

Minutes of a Meeting of the Black Country Local Enterprise Partnership

19th September 2016 at 3.00p.m. at Midland Metro Depot, Potters Lane, Wednesbury

Present: Stewart Towe Chairman;
Andy Cox Cox & Plant;
Simon Eastwood Carillion plc;
Chris Handy Accord Group;
Ninder Johal Nachural Communications;
Cllr Roger Lawrence Wolverhampton CC;
Lowell Williams Dudley College;
Tom Westley Westley Group.

In Attendance: George Andrews Ansaldo NES (Chair of ESB)
Sarah Middleton Black Country Consortium Ltd;
Ben Ackroyd Midlands Metro;
Peter Adams Midlands Metro;
Rachel Goodwin Black Country Consortium Ltd;
Emma Gray Marketing Birmingham;
Wayne Langford Black Country Consortium Ltd;
Kim Rowlands BIS; and
Zoey West Walsall MBC.

Apologies: Paul Brown and Councillors Coughlan, Eling and Lowe.

107/16 **Midland Metro Presentation**

The Chairman agreed to a brief presentation on the work undertaken at the Midland Metro Depot and the future development plans for the Metro Network.

On a question relating to frequency, the meeting was advised that trams ran at 6 minute intervals at the peak. In order to facilitate short term growth there was a need for extra trams.

The Chairman queried the long term plan and advised that his Board needed to see a 20-year vision for integrated transport, linked to enterprise zones and other major developments. It was commented that there was a need to have connectivity with links to cycle routes, bus services etc.

On a question regarding the construction of a second depot, Peter Adams advised that it would be near to Line 1 on the Wednesbury/Brierley Hill route and a decision would be made in the next year. It was suggested that Wayne Langford and Peter Adams liaise over the future location of the second depot.

Agreed: -

- 1) That the update be noted; and
- 2) That Peter Adams and Wayne Langford liaise over the location of the second Midland Metro depot.

108/16 **Declarations of Interest**

Tom Westley declared an indirect, non-pecuniary interest in the Dudley College application (Minute No. 116/16) and reserved his right to speak and vote on the matter should he decide to do so.

Lowell Williams declared a direct and pecuniary interest in the Dudley College application (Minute No. 116/16) and took no part in the voting or consideration thereon

Ninder Johal and Tom Westley declared their indirect, non-pecuniary interest in the Area Based Review (Minute No. 120/16) and reserved his right to speak and vote on the matter should he decide to do so.

109/16 **Minutes**

The minutes of the meeting held on 18th July 2016 were circulated.

It was noted that Councillor Roger Lawrence, whilst in attendance, had appeared in both the attendance list and the apologies, which required amendment.

The Chairman provided an update on Minute 93/16 Policy Update – c) British Gas Support 2016 – update. He stated that a meeting had been held earlier that day regarding the ongoing redundancies at the British Gas call centre site in Oldbury. The meeting was advised that collaborative working had been undertaken by partners, particularly British Gas, Sandwell MBC and

JobCentre Plus to support the 684 employees and that 700 suitable roles had been identified. However, there were difficulties in finding similar roles for the senior managers at the site. The BC LEP had received a letter from the Minister with oversight for DWP; kept the local MP, John Spellar, updated and discussions were ongoing with the Chamber of Commerce and British Gas regarding further press releases.

Kim Rowlands added that the collaborative working had provided a good model which would be evaluated and that matching employees' skill sets with employers seeking to recruit had provided a positive outcome for many of the staff affected.

Agreed: -

- 1) that the minutes of the meeting held on 18th July 2016, subject to the amendment detailed above, be received and confirmed as a correct record; and
- 2) that the update on the support to British Gas employees based at Oldbury be noted.

110/16 **Policy Update**

The Board received an update on the following policy items: -

1. Self-sufficient local government: 100% Business Rates Retention Consultation Document

An extract of the consultation document was submitted which had relevance to the LEP Board, as it referenced a power for the Combined Authority Mayor to raise a 2p in the pound Infrastructure Levy for identified projects. The Government were "clear that the approval of the majority of business members of the LEP Board will be required in order for an Infrastructure Levy to be raised."

The Chairman commented that the BC LEP private sector Members primary involvement was to develop and support an economic plan to improve GVA across the Black Country. He stated that tax raising powers should remain the role of local and national government and it was not for LEP Members to approve or confirm such a levy.

