary of key funding streams
- A document mapping and gapping the Access to Finance Landscape;

The Board Lead (Paul Brown) also felt that at some stage, because of the complexity of the issues in these areas, there would need to be further consideration to establishing separate leads for access to finance and business support.

Agreed:-

- 1) that further discussions be held with Greater Birmingham LEP to explore the potential for a joint RGF bid for tooling;
- 2) that the development of a further RGF programme bid be supported in principle and further details submitted to a further meeting;
- 3) that the activity arising from the LEP Access to Finance meeting held on 14th December 2012 be noted;

- 4) that a full ERDF application bid for a Business Support Programme in the Black Country be supported;
- 5) that further consideration be given to establishing separate themes for Access to Finance and Business Support as the Growth Plan is developed.

09/13 Infrastructure Development - Meeting of the Enterprise Zone Management Steering Group – 22nd January 2013

The Board received the minutes of the meeting of the Management Steering Group held on 22nd January 2013.

The Chair of the Group highlighted two particular areas of discussion:-

- a) the initial positive results from Business Rates and Market Assessment Modelling;
- b) the ongoing discussions concerning the remediation of Phoenix 10 site.

Agreed that the minutes of the Enterprise Zone Management Steering Group be received and the decisions set out confirmed.

10/13 PR and Communications Update

Members received the update on communications activity for November and December 2012. Ninder updated on the progress of the development of the Marketing Strategy

11/13 International Trade

The Board received an update on activity around international trade.

12/13 **Governance Matters**

The Consortium Chief Executive reported on following governance matters:-

Terms of Office – members gave further consideration to the need for staggering of retirement of members (see Minute No. 45/12);

Day and time of meetings – Members were informed of the results of the survey of members' preferences concerning the day and time of Board meetings;

Further Education Representation - The Chancellor's Autumn Statement included an announcement that LEPs would be given a role to prepare Skills Strategies consistent with national objectives. The announcement also stated that LEPs should have a seat on FE College Boards and colleges should be represented on LEP Boards.

Sub –Boards and Working Groups and Support to the LEP/Black Country Working- the Board was informed of the current number and level of sub-boards and working groups that would need to be taken into account in the discussions concerning the structure of Black Country governance following the submission of the City Deal and proposals contained in the Autumn Statement. In addition, local authority officers supported by the Consortium were giving further consideration to the capacity, mechanisms and organisation of support for ABCA, LEP and other Black Country working and would be submitting a report to a future meeting of ABCA in first instance.

Agreed:-

- 1) that no steps be taken to introduce further staggering of retirement of private sector members at this time and that Board members continue to serve a two year period of office expiring on 31st March in the relevant year renewable for one further two year period;
- 2) that no change be made to the day and time of meetings at the current time;
- 3) that Black Country Colleges be invited to nominate a College Principal or Chair of Governors to serve on the Partnership Board;
- 4) that the current establishment of Sub-Groups and Task Groups be noted and that recommendations for adjustments to constitution and membership will be included in any governance reviews pursuant to City Deal, changes arising from proposals included in the Autumn Statement and the development of the Growth Plan;
- 5) that the work on the capacity, mechanisms and organisation of support for ABCA, LEP and other Black Country working be noted and that further updates will be submitted to the Board following consideration by ABCA.

28th February 2013 – Annual Stakeholders Meeting

(The meeting closed at 4.40 p.m.)