

Minutes of a Meeting of the Black Country Local Enterprise Partnership

29th April 2013 at 3.00p.m.
at Accord Housing, Birmingham Road, West Bromwich

<u>Present:</u>	Stewart Towe Cllr Adrian Andrew Paul Brown Simon Eastwood Tim Hair Chris Handy Ninder Johal Cllr Ian Jones Cllr Roger Lawrence Cllr David Sparks Vicki Wilkes	Chairman; Walsall MBC; Ernst & Young; Carillion plc; Chamberlin plc; Accord Group; Nachural Communications; Sandwell MBC; Wolverhampton CC; Dudley MBC; Phoenix Calibrations
<u>In Attendance:</u>	Jat Sharma Sarah Middleton Simon Warren Simon Tranter Kim Rowlands Nigel Easom	Black Country Colleges; Black Country Consortium Ltd; Wolverhampton CC; Walsall MBC; BIS; Black Country Consortium Ltd.
<u>Apologies:</u>	Councillors Bird and Cooper, Peter Mathews and Prof Ian Oakes.	

26/13 **Minutes**

The minutes of the meeting held on 11th March 2013 were circulated.

Agreed that, subject to the deletion of Kim Rowlands from the list of those in attendance, the minutes of the meeting of held on 11th March 2013 be received and confirmed as a correct record.

27/13 **Current Economic Overview**

The Board received the Black Country Observatory's report setting out the key findings from recent Black Country Advanced Manufacturing

Sector report. Research consultants MEL and Mazars had been commissioned by the LEP to undertake advanced manufacturing research through a methodology consisting of an extensive literature review, analysis of secondary data from national government, including data from ONS and NOMIS and one hundred qualitative interviews with advanced manufacturing firms in the Black Country.

Among the key observations raised by the survey included the following:-

- a) overarching need for business support in the Sub Region. The proposed Black Country Development Fund could play an important role in supporting the Advanced Manufacturing sector, especially for those businesses struggling to access finance;
- b) the responses from businesses further highlighted the importance of the Skills Factory in developing sector specific skills and the fundamental importance of the City Deal;
- c) the survey highlighted two examples of companies involved in collaborative work with universities and the need to foster more of these cases.

The Board discussed the nature and depth of engagement with universities in the Black Country and across the West Midlands' region.

Agreed that further consideration to be given to how the partnership can help to foster more collaboration with universities following the completion of the City Deal submission process.

28/13

City Deal – Update

Further to Minute No. 16/13, Board received the current draft of the second stage City Deal negotiating document and gave consideration to the format for the presentation to the Ministerial Ad Hoc Committee on 20th May.

The Board discussed the structure and format of the presentation and the expectations of Ministers. The need to be positive in presenting the area's achievements and its record on delivery was emphasised.

Agreed:-

- 1) that the development of the City Deal negotiating document be supported;

- 2) that the arrangements for the presentation to the Ministerial Committee be noted.

29/13

Black Country Enterprise Zone – Phoenix 10 Site

Further to Minute No. 87/12, the Board received a report on proposals to fund the reclamation of the Phoenix 10 site within the Enterprise Zone through the use of business rate uplift generated in the Black Country Enterprise Zone (BCEZ). The proposal was put forward following the commissioning by Walsall MBC of a review to reassess the possible reclamation solutions for the site and determine which of these would represent the most suitable option and the most appropriate means of securing the reclamation and development of the site. The estimated costs of reclamation were submitted and the Board was asked to agree in principle to the use of business rate uplift to meet the project costs to enable Walsall Council to move forward with the process of procuring a specialist reclamation contractor and progress negotiations regarding the acquisition of the areas of the site not in its ownership.

Agreed:-

- 1) that the principle of funding the estimated Phoenix 10 project costs through business rate uplift generated in the Black Country Enterprise Zone be supported in principle;
- 2) that a further report be submitted to a future meeting setting out a draft financial model and investment strategy for the Black Country Enterprise Zone including the phasing for repayment of debt and models for the optimum balance of repayment to investment;
- 3) that a further report be submitted to a future meeting setting out a detailed business case and confirmed project costs for the Phoenix 10 project.

30/13

Black Country Strategic Transport Board Update

Further to Minute No. 06/13, Councillor Lawrence reported on:-

- a) the development of the assurance framework for the LTB, the appointment of the Chair and Vice-Chair and the nomination of LEP representatives and appointments. The Strategic Transport

Board had agreed a revised Assurance Framework that had been submitted to the Department for Transport (DfT). In order to comply with DfT timetables to progress major scheme prioritisation, the outline application and guidance for scheme proposals had been published with a deadline for the submission of strategic outline case applications by 17 May 2013. Decisions on successful applications would be announced in the summer of 2013;

- b) the continuing development of joint arrangements around the Birmingham City Deal including the invitation of lead Transport Board Members to LEP Board and Strategic Transport/ LTB meetings, the exchange of minutes, the establishment of a framework for joint decision making on transport and joint meetings for Chairs and lead officers;
- c) the progress of the development of the West Midlands Joint Committee as the integrated transport authority;
- d) proposals for the development of a joint transport strategy around the Heseltine single pot proposals to reflect the integrated nature of transport, and the recognition that in order for the West Midlands to achieve its ambitions, it must take a co-ordinated approach to the delivery of transport interventions across the metropolitan area;
- e) pursuant to Minute No. 101/12, the Davies Commission examining long term aviation capacity needs had requested submissions and evidence in response to its discussion paper on aviation connectivity & the economy. Rather than issue a separate detailed submission, it was opposed to support the evidence being put forward by Birmingham Airport that provided a powerful case that improving aviation connectivity would unlock the economic growth potential of the wider West Midlands;
- f) proposals to submit a joint bid with the Canal and River Trust for Cycle City Grant of £4-5m to build on the strengths of the existing extensive canal system and the three National Cycle Routes to form the backbone of a comprehensive network that would link the strategic Black Country towns (and city), local centres, stations and schools through the established regeneration corridors and housing growth areas;
- g) the announcement the Road Haulage association had negotiated free use of M6 Toll for its members in July.

