



24th April 2017 at 3.00p.m. at Dudley College, The Broadway, Dudley

Present:

Stewart Towe	Chair;
Paul Brown	Ernst & Young;
Andy Cox	Cox & Plant;
Simon Eastwood	Carrillion plc;
Chris Handy	Accord Group;
Ninder Johal	Nachural;
Cllr Roger Lawrence	City of Wolverhampton;
Prof Geoff Layer	University of Wolverhampton;
Cllr David Sparks	Dudley MBC; and
Tom Westley	Westley Holdings
Lowell Williams	Dudley College

In Attendance:

Sarah Middleton	Black Country Consortium Ltd;
Jan Britton	Sandwell MBC;
Stuart Everton	Director of Transport;
Rachel Goodwin	Black Country Consortium Ltd;
Ian Carey	Black Country Consortium Ltd;
Kim Rowlands	BEIS;
Hywel Ruddick	Black Country Consortium Ltd.

Apologies: Councillors Coughlan, Eling, Jeavons, Lowe and Moore.

32/17 **Declarations of Interest**

Tom Westley declared his non pecuniary interest in Minute No.38/17 the Elite Centre for Manufacturing.

Ninder Johal – declared his non-pecuniary interest in the Black Country Music Institute and Sandwell College (FSB Minutes 20th March). Minute 38/17.

Prof Geoff Layer – declared his interest Elite Centre for Manufacturing
Minute No. 38/17.

Lowell Williams – declared his interest Dudley College Construction
Apprenticeship Training Centre – Change Request – Outputs. Minute
38/17

33/17 **Minutes**

The minutes of the meeting held on 20th March 2017 were circulated.

Learning the Region Concept

Prof Geoff Layer provided a brief update on the meetings and advised that it had been attended by 3 LEP Chairs to include Stewart and Staffordshire and Stoke LEP and the Marches LEP. The aim was to promote the Learning and Skills agenda and the next stage would be to produce a report for the LEP Board to consider.

Scale Up Task Force

The Chair provided an update and stated that the Task Force had been created with the aim of identifying and supporting businesses that could be quickly scaled up to meet the aspirations of the Industrial Strategy. He advised that the group had requested input for the Growth Hubs, thus there was a local role for the LEP and advised that he would provide updates to future meetings.

Agreed: -

- 1) that the minutes of the meeting held on 20th March 2017, be received and confirmed as a correct record;
- 2) that the updates in respect of the Learning the Region Concept and Scale Up Task Force be noted.

34/17 **Policy Update**

The following updates were submitted: -

- a) Housing White Paper and consultation – the meeting was advised that the response was being developed in terms of the submission regarding housing made in the LEP's response to the Industrial Strategy consultation. It was also noted that the questions forming part of the consultation would be answered.
- b) General Election – noted that the Purdah Period commenced for the WMCA Mayoral elections would continue through to the 8th June 2017.

- c) June Policy Away Day – noted that format had not been universally welcomed and that the aim would be to revise the format from the feedback received. It was also noted that the Policy Planning date had changed, to the 26th June 2017 and views were sought as to the closeness to the General Election date. There was general consensus that the timing was correct and it was suggested that the WMCA Mayor be invited to attend the BC LEP Policy Away Day.
- d) Government Launches Channel 4 consultation – the meeting was advised that a Government consultation had been launched with a view to Channel 4 relocating outside of London. The meeting was advised that the 3 WMCA LEPs were working together to identify a potential site, utilising the Dynamic Economic Impact Model (DEIM) to identify the impact on GVA, with the aim of submitting an agreed site to inform the consultation.

It was referenced that there were two cultural hubs in the Black Country that could be suitable.

A view was expressed that the NEC site would be utilised as it could meet training and connectivity requirements.

It was noted that the identified location, using the DEIM, model would be submitted to the next meeting.

Agreed that the LEP Board note the Policy Update.

35/17 **Industrial Strategy**

Sarah Middleton advised that the responses submitted from BC LEP, WMCA, West Midlands LEP Chairs, Midlands Engine and the LEP Network had been submitted for information and to provide an opportunity to comment.

She advised that the responses contained common messages and there would be a need to consider the next steps when the Government responded to their consultation.

Agreed that the Board noted the responses that went forward to government in relation to the Industrial Strategy Green Paper.

36/17 **West Midland Combined Authority Update**

Cllr Roger Lawrence referenced Appendix 1 to the report which detailed the decisions undertaken by the WMCA Board on 7 April 2017.

In regard to the Growth Company he advised that Ninder Johal, Tom Westley and Cllr David Sparks had been appointed to be Non-Executive Directors. Whilst the establishment of the Company had been agreed 18 months previously, progress was now being made and future developments would be reported to the Board.