The following additional comments were made: -

- The wrong metric was being used and corporation tax could be a route for additional tax raising powers but it was not a role for business involvement.
- Businesses had not been asked to agree the Apprenticeship tax levy and Board Members did not represent the wider business community.
- Infrastructure in an area was used by all thus why have an additional levy that would only fall on businesses.

2. Post Brexit Funding Gap for key EU backed projects set to cost £4.5BN a year

It was noted that the Government had confirmed that £4.5 billion a year would be available to plug the post-Brexit funding gap for key European Union backed projects that support scientists, farmers and infrastructure.

3. New Ministerial local growth champions appointed by Business and Energy Secretary

It was noted that Margot James MP was the appointed local growth champion for the Black Country LEP.

4. Industrial Strategy

Sarah Middleton advised that the Black Country LEP was developing its' own offer and working with the West Midlands Combined Authority to see what this might mean at Midlands Engine level.

Tom Westley commented that there was no mention of Catapult Centres and this needed to be brought into Government thinking.

5. Proposals for new parliamentary constituency boundaries

It was noted that the proposal for the West Midlands would see a reduction of 59 MPs to 53 MPs and that in future constituencies must have an electorate no smaller than 71,031 and no larger than 78,507.

Agreed: -

- 1) That the Black Country LEP response on Self-sufficient local government: 100% Business Rates Retention Consultation Document, be a letter on the terms outlined in the above preamble;
- 2) That the four other updates be noted.

111/16

European Structural and Investment Fund Update

a) Letter from Chief Secretary to the Treasury to Secretary of State for Exiting the European Union

b) Letter from Director, European Programmes and Local Growth

Zoey West provided an update on the changing landscape for European Structural and Investment Fund (ESIF) and details of current funding allocations across the European Regional Development Fund (ERDF) and European Social Fund (ESF).

She advised that £63 million of funding was not apportioned and now all future projects were on hold. She stated that existing projects would need to be run well and adhere closely to agreed project timetables and spend criteria, to ensure there was no claw back of funding, as any underspends would not be re-committed.

With regard to funding calls previously planned for September 2016 and April 2017, she advised that these had been cancelled with the caveat that strategically important projects may be considered. However, there was no definition of what was strategically important.

The Chairman asked if there was a “bridge” between the former funding regime and the new funding regime and was advised that HM Treasury were involved.

It was asked what projects had been lost with the change to funding and the meeting was advised that in the Black Country stated that the Black Country did not have low carbon footprint projects, Research and Development Projects would have been better and stated that there were some waiting in the pipeline.

The meeting was advised that Dudley College was ready to deliver on Youth Employment and associated projects and they were encouraged to contact Zoey’s team who advised that any YEI projects would receive support from her team.

Sarah Middleton advised that the Board could write seeking clarity on the emerging National Industrial Strategy, highlighting that the West Midlands was at risk of losing significant investment funding. She stated that there was a need to work collaboratively to gain access to funding.

It was suggested that a cohort of West Midland LEPs could act as a delivery body and Zoey advised that these conversations would be held.

Agreed

- 1) that the LEP Board write to the relevant Minister requesting that the allocated funding remain to support future projects on the terms outlined above; and
- 2) that the contents of the report be noted;
- 3) that the contents of the two letters submitted be noted.

112/16 **Consultation – Make Your Mark**

Emma Gray, Marketing Birmingham, gave a presentation on the project timescale; the need for a shared brand across the West Midlands Combined Authority. She advised that Martin Reeves was the project sponsor and that “Make Your Mark” was the starting point, the budget was £40,000 and the timescale for the conclusion of the consultation was at the year end. She stated that an Advisory Group/Steering Board would be established to take the process forward.

It was commented that the agreed design would need to be: -

- a brand hierarchy, where existing organisations knew their place within that hierarchy;
- identifiable and agreed for what purposes it would be used;
- a simple design; and
- completed quickly.

It was noted that “Making Your Mark” was a national programme for schools and thus potential for confusion with the current suggested brand.

Agreed that the Board receive progress updates and information from the “Make Your Mark” Advisory Group.

113/16 **West Midlands Combined Authority Update – Strategic Economic Plan (SEP)– Performance Management Framework (PMF)**

Sarah Middleton presented the reported and highlighted work undertaken to produce the PMF to include economic, social, environmental and fiscal factors.

She stated that LEP Board Members had been invited to feed in their views.

Agreed: -

- 1) that the draft Performance Management Framework be supported; and
- 2) That the Board notes the ongoing work being undertaken by the CA SEP Board.

