

Minutes of a Meeting of the Black Country Local Enterprise Partnership

23rd November 2015 at 3.00p.m.
at Dudley College, The Broadway, Dudley

Present: Stewart Towe Chairman;
Cllr Adrian Andrew Walsall MBC;
Paul Brown Ernst & Young
Andy Cox Cox & Plant
Simon Eastwood Carillion plc;
Chris Handy Accord Group;
Cllr Roger Lawrence Wolverhampton CC;
Prof Geoff Layer University of Wolverhampton;
Ninder Johal Nachural Communications;
Tom Westley Westley Group;
Lowell Williams Dudley College.

In Attendance: Sarah Middleton Black Country Consortium Ltd;
Kim Rowlands BIS;
Stuart Everton Black Country Strategic
Director of Transport
Katherine Birch Black Country Consortium Ltd;
Paul Mellon Black Country Consortium Ltd;
Rachel Goodwin Black Country Consortium Ltd.

Apologies: Councillors Bird, Cooper and Lowe.

130/15 **Minutes**

The minutes of the meeting held on 19th October 2015 were circulated.

Agreed that the minutes of the meeting held on 19th October 2015 be received and confirmed as a correct record.

131/15 **Draft Programme - Policy Planning Session, 14th December 2015**

The Board received a draft programme for the Partnership's next Policy Planning session on 14th December 2015. Progress on investments and the implications of the Autumn Statement and the Midlands Engine proposals were flagged up as items.

Agreed that the draft programme and the comments above be noted and that any further comments from members be submitted to the Secretariat to inform preparation of the final programme.

132/15 **Combined Authority Update**

Further to Minute No. 96/15, the Board received the latest version of the Scheme for the Combined Authority and the schedule of matters for consideration by Non-Constituent Members.

The Board also received the proposed Devolution Deal signed by the Chancellor of the Exchequer, Local Authority Leaders and LEP Chairmen on 17th November. Councillor Lawrence updated on the steps to complete the Deal process.

Agreed:-

- 1) that the decision to become a Non-Constituent Member of the Combined Authority set out at Minute No. 96/15 be confirmed;
- 2) that the contents of the proposed Devolution Deal be noted.

133/15 **Development of Combined Authority Strategic Economic Plan (SEP)**

Further to Minute No. 117/95, Sarah Middleton reported further on the progress of the proposed Combined Authority SEP. The Board taking forward Plan preparation had now:-

- a) agreed the scenarios to form the basis from which the objectives and programmes of the Plan will be developed;
- b) established the structure around which the Plan narrative would be built and agreed an initial set of programme headings for further development;
- c) given initial consideration to terms of reference for the Productivity Commission.

The Chairman thanked the Secretariat for the work they had carried out in supporting the development of the Plan.

Agreed that the progress of the preparation of the Combined Authority SEP be noted including the agreed scenarios and outline structure and programmes for the Plan and the draft terms of reference for the Productivity Commission.

134/15 **Local Growth Fund (LGF) – Pipeline Update and Project Approval Recommendations**

The Board received a report setting out:-

- Progress with the Chances Glassworks – where it was reported that two of the three outstanding conditions for support had been met;
- Site Investigation Programme – where the Chairman and Simon Eastwood had approved works at Pensnett Industrial Estate and details of proposals under consideration were submitted;
- Pipeline progress – setting out details of applications being assessed. The Board also received the regular Dashboards on progress.

The Board also considered the following additional LGF bids:-

- a) University of Wolverhampton Apprenticeship Hub – spend of £200,000 in 2015/16. The application was for the conversion of a former public house, to provide a focal point for employers, prospective apprentices and their families and University staff;
- b) Accessing Growth – Compton Park upgrade involving spend of £175,000 in 2015/16. Currently Compton Park in the west of Wolverhampton contained St Peter's Collegiate School, St Edmunds Academy and the Wolverhampton Wanderers Training Academy. The proposal involved the creation of segregated cycling and pedestrian facilities offering a high level of safety for users. This would complement nearby parts of the local highway infrastructure which had already been improved for pedestrian and cyclist use;
- c) Accessing Growth – additional transport allocation of £0.5m in 2016/17 the Department of Communities and Local Government (DCLG) had confirmed that an additional £2.8m was available to Accessing Growth schemes. A prioritisation process was being developed and would be considered further at the Policy Planning session in December.
- d) Growing Priority Sectors – addition £0.5m for 2016/17. Pursuant to discussion at the Funding Sub-Board on 9th November 2015, DCLG had confirmed that an additional £0.5m earmarked funding was available. Schemes will continue to be appraised by the Growing

Priority Sector assessment panel before seeking approval in principle by Funding Sub-Board.

- e) Metro – Initial Development costs - £100,000 in 2015/16. The proposal would enable initial planning of the Metro link between Wednesbury and Brierley Hill.

The Board was also informed that the Growing Priority Sectors programme was seeing significant interest in supporting the acquisition of Caparo Group companies affected by the administration of Caparo Industries. Many of the expressions of interest reflect the need to safeguard existing jobs, or redevelop and upgrade existing Caparo Group locations. Safeguarding jobs was not an approved output for the programme and, following discussion at the Funding Sub-Board on 9th November 2015, the Board was asked to enable Growing Priority Sectors to contract with projects where the safeguarding of jobs in the short term was the primary output.

