

Minutes of a Meeting of the Black Country Local Enterprise Partnership

19th October 2015 at 3.00p.m.
at the at the Creative Industries Centre, Wolverhampton Science Park, Glaisher Dr, Wolverhampton

<u>Present:</u>	Stewart Towe Simon Eastwood Chris Handy Cllr Roger Lawrence Cllr Peter Lowe Ninder Johal Cllr Paul Moore Tom Westley Lowell Williams	Chairman; Carillion plc; Accord Group; Wolverhampton CC; Dudley MBC; Nachural Communications; Sandwell MBC; Westley Group; Dudley College.
<u>In Attendance:</u>	Sarah Middleton Ric Bravery Kim Rowlands Gloria Bates Caroline Russell Katherine Birch Colin Parker Rachel Goodwin	Black Country Consortium Ltd; Wolverhampton CC; BIS; Black Country Consortium Ltd; Black Country Consortium Ltd; Black Country Consortium Ltd; Black Country Consortium Ltd; Black Country Consortium Ltd.
<u>Apologies:</u>	Paul Brown and Andy Cox, Councillors Bird and Cooper.	

114/15 **Minutes**

The minutes of the meeting held on 21st September 2015 were circulated.

With reference to Min. No. 93/15 (Draft West Midlands Strategic Transport Plan), it was reported that a joint Black Country response had been submitted;

With reference to Min. No. 94/15 (HCA Presentation), it was reported that next steps had been discussed with the Officer Place Group and a further meeting held with HCA and a schedule of priority sites had been agreed;

With reference to Min. No. 99/15 (EU Strategy Update), it was reported that at a meeting of the Combined Authority Finance Directors on the 24th September, it had been agreed that the Greater Birmingham LEP would continue to seek to secure limited Intermediate Body status but the Black Country and Coventry and Warwickshire LEPs would not move this forward.

Agreed that the minutes of the meeting held on 21st September 2015 be received and confirmed as a correct record.

115/15 **PR and Communications Update**

The Board received the regular update on PR activity since the last meeting including details of communications arrangements for Combined Authority discussions.

The Board noted the ongoing briefings concerning recent announcements concerning Tata and Caparo and the meetings taking place concerning next steps and support for redundant employees.

Reference was also made to recent awards to the Partnership by the Federation of Small Business (FSB).

Agreed that the Board's congratulations be passed on to all the officers and members involved with the projects receiving the FSB awards.

116/15 **Policy Update**

The Board received a report on recent policy documents received by the Secretariat including:-

- a) Government Housing, Devolution and Infrastructure Proposals
- b) Sheffield City Region Devolution Deal;
- c) LEP Network Summit – 20th October 2015 – Programme (it was noted that Paul Brown would be attending the summit and the preceding dinner on behalf of the LEP);
- d) Notes of Midlands Connect/Engine – meeting of Midlands LEP Chairmen on 22nd September 2015;

- e) Black Country Broadband Project – Discussions with Director of BDUK;
- f) Walsall MBC Sites and Allocations Document (SAD) and Town Centre Area Action Plan (AAP) Preferred Option Consultation;
- g) Claimant count summary, September 2015.

Agreed:-

- 1) that, in respect of (a) above, the need for further representations in relation to access to mortgage financing to support starter homes initiatives was noted;
- 2) that in respect of (f) above, the proposals within the documents be welcomed and a positive response submitted to Walsall MBC;
- 3) in respect of item (g) the decreases in claimant count figures were welcomed;
- 4) that, in respect of item (e), the interest of the Minister of State, Ed Vaizey MP, in visiting the area was noted.

117/15 **Combined Authority Update**

Cllrs Lawrence and Lowe updated on the discussions concerning the establishment of the Combined Authority and noted that a meeting of Local Authority Leaders and LEP Chairmen would be taking place on 23rd October 2015.

Further to Minute No. 96/15, Sarah Middleton updated on the progress of the work to establish a Strategic Economic Plan for the Combined Authority area.

118/15 **Local Growth Fund (LGF) – Pipeline Update and Project Approval Recommendations**

The Board received a report setting out progress to-date in adding projects into the pipeline since the April 2015 baseline had been established, recommendations to support additional LGF bids and an updating of the Assurance Framework to reflect continued refinements

The following additional pipeline projects were submitted for consideration:-

- a) Dudley MBC - A4101 Pensnett High Street scheme where £3.8m was put forward for spend commencing in 2016/17. The £3.8m LTB (pre-allocated) funding formed part of an overall package of

long term measures costing £6.3m to be delivered in full by 2019/20. The proposed improvement to the transport network would support increased capacity for access to the local economy, Russells Hall Hospital, Pensnett Trading Estate and Brierley Hill Strategic Centre. The main output was the safeguarding of 350 Jobs, with an expectation of five new businesses being created.