Agreed:-

- 1) that in relation to the Black Country Strategic Transport Board Local Transport Board:-
 - a) the submission of the revised Assurance Framework to the DfT be noted;
 - b) the appointment of Cllr Bilson, Wolverhampton CC as Chair and Cllr Ansell, Walsall MBC as Vice-Chair be supported;
 - b) Mark Saunders of Amey and Mark Robinson of Carillion be nominated as the LEP representatives on the Board;
 - c) the proposal that the Chair of the Black Country Chamber Transport Group attend meetings of the Board in a non-voting capacity be supported;
- 2) that the progress being made towards developing joint arrangements with Greater Birmingham as part of City Deal was noted;
- 3) that the decisions taken by the West Midlands Joint Committee in respect of the Integrated Transport Authority be noted;
- 4) that the joint Black Country Bid for Cycle City Grant be supported;
- 5) the proposal for a single transport strategy which can underpin the growth strategies of the LEPs be supported in principle;
- 6) that a response supporting Birmingham Airport's case to the Davies Commission on Aviation Connectivity and the Economy be submitted.

31/13

Infrastructure Development - Growing Places

The Board was informed that the Black Country Growing Places Sub-Board had met on the, 16th April 2013 to consider the following:-

- a) Noirit Growing Place Fund Application (Revised application submitted by Jessup Brothers Ltd). The original request for grant funding had been for £1.2m. The Sub-Group was of the view that Jessup Brothers Ltd should be awarded a maximum of £400,000 with a preference for a contractor method (Jessup Brothers Ltd would acquire the land and remediate it to a standard whereby it could be developed. The end user of the land would then contract with Jessup Brothers Ltd to deliver the scheme – rather than Jessup Brothers Ltd acquiring the land and delivering the scheme themselves before selling it on to an end user).
- b) Revenue Funding- Sandwell would be confirming the amount of funding that remained in the revenue element of the Growing Places Fund. An application process for utilising this funding would be taken to the next sub-group meeting;

- c) Process for a Single Outline Application/Investment Fund Update- An overview of the Investment Fund was given which would 'hide the wires' of funding for companies and organisations applying for grants and loans through a number of different funding schemes. The use of the Growing Places Revenue fund to purchase capacity for development of the Investment Fund was discussed and approved. It was proposed that the funding be used initially to purchase the capacity of a Graduate Assistant at an estimated cost of up to £25,000 per annum and an Investment Fund Officer at an estimated cost of up to £40,000 per annum;
- d) PR and Communications;
- e) Northern Gas Heating Ltd – Outline Application - the outline application from Northern Gas Heating Ltd did not meet the minimum score to allow them to be taken forward for full application and this position was agreed by the Sub-Group. The Sub-Group asked that the LEP continue to support the organisation in seeking other alternative funds such as BCPIP and Green Bridge.

Agreed:-

- 1) that the revised Noirit Application up to the value of £400,000 grant funding with £0 loan be approved;
- 2) that the progress of the Darlaston EZ (Minute No. 59/12 refers) project that had been contracted to deliver be noted;
- 3) that the appraisal of the revised Castle Hill project by the consultant be noted;
- 4) that the use of the Growing Places Revenue Fund to purchase capacity for the development of the Black Country Investment Fund for the next 18 months, initially to provide the capacity for a Graduate Assistant and an Investment Fund Officer as outlined at paragraph (c) be approved;
- 5) that the agreement by Sandwell MBC to review the level of remaining revenue funding by 29th April 2013 be noted;
- 6) that the decision of the Sub-Group in respect of the outline application from Northern Gas Heating Ltd be supported and the Secretariat continue to support the organisation in seeking other

alternative funds such as the Black Country Property Investment Programme and Green Bridge.

32/13 **PR and Communications Update**

Members received the update on communications activity for March 2013. Ninder updated on the progress of the development of the changes in the management and presentation of Black Country websites.

33/13 **Governance Matters**

Further to Minute No. 12/13, the Board was informed that Black Country colleges had nominated Jat Sharma, Principal and Chief Executive of Walsall College as their representative.

With reference to Minute No. 23/13, the Board gave consideration to the vacancies arising following the retirement of Tim Hair and Peter Mathews. It was reported that the Chairman and Chief Executive had held discussions with the Regional Director, UKTI on how the Partnership could develop its work on international trade. UKTI suggested that Mr Andy Cox, Managing Director, Cox Plant could offer a range of experience in this area.

The Board considered that, as the Partnership went through a recruitment exercise involving public advertisement and an interview process to appoint several new Board members last year, rather than repeat this process with the associated expense it would be appropriate that the next most successful candidate from that process, Tom Westley, be invited to join the Partnership Board.

Agreed:-

- 1) that the appointment of Jat Sharma, Principal and Chief Executive, Walsall College to the Partnership Board for a two year period expiring 31st March 2015 be confirmed;
- 2) that Messrs Andy Cox and Tom Westley be invited to become members of the Partnership Board for an initial period expiring 31st March 2015 subject to the receipt of references if necessary and confirmation of the financial soundness of their respective companies.

(The Chairman declared a non-pecuniary interest in the appointment of Mr Westley and took no part in the discussion and consideration of this item.)

34/13 **Date of Next Meeting**

23rd May 2013.

(The meeting closed at 4.20 p.m.)