



25th April 2016 at 3.00p.m.
at Dudley College, The Broadway, Dudley DY1 4AS

Present: Simon Eastwood Carillion plc (In the Chair);
Cllr Kurshid Ahmed Dudley MBC
Paul Brown Ernst & Young;
Chris Handy Accord Group
Ninder Johal Nachural Communications;
Prof Geoff Layer Wolverhampton Uni;
Cllr Roger Lawrence Wolverhampton CC;
Cllr Paul Moore Sandwell MBC; and
Tom Westley Westley Group.

In Attendance: Sarah Middleton Black Country Consortium Ltd;
James Cunningham Black Country Growth Hub;
Sarah Norman Dudley MBC
Sanjeer Okin Dudley College
Geoff Pennington Sandwell College
Paul Mellon Black Country Consortium Ltd.
Katherine Birch Black Country Consortium Ltd.
Rachel Goodwin Black Country Consortium Ltd.

Apologies: Stewart Towe, Councillors Andrew and Lawrence, Jan Britton, Kim Rowlands and Lowell Williams.

52/16 **Councillor Darren Cooper Minutes Silence**

The Chair advised the meeting that Councillor Darren Cooper had been the Leader for Sandwell Council, a respected member of the Black Country LEP Board and instrumental in moving forward the creation of the West Midlands Combined Authority and his influence and energy in promoting the Black Country would be sadly missed. The meeting stood for a minute silence as a mark of respect and remembrance.

53/16 **Declarations of Interests**

Black Country Elite Centre for Manufacturing Skills

Ninder Johal declared an indirect interest in the item relating to this (Minute No. 60/16) arising from his membership of the University Governing Body. Tom Westley declared an indirect interest in the same item, arising from membership of the Cast Metal Manufacturers Association.

54/16 **Minutes**

The minutes of the meeting held on 14th March 2016 were circulated.

Agreed that the minutes of the meeting held on 14th March 2016 be received and confirmed as a correct record.

55/16 **Black Country Colleges Developments**

The Chair agreed to the early consideration of this item.

Graham Pennington, Sandwell College, gave a presentation on the developments with the Black Country Colleges, highlighting that, collaborative working had been undertaken before with the Black Country Colleges successfully delivering a £5m ESF funded project – “Skill Up”, between 2013 and 2015 under a loose partnership arrangement through the Black Country Partnership for Learning. The Colleges had now established a refocussed company – Black Country Colleges, with the aim of facilitating partnership working under a number of strategic initiatives, as follows: -

- Joint continued professional development activities;
- Group promotion and marketing of learning opportunities in the Black Country, particularly apprenticeships;
- Exploration of opportunities for shared services;
- Delivery of group projects such as ESF funded collaborative ventures;
- Curriculum planning and alignment activities.

He detailed priority education areas for the colleges and advised that they had undertaken a review of LEP priorities and emerging imperatives for employment and skills, as described in the West Midlands Combined Authority outline plan.

Agreed that the update on the Black Country Colleges be noted.

56/16 **Policy Update - Budget 2016**

The Board received the Policy Update, detailing the outcome of the Budget 2016 and Chief Executive highlighted some key points: -

- £2 billion of the Local Growth Fund was being allocated through the Home Building Fund;
- The launch of the Starter Homes Land Fund prospectus, inviting Local Authorities to access 1.2BN to deliver at least 30,000 homes.

Agreed that the Policy Update in relation to the Budget 2016 be noted.

57/16 **Financial Engineering Instruments Midlands Engine Investment Fund – British Business Bank**

The Board received the Financial Engineering Instruments Midlands Engine Investment Fund – British Business Bank update.