Sarah Middleton stated that the LEP had been asked to input into 100-day CA Plan to manage and align the priorities for the Mayor, when elected.

Agreed: -

- 1) that the LEP Board note the decisions of the WMCA LEP Board on 21st April 2017; and
- 2) that the LEP Board note the appointments to the WMCA Growth Company.

37/17 **West Midland LEP Chairs Update**

The Chair advised that two West Midland LEP Chairs were on the Midlands Connect Board – David Frost of Stoke and Staffordshire LEP and Graham Wynn of Marches LEP.

He advised that the main theme of the meetings was to agree and review various layers of activity across the region; seek clarity of roles of the ME, WMCA and LEPs; and there was a need to understand the emerging hierarchy post the Mayoral election. The next meeting would be 24th May 2017.

He referenced the LEP National Conference, where there was direct contact with senior civil servants to include the DWP and DofE.

In future, rather than an annual conference there would be closed sessions with LEPs and Greg Clarke MP was to facilitate a meeting in the Autumn to have direct engagement with senior civil servants and provide a constructive forum for each side to understand their positions.

Agreed that the WM LEP Chairs update be noted.

38/17 **Black Country Strategic Economic Plan – Update and Pipeline**

a) Local Growth Fund Report

The Board received the regular dashboards on the progress of LGF.

The meeting was advised: -

- 1) The update on LEP Funding bids: -
 - Land Fund £150m facility (initial £53m in years 1-4)
 - WMCA Board confirmed initial tranche of £53m available for Black Country Land Schemes;
- 2) Growth Deal 3 was £55.05m (2017/18 – 20/21) - within GD3 there was an “earmarked” Transport allocation of £25m. Profile for release of funds to Accountable Body bank account had changed radically in late March 2017, with approximately 50% of GD3 funding (£26m) now allocated to year 4 (2020/21);
- 3) Update on Music Institute £7.1m bid for Grant support;
- 4) The forecast utilisation of £46.30 Growth Funds in 2016/17 LGF Programme - Total LGF / LTB funding allocation for 2016/17 was £46.3m. LEP Board had approved £5m /10% over programming seeking to target £51.3m of Committed spend on schemes in 2016/17.

The latest in flight Dashboard (1 of 3) indicates a Forecast spend of £50.82m in 16/17. This indicates a maximum £4.52m carry over into 17/18 if all Forecast spend occurs.

- 5) The Commitment of Growth Deal Funds from 2017/18 to 2020/21 Growth Funds available to finance additional scheme bids during 17/18 – 19/20 should be regarded as minimal. During those 3 years £99.3m of grant funding would be available, with circa £123.4m of commitments, including 2016/17 carry forward of up to £4.5m from over programming. This currently indicated 24% over programming for the next three years of Growth Deal funding.

Agreed: -

That the LEP Board note the progress on Local Growth Fund.

b) Local Growth Fund Programme Dashboards

Rachel Goodwin and Stuart Everton provided updates on the respective Dashboards.

Agreed that the Board note and receive the Local Programme Dashboards.

c) **Minutes of the Funding Applications Sub-Board 8th February 2017**

The Chair of the Funding Sub-Board advised of the following decisions of meetings of the Funding Sub-Board held on 20th March and 10th April 2017, respectively.

Growing Priority Sectors

26/17 Steadfast Solutions Ltd., Oldbury

Agreed that the LEP Board be recommended to approve the application for funding by Steadfast Ltd. subject to the following conditions: -

- a) A maximum grant of £56,250 to help implement a £187,500 project at an intervention rate of 30%;
- b) Leverage £131,250 of Private Sector Funding; and
- c) Create 6 new jobs by March 2022 at £9,375 per job and an average salary of £24,300 per annum.

27/17 Ramfoam Ltd., Dudley

Agreed that the LEP Board be recommended to approve the application for funding by Ramfoam Ltd. subject to the following conditions: -

- a) Maximum grant of £180,000 to help implement a £1,300,000 project at an intervention rate of 14%;
- b) Leverage £1,120,000 of Private Sector Funding; and
- c) Create 18 new jobs by March 2022 at £10k per job and an average salary of £24,583k per annum.

28/17 Project Change Request – Auto Styling Ltd., Dudley

Agreed that the LEP Board be recommended to approve the application for funding by Auto Styling Ltd. subject to the following conditions: -

- a) Maximum grant of £50,000 to help implement a £250,000 project at an intervention rate of 20%.
- b) Leverage £200,000 of Private Sector Funding
- c) Create 6 new jobs by March 2022 at £8.3k per job and an average salary of £36,750 per annum.