It was also reported that project applications in the Priority Sectors programme either approved or awaiting approval exceeded the £2m allocation for 2015/16. In order to ensure the Programme achieved the £2.0m spend target for 15/16, it was proposed that Growing Priority Sectors £6.5m budget be used more flexibly, subject to the Programme committing to delivering a minimum £2.0m spend in each of 2015/16 and 2016/17. This would provide Sandwell MBC with the flexibility to contract significantly more funds earlier in the programme should opportunities/demand be presented. The proposal had been supported by the Funding Sub-Board at its meeting on 9th November 2015.

Agreed:-

- 1) that the submitted project bids in respect of:-
 - University of Wolverhampton Apprenticeship Hub;
 - Accessing Growth – Compton Park upgrade;
 - Accessing Growth – additional transport allocation;
 - Growing Priority Sectors – additional allocation;
 - Metro – Initial Development costs;as set out above, be approved and referred to the Black Country executive Joint Committee for consideration;
- 2) that the application in respect of Chances Glassworks be approved subject to submission of a Red Book compliant valuation;
- 3) that:-

- a) the use of the Growing Priority Sectors £6.5m budget more flexibly be approved subject to the project committing a minimum £2m spend in each of 2015/16 and 2016/17.
- b) the adoption of additional outputs of 'safeguarding jobs' as acceptable outputs for the Growing Priority Sectors programme be approved

(Prof. Layer declared an interest in this item as it related to the Apprenticeship Hub and withdrew from the meeting for the discussion and did not vote on that item.)

135/15 **ESIF Update**

Further to Minute No. 36/15, the Board was informed of the impact of changes in exchange rates which had resulted in a reduction in the Black Country's overall allocation of £2,361m (approx 3%). The largest reductions were in Priority 1.1 Support for the unemployed related activities, which had reduced by £4.892m. The Social Inclusion (Big Lottery Opt-in), the allocation has reduced by £738,000. There was an increased allocation against Priority 2.1/2, Workforce Skills and the Skills Factories Proposal, an increase of £3, 269.

The Board was also informed of correspondence from the Skills Funding Agency (SFA) concerning the impact of proposals concerning the devolution of adult skills budgets and ongoing discussions with the SFA and Department for Work and Pensions (DWP) concerning ESF allocations.

Agreed:-

- 1) that the ongoing negotiations with DWP and SFA and the changes to funding allocations be noted;
- 2) that a further report be submitted to the Board once the implications of the proposals in the SFA's letter have been clarified.

136/15 **Notes of Informal Meeting of Place Making and Land Advisory Board**

Further to Minute No. 47/15, the Board received the notes of an informal meeting to brief and update private sector representatives of the Place Making and Land Advisory Board.

136/15 **Transport Update**

Stuart Everton, the Black Country Director of Transport, attended the meeting and updated on the transport work currently being undertaken including:-

a) The Integrated Transport Authority (ITA) Rapid Transit Review which was looking at current public transport routes across the Black Country. The Review was expected to propose that the Black Country should prioritise three or four routes to be developed and delivered in advance of any other routes. The list was anticipated to be as follows:

- Wednesbury to Brierley Hill Metro Extension
- A34 (Walsall to Birmingham) Sprint/Rapid Transit
- Walsall to Wolverhampton Rail Service
- Wolverhampton to I54 Sprint/Rapid Transit

The Director was proposing that working groups would be set up to ensure that sufficient work on the schemes was undertaken over the next twelve months to develop accurate programme, design and cost estimates.

b) Assurance Framework – it was proposed to re-introduce the Black Country Assurance Framework for all transport schemes;

c) Combined Authority Transport Authority - the ITA had been tasked to develop a set of transport priorities for the Combined Authority and PWC had been commissioned to identify transport priorities across the West Midlands. A long list of twenty had been identified. All currently Public Transport Schemes. The Director of Transport was working with ITA officers to establish a prioritisation and appraisal tool that would prioritise schemes across the West Midlands in terms of benefit cost ratio, funding, strategic fit and deliverability. The Black Country Assurance Framework would be used as the basis for this piece of work.

The work across the Combined Authority would then feed into the Strategic Transport Bodies that would be established at a regional

level and likely to be incorporated within the Midlands Connect Initiative. Over time schemes would complete for funding and support at a regional level. In order for Black Country schemes to compete, it would be essential that a consistent and rigorous approach was adopted across the Black Country to maximize funding opportunities, especially for schemes over £10-£15m that were unlikely to be funded from one single funding mechanism.

The Board discussed the need for the integration of work with housing and industrial site development, the scope for further private sector support and the need to ensure that costs and benefits were properly reflected. Ongoing discussions about the role of the Devolution Deal were noted.

Agreed:-

- 1) that the contents of the report and the current working being undertaken within transport across the Black Country be noted and that further reports on the progress of prioritisation and funding be submitted to the Board;
- 2) that the report be referred to the Place Making and Land Advisory Board with a view to examining and ensuring the integration of the work on housing and sites.