The following key points were noted: -

- The British Business Bank (BBB) advised that the Government had announced the Midlands Engine Investment Fund (MEIF), combining 11 LEPs – 6 West Midland and five East Midland LEPs, with a budget of over £250 million, available from December 2016.
- It was referenced that the “fund of funds” was made up of ESIF commitments made by the LEPs, the use of Single Programme and European Regional Development Fund Legacy, a loan from the European Investment Bank (EIB) and an additional loan of up to £32.5 million from the BBB, matched by an additional loan from the EIB. The MEIF has the potential to be £268 million, subject to approvals from the EIB and Bank’s Board.
- The BBB was creating a Strategic Oversight Board (SOB) with a Terms of Reference to ensure LEPs would be provided with a genuine say over the strategic direction of the Fund. The other members of the SOB would be drawn from HMT, BIS, DCLG, EIB and the BBB.
- Initially the BBB’s Governance proposal was for four to five senior LEP members, following a conference call between officers and Chairs, the West Midland LEPs had agreed to a representation of seven, with four drawn for the West Midland LEPs.
- The nominees were Pat Hanlon (GBSLEP), Paul Brown (BCLEP), Roy Irish (WLEP) and Kerry Diamond (SSLEP).

The Board were advised that this had created a “lively debate” with the East Midlands LEPs, despite a concession from the West Midlands that the Chair could be drawn from the East Midlands membership and, in an effort to move the agenda forward, the suggestion was that there be parity for both the West and East Midlands LEP on the SOB, with a membership of eight, four members from each regions LEP membership.

Agreed: -

- 1) that the contents of the report be noted, in particular the governance arrangements set out in the report; and
- 2) that the Board agree to there being parity on the Strategic Oversight Board, with four West Midlands and four East Midland representatives comprising the Board’s LEP representation.

58/16

Development of the WM Combined Authority

The Board received a verbal update from the Chief Executive. She advised that the vesting day remained the 1st June 2016 and highlighted the current developments in relation to the WM Combined Authority: -

- Currently the WMCA comprised of seven constituent Members and eight non-constituent Members
- Shropshire County Council and Stratford-Upon-Avon District Council were joining as Non-Constituent Members and would be incorporated into the WMCA governance arrangements.
- The Mayoral Combined Authority “powers and functions” scheme and “Governance Review” were currently being drafted and would be subject to approval by all Constituent Councils.
- The following areas were being drafted and the draft Scheme would be consulted on after the European Referendum: - The Mayor’s draft annual budget; The Mayors “veto” of CA matters; HCA CPO; The Key Route Network; Development Corporations; Finance and Funding; and Traffic Commissioner functions.
- The Devolution Strategy Group Terms of Reference had been updated and the Chief Executive and Sarah Norman (Dudley MBC) were members from the Black Country on this key group. The group would develop the WMCA approach to devolution deals, policy devolution priorities and fiscal devolution priorities. It was highlighted that the Conservative Party Conference was in the Autumn and there were Budget statements in the Autumn 2016 and Spring 2017, thus it was important that the agenda was

WM driven and developed so that any additional devolution requests would be submitted in advance of these key national announcements.

- The latest HS2 Growth Strategy Update was provided, to include the fact that the HS2 implementation Plan had been submitted to the DCLG with the final plan submitted before 31 March 2016; there was interest from the government to extend the supply chain programme to run nationally, with the government to provide extra funding; significant progress had been made on the Curzon Street and UK Central programme; and consideration was now being given to the procurement and commissioning requirements of the WMCA.
- Paul Marcuse had been confirmed as Chair of the Land Commission and was undertaking meetings with various Stakeholders. He had already met with the Chair and Chief Executive and once the Terms of Reference and lines of enquiries had been finalised, the other commissioners/advisors would be sought for the Land Commission.
- The LEP had been leading on the development of the WMCA Assurance Framework with PWC support. The Assurance Framework need to be in situ before any release of funds from Government and the Framework would interlink with the devolution development plan.
- The WMCA were creating an Investment Board to oversee and approve investments made via the Collective Investment Fund and the Land Remediation Fund. The Investment Board would be a Board of the WMCA, rather than Finance Birmingham – the proposed administrators of the funds. The Board will make decisions for these funds and any other funds that the WMCA appoints Finance Birmingham to manage. As a commercial entity Finance Birmingham will need to be paid for the services. It was noted that further discussions were taking place regarding the independent nature of the Chairman and membership of the Board.
- Key, statutory appointments had been made to the Shadow WMCA, these being the Head of Paid Service (Chief Executive) Martin Reeve until June 2017; the Monitoring Officer – Keith Ireland; and the Section 151 Officer – James Aspinall.
- The WMCA Officer Management Board had been established and the key roles to be undertaken by that Board were detailed.
- The WMCA Officer Management Board membership comprised of the Chief Executive (Head of Paid Service); Chief Operating

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Officer; Monitoring Officer (& Clerk to the Combined Authority Board); Section 151 Officer; Director of Investment; and Director of Transport.