29/17 Slick Stitch Ltd., Wolverhampton

Agreed that the LEP Board be recommended to approve the application by Slick Stitch Ltd. subject to the following conditions:

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- a) Maximum grant of £144,000 to help implement a £720,000 project at an intervention rate of 20%;
- b) Leverage £576,000 of Private Sector Funding; and
- c) Create 50 new jobs by March 2022 at £2.9k per job and an average salary of £23,230 per annum.

30/17 **Smart Waste Ltd., West Bromwich**

Agreed that the LEP Board be recommended to approve the application by Smart Waste Ltd. subject to the following conditions: -

- a) A due diligence audit being undertaken;
- b) Maximum grant of £500,000 to help implement a £2,750,000 project at an intervention rate of 20%.
- c) Leverage £2,250,000 of Private Sector Funding
- d) Create 50 new jobs by March 2022 at £10k per job and an average salary of £19,000 per annum.

31/17 **MI Glass Ltd, Smethwick**

Agreed that the LEP Board be recommended to approve the application by Smart Waste Ltd. subject to the following conditions: -

- a) Maximum grant of £120,000 to help implement a £600,000 project at an intervention rate of 20%.
- b) Leverage £480,000 of Private Sector Funding
- c) Create 14 new jobs by March 2022 at £8,571k per job and an average salary of £26,363 per annum.

48/17 **Change Request – Superior Sections Ltd**

Agreed: -

- 1) that the LEP Board members be asked to support the Change Request from Superior Sections Ltd for a reduced grant request of £180,000; and
- 2) that a new contract be issued to reflect the revised application.

54/17 **Site Investigation – Holloway Street, Gornal, Dudley MBC - £46,660 in 2017/18**

Agreed that LEP Board members be asked to support the application, up to the maximum sum of £46,660 in the form of Site Investigation funding, subject to the following: -

- a) Competitive Quotes for all works to be provided by the applicant;
- b) Works to be tendered in accord with the Accountable Body requirements;
- c) Each tendered cost to be identified within the funding agreement and will not be transferable between cost headings with the following maximum costs to be applied;
 - i) Mining Report- £1,000;
 - ii) Ground Investigation- £23,000;
 - iii) Flood Risk and Sustainable Urban Drainage Assessment- £5,000;
 - iv) Topographical Survey- £6,000;
 - v) Ecological Surveys- £11,600.
- d) Any shortfall to be met by the applicant;
- e) Funds to be drawn down 2017 / 2018;
- f) If no development has been delivered by March 2021, then the grant will be recoverable.

55/17 Sustainable Transport bid – Transport for West Midlands £4,254,850 – for funding of £2,000,000 in 2017/18 and £2,254,850 in 2018/19

The meeting was advised that the bid was for an extension of the Managing Short Trips programme, delivering 13.5km of canal tow path improvements for use as off-road cycle paths by March 2018 for Phase 1 and March 2019 for Phase 2.

Agreed that LEP Board Members be asked to support the proposal from Transport for West Midlands for £2,000,000 in 2017/18 and £2,254,850 in 2018/19.

56/17 LTB Transport Development Funding - A461 corridor improvements of £90,000 in 2017/18

Agreed that LEP Board members be asked to support £90,000 for scheme developments in the A461 corridor.

57/17 Change Control – Goscote Lane, Walsall - Outputs

The meeting was advised that following the Q4 Project review with the PMO and the Accountable Body an amendment to some low-level project outputs had been requested:

- i. to re-profile area of site reclaimed to reflect evidencing at completion of development, overall output remains unchanged.
- ii. to re-profile learner assists and to remove 'qualifications' outputs from the contract as this is not a measurable output recognised by BEIS. The overall outputs to learner assists remain unchanged.
- iii. to remove business assist outputs as these are not directly related to the construction of new homes.

The meeting was advised that no over-arching milestones or forecasted costs are affected by this request and a profile of the outputs affected was provided.

Agreed that LEP Board members be asked to approve the Change Control request for the Goscote Lane, Walsall outputs.

58/17 Wolverhampton Civic Hall and Grand Theatre Change Request - Outputs

The meeting was advised that the main contract works for the Civic Halls had commenced on 20th January 2017, and would be completed

by 15th October 2018, 6 months later than originally scheduled. The change would impact the timelines for the delivery of some core outputs, notably targets for Jobs, Business Assist, Reclaimed Land and Visitor Numbers which would now be pushed out to 2021/22.

LEP Board members were asked to support the request to reprofile the outputs included within the grant agreement in line with the revised delivery programme.