- b) Elite Centre for Manufacturing Skills - £7.6m spend across 2015/16 & 2016/17 – Further to Minute No. 85/15, the Board received the proposed full business case for the establishment of the Elite Centre. The business case sought funding of £7.6m towards an innovative training facility involving a partnership between the University of Wolverhampton, the Confederation of British Metalforming, the Cast Metals Federation, the Institute of Cast Metals Engineers and Dudley College, with a Board of Directors formed from Manufacturing Business Leaders. The funding would contribute to the building of the hub and spokes and the equipment required to deliver training that was currently not available in the region. The plan was for the Centre to open in summer 2017 as a unique, specialist apprenticeship and training provider led by employers. The proposals had been considered by the Employment and Skills (People Theme Advisory) Board at its meeting on 6th October 2015 when the Board had recommended that the proposal be supported.
- c) Chances Glassworks Heritage Trust - Site Assembly £660k spend 15/16. The project aimed to assemble 9.5 acre site under whole ownership of Chances Glassworks Heritage Trust as the first phase of a four year development costing £23m. The project would unlock over 20,000 sq. metres of development space for business use, residential dwellings, and leisure and recreational facilities offering the potential to create well in excess of 64 jobs and assist over 160 businesses. The Board noted that scheme was currently at a master planning stage and significant amount of due diligence needed to be undertaken and it was therefore proposed that scheme approval should be in principle subject to:-
 - i) the validation of acquisitions;
 - ii) copies titles and leases being provided together with red book compliant valuations in support of the sum sought;
 - iii) security being available by way of legal charge in relation to the investment sought or on the value of the combined site.

Further to Minute 111/15, the Board also received a revised Assurance Framework incorporating the changes in the LGF process agreed at the

meeting on 21st September 2015. Sarah Middleton also updated the Board on a survey of LGF progress being undertaken by the National Audit Office,

Agreed:-

- 1) that the progress of pipeline development be noted;
- 2) that the allocation of £3.8m (LTB pre-allocated) spend commencing in 2016/17 for the A4101 Pensnett High Street scheme be approved
- 3) that the recommendation of the Employment and Skills (People Theme Advisory) Board in relation to the Elite Centre for Manufacturing Skills be accepted and the proposed allocation of £7.6m across 2015/16 and 2016/17 to the project to be led by Wolverhampton University approved;
- 4) that the application by Chances Glassworks Heritage Trust for support for site assembly be supported in principle subject to clarification of the issues identified at paragraph (c) above;
- 5) that the revised Assurance Framework be approved.

(Prof. Layer, Tom Westley and Lowell Williams, declared interests in this item as it relates to the Elite Centre for Manufacturing Skills and withdrew from the meeting for the discussion and did not vote on that item.)

119/15 **Local Growth Fund (LGF) - Programme Dashboards**

The Board received the regular dashboards on the progress of LGF projects. Paul Mellon reported that although the original under-utilisation of grant had been reduced to £0.28m, there was a continuing urgent need to establish a robust pipeline of initiatives for current year. He also reported that the Site Investigation Fund was stimulating interest from private developers.

Agreed:-

- 1) that the position concerning potential underspend in 2015/16 be noted;
- 2) that work to continue:-
 - a) with current projects to monitor progress;
 - b) to seek to bring forward additional projects;
- 3) that the ongoing discussions with the Accountable Body concerning monthly payment be noted.

120/15 **Meeting of Employment and Skills (People Theme Advisory) Board held on 6th October 2015**

The Board received the minutes of the first formal meeting of the People Theme Advisory Board.

The Board had:-

- a) Confirmed the appointment of Paul Linton as Chair of the Group and agreed that Councillor Hackett be appointed as Vice-Chair;
- b) Agreed the terms of reference and requested that the Board be referred to as Employment and Skills (People Theme Advisory) Board;
- c) Considered the Area Review and requested that the Board take into account the whole range of training provision in scoping the review and include a private sector provider within the membership of the proposed steering group (See Minute No. 121/15 below);
- d) Agreed to invite the Regional Skills Commissioner to a future meeting;
- e) Supported the recommendations in relation to the Elite Centre Feasibility Study (see Minute No. 118/15 above).

Agreed:-

- 1) that the minutes of the meeting of the Employment and Skills (People Theme Advisory) Board be received;
- 2) that the recommendations relating to the title of the Board be supported.

121/15 **Review of Post 16 Education and Training - Establishment of Steering Group**

Further to Minute No. /15, the Chief Executive submitted details of proposed steering group to scope proposals for a review. The Board noted the discussion at the Employment and Skills Board (Minute No. 120/15 refers) and the continuing engagement with FE and other institutions.

Agreed:-

- 1) that establishment of the Steering Group to undertake preparatory work in relation to the FE Area Review be supported and that

- discussions continue with institutions and agencies to determine membership, terms of reference, etc. as soon as possible;
- 2) that the principle of appointing an external facilitator for the review be supported.

(The Board noted the indirect interest of Lowell Williams in the Review.)