- The Board were advised that at some point in the future it would be useful to ensure that the Strategic Economic Plan (SEP) lead was an integral part of the WMCA Board.
- The Board were advised that included in the circulated briefing note, to support the verbal update, were two letters from the Secretary of State – Greg Clark MP – which appeared to be steering the LEPs in regard to the Single Growth Fund, to a combined LEP across the 3 LEP geography priority – Black Country LEP, Greater Birmingham and Solihull LEP and Coventry and Warwickshire LEP. In respect of this there was a need for the BC LEP to consider the most impactful route for securing funds for its identified priorities.
- The Board were advised that steps were being taken to finalise the WMCA SEP with the outcomes of accelerating an improvement in productivity, enabling the West Midlands to become a net contributor to the UK exchequer, whilst improving the quality of life for all who lived and worked in the area.
- The outcomes would be delivered through improved business competitiveness; creating conditions for growth, including connectivity and skills; securing transforming public service reform; exploiting the area's world class innovation infrastructure; and improving the life chances for everyone, especially those facing multiple disadvantages.

The Board were asked to note the verbal update and provide a view on developing a combined LEP to mirror the constituent members of the WMCA.

Agreed: -

- 1) that the Board note the West Midlands Combined Authority update; and
- 2) that the Board endorsed the combined approach to establish the West Midlands Combined Authority; and
- 3) that the Board endorsed the approach to develop a combined LEP with the constituent partners – Greater Birmingham and Solihull LEP and Coventry and Warwickshire LEP, to link with the West Midlands Combined Authority.

59/16 **Black Country Strategic Economic Plan – Local Growth Fund**

The Board were advised that the Programme Dashboard illustrated a forecast spend of £26.66m, compared to an LGF grant of £24.35m. This represented an over utilisation of £2.31m. In part this would be enabled by the acceleration of some of the proposed schemes for 2016/17. These schemes were already delivering significant additional Outputs from their 2015/16 approvals and could demonstrate suitable qualified spend, were currently funded outside LGF Grant support. The schemes were Bilston Urban Village, Goscote Lane Corridor, Managing Short Trips and the Science and Technology & Prototyping Centre. In respect of Managing Short Trips, Paul Mellon, advised that the proposed figure was £400,000, rather than the £200,000 referenced in the report, as the project had already been successful in delivering the additional outcomes in 2015/16.

The Board were advised of an additional bid for Elite Centre for Manufacturing Skills for £440,000 in 2016/17

Reference was made to the completion of six projects and Paul Mellon advised that a seventh could be added to the list, in that the current Managing Short Trips programme had completed 12kms of cycle paths to date.

Agreed: -

- 1) That the Board note the forecast year end claims value in respect of 2015/16;
- 2) That the Board endorse the recommendation of the Programme Delivery Director to accelerate £2.4m of Project spend into 2015/16 from 2016/17 spend profiles in respect of: -
 - Bilston Urban Village - £750,000
 - Goscote Lane Corridor - £450,000
 - Managing Short Trips - £400,000
 - Science and technology & Prototyping Centre - £800,000;
- 3) That the Board note the continued LGF Pipeline Development; and
- 4) That the Board approve the additional support for the Elite Centre of Manufacturing to the sum of £440,000 in 2016/17.

60/16 **Local Growth Fund Programme Dashboards – a) In Flight Current Financial Year; b) Pipeline; and c) Future Years**

The Board received the regular dashboards on the progress of LGF projects. Paul Mellon reported that the LGF Forecast spend was £26.66m. He advised that currently £14.4m of LGF Claims had been paid against £17.03m of claims submitted and stated that this compared to the committed spend, notified by projects of £23.71m. However, he advised that in total projects had indicated they expected to spend £26.66m.