114/16 **West Midlands Combined Authority Update – General Update**

Councillor Roger Lawrence advised the meeting that the portfolios had all been appointed and highlighted the work of the Transportation portfolio.

Agreed that the update be noted.

115/16 **Meeting of the Chairmen of the West Midlands Local Enterprise Partnerships held on 11th August 2016**

The minutes of the meeting of the Chairmen of the West Midlands Local Enterprise Partnerships held on 11th August 2016 were submitted.

Agreed that the minutes of the meeting of the Chairmen of the West Midlands Local Enterprise Partnerships held on 11th August 2016 be noted.

116/16 **Black Country Strategic Economic Plan – Pipeline**

a) **Local Growth Fund Report**

The report was submitted and, it was

Agreed: -

That the LEP Board: -

- 1) note that 100% of the 2015/16 Competitive LGF awarded had now been claimed and paid;
- 2) note the latest Forecast slippage in the 2016/17 LGF Programme;
- 3) approve the following projects for LGF funding support in 2016/17: -
 - a) Brownfield Land and Housing Scheme, Dudley MBC - £2,846,000 total bid, with £440,000 in 2016/17;
 - b) Pensnett Estate extension, LCP Properties - £1,611,000;
 - c) Airfield Drive, Aldridge. The grantee for the scheme was changed to Kay Properties a sister company to ASK who had been the original joint applicant with Trebor - £370,993 total bid, with £66,823 in 2016/17 and £304,170 in 2017/18
 - d) Dudley College, Specialist equipment for High Value Manufacturing Sector skills - £104,400 in 2016/17;
 - e) Halesowen College, Creation for Access Centre - £700,000 in 2016/17;
 - f) Managing Short Trips – additional Walking and Cycling paths schemes bid of £1,433,700 from Centro/Canals and River Trust in 2016/17;
 - g) Walsall College – additional engineering equipment £149,000 in 2016/17;
- 4) approve LGF support for the following Site Investigations bids in 2016/17: -
 - a) Bourne Street, Coseley - The grantee for the scheme was changed to Real Homes One Ltd - £63,600; and
 - b) Wharf Approach, Aldridge, Walsall - £16,300;
 - c) Bull Street, West Bromwich - £59,000;
- 5) approve of Access Growth funding to complete the A459 Dudley Road/Coombs Road, Halesowen road scheme - £180,000 from the 2017/18 allocation
- 6) note that £100,000 approved from the 2015/16 development funding for the Wednesbury to Brierley Hill Metro Tranche 1 would be claimed against the 2016/17 programme due to delays with back to back contracts being in place;
- 7) Approve the change request form the Woods Lane Site Assembly, subject to: -
 - a) Receipt of the formal statement of reassurance as now set out;
 - b) Commitment to complete the spend of the remainder £5.14m (LGF Grant awarded) by 2020/21;
 - c) Sandwell MBC agreeing to underwrite any shortfall in business assists (number of enterprises receiving grant support) costs resulting from alternate use of the 900k Funds; and

- d) That the Council be recommended to employ additional consultancy expertise to evaluate the developer's proposal as the scheme develops.
- 8) To accelerate the existing LGF support for the Goscote Lane Housing Scheme, bringing forward £2,382,000 into 2016/17, and profiling the remaining years of LGF support within the overall £8,800,000 LGF Grant Award, subject to: -
- a) the revised delivery profile of housing units being confirmed by Walsall Housing Group with Phase 3 contractor; and
 - b) the endorsement of accelerated LGF being subject to the confirmation of the revised delivery of housing units.
- 9) note the continued development of the Black Country wide pipeline.

(Note: Tom Westley declared an indirect, non-pecuniary interest in the Dudley College application and reserved his right to speak and vote on the matter should he decide to do so.

Lowell Williams declared a direct and pecuniary interest in the Dudley College application and took no part in the voting or consideration thereon)

b) Local Growth Fund Programme Dashboards

Rachel Goodwin provided an update on the dashboards and highlighted: -

- Local Growth Fund 2015/16 had all now been claimed and paid.
- In-flight Current Financial Year detailed each scheme and the Finance Sub-Group had allocated £2.3 million spend this year.
- Pipeline – detailed £580 million of projects equating to 20,000 jobs and 14,000 houses.
- Growth Deal 3.

Agreed that the update be noted.

117/16 Minutes of the Funding Sub-Group dated 18th July 2016 and 14th September 2016

The Chair of the Funding Applications Sub-Group reported that the Sub-Board had met on 18th July 2016 and 14th September 2016 and had considered a number of applications for Local Growth Funding, the decisions for which were detailed at Minute 116/16.