It was noted that the Learner Assist target of 2,730 remain on track for delivery by 2020/21 and the Jobs safeguarded target of 60 have already been met.

In addition, the project team were also seeking LEP Board support for a change to the Business Assists output target from 250 to 100. This was due to a more comprehensive definition for a 'Business Assist' being released by BEIS after the contract for the Civic Hall had been agreed with Walsall Accountable Body. Some of the original outputs that were agreed to constitute as a Business Assist were no longer eligible and therefore the original targets can no longer be met.

A table of the proposed outputs was provided.

Agreed that LEP Board members be asked to approve the Change request to the Wolverhampton Civic Hall and Grand Theatre scheme outputs, given the revised timeline and the revised definition of "Business Assist" released by BEIS.

59/17 Dudley College Construction Apprenticeship Training Centre Change Request - Outputs

The meeting was advised that during the pre-contracting workshops, it was realised that the learner assist and apprenticeship Outputs originally approved by the LEP Board and Joint Committee had been profiled in the academic year.

To enable consistent reporting all Growth Deal outputs, need to be profiled as per the financial year. The applicant Dudley College provided a revised outputs profile submitted to the Sub-Board: -

Original Learner Assists Total 605 and Apprenticeship Starts 290.

Revised Learner Assists Total 415 and Apprenticeship Starts Total 200.

Due to the transition from the academic to financial year, the overall sum of outputs deliverable by 2021 had been reduced.

The Sub-Board members requested that the applicant extend the profile beyond 2021/22 to show when the original agreed output targets would be delivered. The PMO were also asked to test with BEIS

whether outputs delivered beyond 2021 could be counted, and report back to the next meeting.

Agreed: -

- 1) that LEP Board members be asked to note and approve the revision to the original scheme outputs; and
- 2) that the PMO ask BEIS whether outputs delivered beyond 2021 could be counted and report back to the next meeting.

60/17 Sandwell College Engineering Skills Change Request – Outputs

The meeting was advised that the output profile included in the original submission was profiled in academic years rather than financial years.

To enable consistent reporting all Growth Deal outputs, need to be profiled as per the financial year. The applicant Sandwell College has provided a revised outputs profile submitted to the Sub-Board: -

ORIGINAL Totals

<u>Outputs/Outcomes</u>	<u>Total to 2021</u>
<u>Businesses Assisted</u>	<u>85</u>
<u>Skills Learners assisted (exc. Apprenticeships)</u>	<u>195</u>
<u>Skills - Apprenticeships Started</u>	<u>310</u>
<u>Skills - Apprenticeships Completed</u>	<u>0</u>
<u>Employment Jobs Created [direct]/(FTE)</u>	<u>4</u>
<u>Employment Jobs Created [in-direct]/(FTE)</u>	<u>40</u>

REVISED Totals

<u>Outputs/Outcomes</u>	<u>Total to 2020/21</u>	<u>Total to 2022</u>
<u>Businesses Assisted</u>	<u>40</u>	<u>65</u>
<u>Skills Learners assisted (exc. Apprenticeships)</u>	<u>99</u>	<u>159</u>
<u>Skills - Apprenticeships Started</u>	<u>185</u>	<u>310</u>

<u>Skills - Apprenticeships Completed</u>	<u>26</u>	<u>58</u>
<u>Employment Jobs Created [direct]/(FTE)</u>	<u>3</u>	<u>5</u>
<u>Employment Jobs Created [in-direct]/(FTE)</u>	<u>15</u>	<u>30</u>

A full table of the proposed outputs in each year was provided.

Due to the transition from the academic to financial year, the overall sum of outputs deliverable by 2021 has reduced, but further Outputs will be delivered after this date.

Whilst the outputs to 2021/22 have been profiled, Walsall Accountable Body will only contract and monitor the college to deliver the outputs up to 2020/2.

The Sub-Board members requested that the applicant extend the profile beyond 2021/22 to show when the original agreed output targets would be delivered.

Agreed that LEP Board members be asked to note and approve the revision to the original scheme outputs.

61/17 Challenge Block Walsall Change Request – Transfer of Funding into 2017/18

The meeting was advised that in May 2016 Local Growth Funding of £41,000 was awarded to Walsall Council for site investigations to be undertaken in relation to the Challenge Block site. At that time, it was expected that the work would be completed by October 2016.

The Challenge Block occupies two derelict buildings, one of which is owned by the Council and the other by a private landowner. Following the grant award, the Council reached agreement with private landowner to jointly progress the demolition of the buildings and on that basis, it was decided that the site investigations should be deferred until the buildings had been demolished in order that the work could take place on a cleared site and be as comprehensive as possible.