He highlighted the projects with some slippage in their delivery target, to include Bilston Village, Walsall Waterfront and Chances Glassworks.

The Chief Executive queried the £215m budget for Land Remediation and was advised that the bids were split across the four BC local authorities and there was a need to undertake an evaluation process in the first instance and then look to prioritise locations. It was commented that the spatial locations could potentially impact on Economic Strategy and it was reiterated that to date all bids thus far had been submitted by the local authorities.

Agreed That the position concerning the spend on the LGF Programme – In Flight Current Financial Year; Pipeline; and Future Years be noted.

61/16 **Draft Minutes of the Competitiveness Advisory Board held on 24th March 2016**

The Board received the draft minutes of the Competitiveness Advisory Board held on 24th March 2016. The Board noted the progress of the Advisory Board and the Paul Brown advised the meeting that there was a need to increase private sector representation on the Advisory Board.

Ninder Johal noted that whilst all LEPs did have a communications/marketing budget BC LEP's allocation might be enhanced and the Chief Executive agreed to revisit budget allocations.

Reference was made to the Strategic Company Engagement and the Chief Executive stated that the Board would need to support and track progress on the initiative.

It was noted that the Board should investigate developing export development and global opportunities to “grow our window to the world” and Ninder Johal advised that this could be part of communications. Paul Brown advised that Ninder Johal would be invited to attend all future meetings of the Advisory Board.

The Chief Executive referenced dashboard reporting and asked that an item be included on reporting investment of the BC LEP into SMEs.

Agreed: -

- 1) That the Board receive the minutes of the Competitiveness Advisory Board and approve the recommendations;
- 2) That the additional actions noted be referred to the relevant officers for action and report back to future meetings of the Board.

62/16 **HVM City**

The Board received a presentation from Tom Westley, which showed Members the functionality of the HVM City platform. He showed how interactive the system was in relation to various virtual models, to include HS2 rail, a virtual hospital, virtual power station and virtual vehicle, allowing site visitors to drill down to manufacturers of specific products. He highlighted the potential for local companies, with HS2 requiring £42BN construction spend, £8BN new rolling stock and £4BN development. He added that further development of the HVM site would be supported through the Growth Hub and commercial sponsors; there were massive opportunities for suppliers to link into the energy market; and that the tool provided a great deal of relevant information for potential manufacturers and investors within, or looking to relocate to, the Black Country.

The Chief Executive stated that the Lead officer needed to produce a calendar of events to report back on the HVM launch approach, MIPIM UK in October, supply chain input and real business requirements.

It was noted that the HVM platform provided opportunities to get sponsors and this was confirmed, with Carillion plc sponsoring the virtual hospital element.

The Chief Executive stated that key to the success of the tool was the first contracts being won/awarded from businesses participating in the tool.

It was queried whether a “totalizer” element could be added to the platform, in order that the BC LEP could see what had been achieved in relation to contracts being awarded etc. and Tom Westley advised that it should be possible.

Agreed: -

- 1) that the Board note the update; and
- 2) that the Lead Officer produce a calendar of events, as detailed above; and
- 3) That the Lead Officer incorporate a “totalizer” element to the HVM platform.

63/16 **Drive Midlands**

The Board received the report on Drive West Midlands(DWM) a business support programme focussed specifically on the automotive sector, and were advised that it provided an update on the augments to the current business support by offering supply chain development; generating new inward investment projects; and supporting the commercialisation of Intellectual Property.

The Board were advised that that DWM was steered by a Board comprising of 6 West Midlands LEPs and UKTI, and that the DWM Board, as outlined in the Midlands Engine Prospectus, were looking to scale up activity around DWM to 11 LEP geographical areas. To this regard an application to UKTI had been made for £450 000, to support this initiative over the coming three years.

It was commented that the extension to 11 LEP areas would work so long as it was managed properly. The Chair commented that as a Combined Authority there was a need to push the West Midlands as a case and referenced the Manchester experience of the “Northern Shore”.