122/15 **Growing Priority Sectors Regional Growth Fund**

The Board received details of an application by Futura Design, a provider of niche manufacturing solutions and prototype design for high end automotive manufacturers based in the UK, for a growing priority Sectors Grant of £173,00 for a total investment of £692,000 to purchase specialised equipment, including a 5-axis milling machine and a 3-D printer. Members of the Funding Sub-Board had been consulted and raised no objections to approval of the application.

The Board was also informed that Smart Waste Ltd update: Smart Waste Ltd, one of the applications held over from RGF, had resubmitted a new costing and timeline. This has been re-scored by the appraisal panel and again achieved a pass score - 42/76. As this application had already been approved by the LEP Sub-Board the company had been issued with a Conditional Offer Letter.

Agreed:-

- 1) that the application for funding by Futura Design be approved subject to the following conditions:-
 - a) a maximum grant of £173,049 to help implement a £692,195 project;
 - b) the leverage £519,146 of private sector funding;
 - c) the creation 19 new jobs by March 2017;
 - d) confirmation of match funding to successfully deliver this project;
- 2) that the submission of new costings and timeline for the application by Smartwaste be noted.

123/15 **Black Country Smartcity Strategy**

The Board considered proposals to review and rebrand the Black Country Green Growth Plan as a Smart City Strategy and Work Plan, with a focus on the Smart Environment and Smart Mobility themes and

including links to other wider work areas which fit the Smart City concept. The report included a workplan to take the proposals forward

Agreed that the proposed review and rebranding of former Green Growth Strategy be supported

124/15 **Black Country Growth Hub and AIM for the Black Country**

The Board received an update on the development of plans to ensure the sustainability of the Black Country Growth Hub including working principles to form part of a collaboration agreement amongst partners. The governance of the Growth Hub was being strengthened through the creation of a new “Board” comprising senior level representation drawn from the Core partners. The Hub would also be aligned to the Competitiveness Theme Advisory Board and regular reports would be brought to the Board.

Further to Minute No. 99/15 above, the report also set out details of the outline application for EU funding for resources to deliver an integrated approach to business support, investment and market development for SMEs under the acronym AIM – Advice, Invest and Market Development. The proposal would be proceeding to a full application that had to be submitted by 5th November 2015.

Agreed:-

- 1) that the working principles for the Black Country Growth Hub be supported;
- 2) that the work to progress the submission of a full ESIF Bid for the AIM project be supported

125/15 **LEP Funding**

The Board received a report setting out the current position of the Core and Strategic funding allocated to the LEP by Government funding including Black Country Consortium Ltd expenditure and claims and current and planned spend. The Board also received details of the current position of the SEP Proposition fund. The report included a proposal to split the cost of the interim SEP Delivery Director between the core and strategic budget lines where it had originally been allocated to the core budget. It was noted that LEPs were seeking early confirmation from Government of the level of resource likely to be

available beyond 2015/16 and that the possibility of capitalising LGF programme Office costs was being explored.

Agreed:-

- 1) that the expenditure of the LEP Core and Strategic funds to 30th September 2015 be approved.
- 2) that the proposals for planned expenditure to 31st March 2016 be supported;
- 3) that the realignment of the costs of the Interim SEP Delivery Director post between Strategic and Core funds be approved.
- 4) that the balance of the Growing Places Revenue Fund should be held by Consortium for future utilisation by the LEP;
- 5) that further work to assess the scope for capitalising Programme Office costs be supported.

126/15 **Growing Places Revenue Funding**

The Board received an update from the Accountable Body (Sandwell MBC) on the revenue resources currently available from the Growing Places Fund and the estimated cost of the known, ongoing legal, due diligence and monitoring costs.

Agreed:-

- 1) that the current revenue budget of £252,250 available as at 30th September 2015 be noted;
- 2) that the estimated revenue budget requirement of £105,536 relating to known projects for October 2015 to March 2026 be approved.

127/15 **Items of Business for Black Country Consortium Ltd. Directors -**

Members considered the following items of business as Directors of Black Country Consortium Ltd. and the minutes are set out separately:-

- a) Appointment of Chairman and Company Secretary;
- b) Minutes of the Meeting Held on 23rd March 2015
- c) Audit Committee – Minutes of Meeting Held on 14th September 2015;
- d) Black Country Consortium Ltd - Auditors Report and Accounts 2015/16
- e) Staff handbook review and corporate policy development.

128/15 **Dates of Future Meetings 2016**

Agreed that meetings be held on the following dates in 2016 (at 3.00pm except where indicated:-

25th Jan
25th Feb (8/8.30am – Consultation event)
14th March
25th April
16th May
13th June (12-5.00pm policy planning);
18th July
19th September
24th Oct
21st Nov
12th Dec (12-5.00pm policy planning).

129/15 **Date of Next Meeting**

23rd November 2015.

(The meeting closed at 4.20 p.m.)