It was originally anticipated that demolition would take place in mid-late 2016 meaning that the site investigations could still be undertaken before the end of 2016/17 and on that basis quotations for the work were obtained in November 2016. However, demolition has proved to be more complicated than envisaged due to the proximity of a railway line and the ring road which has resulted in the need to arrange a track possession with Network Rail and commission works to reinforce a highway retaining wall.

In view of the above demolition has been significantly delayed and is now likely to commence in May/June 2017. On that basis, it was not possible to enter into a contract for the site investigation works before 31 March 2017. It is therefore proposed that the spend moves to 2017/18 so that the site investigation works can commence following demolition.

The Site Investigation works would take place in 2017/18 rather than 2016/17 as originally planned. At this stage, it is expected that the these would be complete by November 2017 but this will be dependent on the final demolition programme.

Agreed that the LEP Board are asked to approve and endorse the transfer of the £41,000 Local Growth Fund allocation for the Challenge Block, Walsall from 2016/17 to 2017/18.

Agreed: -

- 1) that the LEP Board approve and confirm the minutes of the Funding Sub-Boards held on 20th March 2017 and 10th April 2017, and
- 2) that the LEP Board approve the recommendations contained therein, in relation to Growing Priority Sectors and Local Growth Fund, as detailed, for submission to the next scheduled meeting of the Black Country Joint Executive Committee.

39/17

Draft Minutes of the Place Making and Land Theme Advisory Board

The draft minutes of the Place Making and Land Theme Advisory Board held on 22nd March 2017 were submitted.

Chris Handy highlighted the work around the Garden City and the establishment of the Design Panel to support developers and investors. He advised that the services of David Tittle had been retained.

It was noted that the HCA had included the BC LEP Garden City in the Garden City Taskforce – to help communicate and develop best practise, as they were impressed with the progress that had been made and there was potential to source funding in the future.

Agreed: -

- 1) that the Board note the contents of the minutes of the Place Making and Land Theme Advisory Board held on 22nd March 2017; and
- 2) that the Board note and welcome the establishment of the Garden City Design Panel.

40/17 **Draft Minutes of the Active Black Country Black Country Partnership Board**

The draft minutes of the Active Black Country Partnership Board held on 28th March 2017 were submitted.

Agreed that the Board note the contents of the minutes of the Active Black Country Partnership Board held on 28th March 2017.

41/17 **Draft - Towards an Active Black Country**

Ian Carey stated introduced the draft “Towards an Active Black Country Strategy” and highlighted the role of sport and activity on socio-economic outputs. He stated that the Strategy was aligning the theme s of People, Place and Business and the document was currently out for consultation.

Sarah Middleton added that there were linked in matters, such as investment in cycling and walking and garden city principles, to include physical activity.

Agreed that the Board note the contents of the minutes of the Active Black Country Partnership Board held on 28th March 2017.

42/17 **Draft Minutes of the Employment and Skills (People) Advisory Board**

The draft minutes of the Employment and Skills (People) (ESB) Advisory Board held on 5th April 2017 were submitted.

It was noted that Jackie Dunne, University of Wolverhampton, had agreed to be the interim Chair of the ESB Advisory Board.

It was also noted that the Skills Factory Chair was Prof Ian Oakes and they were leading the FE and HE colleges in offering “bite-sized courses”.

Lowell Williams referenced

Agreed that the Board note the contents of the minutes of the Employment and Skills (People) Advisory Board held on 5th April 2017.

43/17 **Black Country Joint Executive Committee Decisions**

The decisions of the meeting of the Black Country Joint Executive Committee were submitted.

Agreed that the decisions be noted.

44/17 **PR and Communications Update**

The Board received the regular update on PR activity since the last meeting and updates on work to improve response rates to e-communications from the LEP.

Tom Westley provided a brief update on the coverage of MIPIM.

Agreed that the report be noted.

45/17 **Dates of Next Meetings**

The dates of future meetings were noted, with the next meeting being held on 22nd May 2017 at 3.00 pm.

46/17 **Local Government (Access to Information) Act 1985 (as amended)**

To agree that the public be excluded from the private session during the consideration of Agenda items indicated: -

Black Country Consortium Ltd. – Business

- a) Directors Meeting – Minutes of meeting held on 18th July 2016;
- b) Directors Meeting – Minutes of meeting held on 20th March 2017;
- c) Audit Committee – Minutes of meeting held on 6th April 2017;
- d) Black Country Consortium Ltd. – Business Plan 2017/19

(The meeting closed at 3.55pm)