137/15 **Review of Post-16 Education and Training**

Further to Minute No. 121/15, Sarah Middleton updated on the continuing discussions to finalise the terms of reference and arrangements for external support for the Area Review including:-

- a) initial work to plot the various stages, time lines and milestones as currently reflected in the Devolution Deal;
- b) a meeting of College Chairs and Principals. Lowell Williams updated on work the Colleges were commissioning to prepare for the Review;
- c) the development of a more extensive programme of stakeholder engagement and communication plan to support gearing up to the Combined Authority processes.

The Board noted the work being undertaken collectively by colleges to prepare for the Review.

Agreed:-

- 1) that the shadow Combined Authority skills time line relating to the proposed Devolution Deal and the work being undertaken by Colleges be noted;
- 2) that the development of a more detailed Stakeholder engagement programme alongside technical work be supported.

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

138/15 **Growing Priority Sectors Regional Growth Fund**

The Board received the minutes and recommendations of the meeting of the Funding Sub-Board held on 9th November 2015. The Sub-Board had considered and made recommendations in relation to four applications for Growing Priority Sectors funding.

The recommendations of the Sub-Board in relation to programming and safeguarding jobs are considered at Minute No. 134/15 above.

Agreed:-

- 1) that the minutes and recommendations of the meeting of the Sub-Board held on 9th November 2015 be received;
- 2) that the recommendations of the Sub-Board in relation to the applications by the Companies listed below be approved:-
 - Akaal Ltd
 - F-Board Ltd
 - JC Payne Ltd
 - Intouch Games Ltd.

139/15 **Caparo - Update**

Further to Minute No. 134/15 above, the Board received an update on actions being taken to support companies and employees affected by the Caparo situation. This included the establishment of a task group by BIS with weekly teleconferences, job fairs and financial support.

Agreed that the ongoing actions to mitigate the Caparo situation be noted.

140/15 **MIPIM UK – Feedback**

The Board received a paper providing feedback on attendance at the MIPIM UK event. Evaluation had shown clear benefits from attending this type of event and it was proposed to attend future events if possible. The report also detailed future opportunities for joint working in respect of the Global MIPIM events. These included:-

- a) MIPIM 2016 - Under the partnership of Greater Birmingham, and cognisant of the development of the West Midlands Combined Authority, the Black Country had again been offered the opportunity to take up Strategic Partner status alongside Solihull and Birmingham. The estimated cost would be £35,000 with an opportunity to shape and inform the partnership narrative for the show. The Executive Director, Wolverhampton CC was leading on work to find resources for the event and to try and ensure that the Black Country could play as full a role as possible.
- b) MIPIM 2017 – In view of the developments around the Midlands Engine, all of the Midlands Investment Agencies had met at MIPIM UK to discuss a joint approach to MIPIM 2017. There was a level of support for this initiative, recognising that together the Midlands' offer was as strong as that of the Northern Powerhouse and London, and that the benefits of agglomeration outweighed the issue of competition between the agencies. It was also felt it would also strengthen the UK presence at the show, and as such the Government would be asked to support the proposal. Early discussions with the show organisers had been positive and it was possible to take a collective space of circa 200 sq. m at the show in a dedicated 'pavilion'. This would be sub-divided into the component areas internally but would look like one area, with shared collateral, branding and messaging.

Members discussed the possibility of sponsorship to contribute towards the cost and Sarah Middleton updated on discussion with Marketing Birmingham concerning its engagement with the Black Country.

Agreed:-

- 1) that the feedback from MIPIM UK 2015 be noted and the principle of continued attendance be supported and that a further report be submitted to a future meeting;
- 2) that the proposed approaches to MIPIM 2016 and 2017 be supported and that further reports to be submitted on funding and other arrangements.

141/15 **PR and Communications Update**

The Board received the regular update on PR activity since the last meeting. Members discussed work by the Secretariat to provide a wider range of possible meetings to feed into media briefings and arrangements to deal with Combined Authority issues.

142/15 **Exclusion of the Press and Public**

Agreed that the public and press be excluded from the rest of the meeting to avoid the possible disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

143/15 **Local Growth Fund – Wolverhampton Civic Halls and Theatre**

The Board considered a request by Wolverhampton CC for additional funding to meet the cost of additional remedial works for the Civic Halls and Theatre project. The total cost of the work was estimated to be £607,000 and the Council was seeking a contribution of £400,000. Members considered that the applicants should also be requested to re-examine the total costs for the project to see if there was scope for savings elsewhere to offset the additional cost.

Agreed:-

- 1) that an LGF allocation of £400,000 in 2015/16 for remediation works as part of the Wolverhampton Civic Halls and Theatre project be approved and referred to the Black Country Executive Joint Committee for consideration;
- 2) that the applicants be requested to re-examine the costs for the project as a whole to see if cost reductions can be made to cover part or all of the additional funding at a later stage.

144/15 **Date of Next Meeting**

14th December 2015 – Policy Planning session.

(The meeting closed at 4.50 p.m.)