Agreed: -

- 1) That the LEP Board note the contents of the report; and
- 2) That the LEP Board support the extension of initiative and bid to UKTI, as outlined in the report.

64/16 **MIPIM 2016**

The Board received an update on MIPIM and were advised that event had been used effectively as a launch pad for initiatives that had been developed, to include Garden City and HVM platform.

In regard to the energy side of the HVM platform, the Board were advised that a company called NG who had developed combined heat and power solutions, to include for the Olympic Park in 2012, had invited the Board and key personnel for an “Away Day” to the Olympic Park where they could advise attendees how the energy solution for the Olympic Park had been done and what would be feasible to achieve in the Black Country.

In regard to publicity the Board were advised that the MIPIM event had attracted 3.7 million impressions on-line.

Agreed that the Board note the update.

65/16 **Black Country Growth Hub and Business Support Ecosystem**

The Board were advised of an improved approach to business support across the Black Country, building on experience from the Growth HUB and encompassing an integrated offer across Start-ups; strategic companies; SME growth; and Inward Investment, that is the Business Support Ecosystem.

The key components of the new model and structured support around the business customer were detailed: -

- Start Ups – would be delivered on a “one to many” approach, through workshops supported by mentoring and referrals to specialist start up programmes;
- Strategic Companies – improved proactive relationship management, to ensure these companies are offered the correct support to facilitate growth and ensure they are developing and supporting local supply chains;
- SMEs seeking 121 support – development of the core Growth Model based on account management and enhanced by the European Regional Development Fund (ERDF) funded Advice Investment and Market Development in the Black Country (AIM) for the Black Country Programme and continued support from BIS.

- Inward Investment – awareness raising of the Black Country, as an investment location through targeted campaigns and proposition development.

The meeting was advised that funding had been secured from BIS for the next two years, with the Black Country receiving £328 000 in each of the next financial years. Reference was made to an additional but complimentary proposal to the AIM Bid, comprising of supporting the management and coordination of delivery; detailed gathering of robust intelligence to inform future work; enhance engagement activity to attract more businesses; and further develop the approach to supply chain initiatives. The proposal amounted to £328 000 and had been approved by BIS.

In regard to the ERDF bid, it was noted that the Department for the Communities and Local Government (DCLG) had not yet approved the bid and partners were currently spending at risk. The meeting was advised that work was ongoing with the DCLG to expedite the bid.

The Board were advised that the governance arrangements of the Ecosystem would be the Black Country Joint Committee providing political direction and governance of external funding support for the Ecosystem. Whilst the BCLEP Business Competitiveness Advisory Board role would be to ensure the development of the Ecosystem and the monitoring of performance was business led.

Agreed that the Board note the update.

66/16 **Growing Priority Sectors Regional Growth Fund**

The Board considered the following applications for Growing Priority Sectors funding, LGF funding and considered the revised scoring system for Growing Priority Sectors, as detailed in the report: -

- a) Project to consolidate 3 sites into a single new build - Intralox Ltd., £333,394 in 2016/17 – Intralox Ltd. were seeking support to fund the consolidation of their operation into one site, preventing the loss of jobs to an alternative offshore facility and following a period of stabilisation growth of 30 jobs over the next five years.
- b) Black Country Elite Centre for Manufacturing – University of Wolverhampton, £440,000 in 2016/17 – additional funding required to deal with challenges which had resulted from

- investigations of the ground conditions at Thomas Dudley Foundry at Dudley Port, the proposed site of the Centre “spoke”;
- c) The summary of the revised scoring system for Growing Priority Sector funding were: - the score of the “grant as a % of capital spend” had been removed as this favoured large companies over small; a score for “Cost per Job” to be included; to be combined with the “Average Salary” score so applications would have to offer both if they were to achieve a viable score; and the score for “project involves expenditure on R&D” to be removed and replaced by a score for “project involves product, market or service innovation”.

Agreed: -

- 1) That the Board approve the recommendations of the Funding Applications Sub-Group, as detailed in the minutes of their meeting held on 11th April 2016; and
- 2) That the Board approve the new scoring system for Growing Priority Sector funding applications.

(In addition to the declarations of interest made at Minute 53/16, Professor Geoff Layer declared a pecuniary interest in Minute No. 66/16 a), as an employee of the University of Wolverhampton and took no part in the voting or consideration thereon.)

67/16 **Draft Minutes of the Employment and Skills (People) Advisory Board**

The Board received the draft minutes of the Employment and Skills (People) Advisory Board held on 5th April 2016.

Agreed that the minutes of the meeting of the Advisory Board held on 5th April 2016 be received and its recommendations confirmed.

68/16 **Area Based Review**

The Board were advised of the initial work that had been undertaken in drawing up the Evidence to Support the Area Based Review document, which had been circulated separately to the Agenda and advised that the first scheduled meeting would be held on Friday 29th April 2016.

Councillor Moore referenced the Ministerial guidance regarding elected Member involvement in the Area Based Review and he was advised

that this would be considered at the meeting on Friday, as there was a need to identify the right political engagement model.

Agreed that the Board note progress to date.

69/16 **Draft Minutes of the Place Making and Land Theme Advisory Board**

The Board noted that as the meeting had been held on 21st April 2016, there had not been sufficient time to confirm and approve the minutes for submission to the Board and, it was

Agreed that the minutes be circulated to the Board prior to the next meeting.

70/16 **Brownfield Centre of Excellence Board Draft Terms of Reference**

The Board was advised that, at the Place Making & Land Theme Advisory Board, the Terms of Reference were submitted and members asked to provide comments to the Chair of the Advisory Board. To date no comments had been received.

Reference was made to the recruitment of a Professorship of Brownfield Sites based at Springfield Brewery site and Professor Geoff Layer advised that the University did not distinguish between UK based applicants and overseas applicants.

Agreed that the Board approve the Terms of Reference for the Brownfield Centre of Excellence Board.

71/16 **PR and Communications Update**

The Board received the regular update on PR activity since the last meeting. Members noted the arrangements for the stakeholder event on 11th May 2016 and that 190 had confirmed attendance. Members noted the other updates and particular reference was made to the media coverage generated by MIMPIM that in part had contributed to an advertising equivalent of £281,921.40 coverage during March.

Agreed that the Board note the report.

72/16 **Black Country LEP Assurance Framework**

The Board received the revised Assurance Framework and were advised that the following to review by the National Audit Office of Assurance Frameworks, BIS Local had conducted their own audit and recommended the following changes: -

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- a) Declaration of Interest forms – these are currently available on BCLEP website via a link within individual Board Member’s profiles – BIS asked that these be in one place on the site for the interests so they have been consolidated on a spreadsheet which has now been uploaded to the site;
- b) Requirement to include a named officer with overall responsibility for scrutiny of business cases – the document has been amended to provide that the Accountable Sarah Middleton would take this responsibility;
- c) Clarify responsibility for resolving conflict between Accountable Body/LEP – it is proposed to insert the following paragraph into Section 4 of the document (Accountable Decision Making): -

“ 4.7 The Decision Making Process

The role and purpose of the Accountable Body is set out at paragraph 4.1 above the procedures and requirements of the Accountable Body and Joint Committee are set out in the Collaborative Agreement (Appendix 12) and the terms of reference at Appendices 9-11. The objectives and purpose of the LEP are set out at paragraph 4.3 above. Conflicts between the Joint Committee and the LEP in relation to the matters considered under the Framework will be dealt with in accordance with paragraph 17 of the Collaboration Agreement.”

It was noted that these changes had been incorporated and confirmation had been submitted by the Accountable Body to the Cabinet Office.

Agreed that the Black Country LEP Assurance Framework, as revised, be approved and confirmed.

73/16 **Decisions of the Black Country Executive Joint Committee**

The Board received a record of decisions undertaken by the Black Country Executive Joint Committee, 17th March 2016.

Agreed that the Board note the decision taken by the Black Country Executive Joint Committee on 17th March 2016.

74/16 **Date of Future Meetings**

Stakeholders Meeting - 11th May 2016;
Black Country LEP - 16th May 2016.

(The meeting closed at 4.42 p.m.)