Agreed that the minutes of the Funding Sub-Groups held on 18th July and 14th September 2016 respectively, to include all recommendations and associated conditions, be approved and confirmed as a correct record.

118/16 **British Business Bank (BBB) Midlands Engine Investment Fund (MEIF)**

Sarah Middleton provided an update on the MEIF and advised that the after initially proposing an investment strategy which the West Midlands cross-LEP Access to Finance group had considered varied too greatly from the original strategy, the Strategic Operations Board members agreed that a smaller equity fund be created on 17th August 2016. There was another variation proposed but following cross LEP intervention, notably from Greater Birmingham and Solihull LEP, BBB were back on track.

She stated that BBB had now submitted a report to the Industrial Development Advisory Board to agree the allocation of the legacy funds from Advantage West Midlands into the MEIF, as well as an application to the Department of Communities and Local Government for the European Structural Investment Fund.

Agreed that the update be noted.

119/16 **LEP Funding Report**

The Board received the report regarding LEP funding at the year-end 31st March 2016, and seeking authority from the LEP Board for Walsall MBC to continue to administer the LEP funds in 2016/17.

Agreed: -

That the Board: -

- 1) Approve the updated LEP expenditure and balances at 31st March 2016; and
- 2) Grant Walsall MBC permission to continue to administer LEP funds in 2016/17.

120/16 **Minutes of the meeting of the Employment and Skills (People) Advisory Board held on 12th July 2016**

The Minutes of the meeting of the Employment and Skills (People) Advisory Board held on 12th July 2016 were presented and the contents noted and endorsed.

a) **Area Based Review – Update**

Lowell Williams advised that the report had been completed but had not yet been signed off. He stated that the strength to the Further Education working in partnership across the Black Country had been welcomed.

He highlighted that whilst the majority of colleges would remain independent, Wolverhampton College had been granted a six month extension to consider options around historic debt reduction and Walsall College were seeking partnership/merger opportunities with South Staffordshire College.

Agreed that the update be noted.

b) **Careers Enterprise Advisers Service**

Deniece Gabriel advised that there were three Enterprise Co-ordinators working across the Black Country with the remit of working with businesses to identify, recruit and support Enterprise Advisers in local schools. She stated that research had shown where pupils had positive interactions with local business advisers, then they were less likely to be Not In Education, Employment or Training (NEET).

Agreed that the update be noted.

121/16 **Minutes of the Competitiveness Theme Advisory Board**

The Minutes of the meeting of the Competitiveness Theme Advisory Board held on 6th July 2016 were presented and the contents noted and endorsed.

122/16 **Minutes of the Place Making and Land Theme Advisory Board**

The Minutes of the meeting of the Place Making and Land Theme Advisory Board held on 23rd June 2016 were presented and the contents noted and endorsed.

123/16 **Enterprise Zone Update**

Sarah Middleton advised that as part of the Devo-deal the Brierley Hill Enterprise Zone had been submitted; the alignment of the Metro had been approved; in relation to i54, there were issues how to it would be funded; and in regard to the Darlaston site a time extension had been granted. She stated that these matters were all currently being pursued.

In regard to the Metro extensions, it was commented that there was a need to know the longer term view of where Hubs and interim stations would be located, so that LEP funding could be used to develop an integrated sub-structure.

The meeting was advised that in the October meeting the BC Director of Transport would attend and provide a comprehensive update on Transportation Strategy moving forward, to include the expansion of the railway network.

Agreed that the update be noted.

124/16 **Decisions of the Black Country Executive Joint Committee**

The Board received a record of decisions undertaken by the Black Country Executive Joint Committee, 7th September 2016.

Agreed that the decisions undertaken by the Black Country Executive Joint Committee on 7th September 2016 be noted.

125/16 **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.

It was commented that whilst the numbers of new followers on social media platforms was of interest it did not gauge engagement.

It was noted that for Board Members there would be an archive that could be accessed via the cloud and details of these would be communicated to Members prior to the October meeting.

126/16 **Date of Next Meeting**

24th October 2016 at 3.00 pm at Dudley College.

127/16 **Date of Meetings 2017**

It was noted that the proposed dates for the 2017 calendar, all to be held at 3.00pm unless otherwise indicated, were: -

23rd January

2nd March (8/8.30am – Annual Consultation event)

27th March

24th April

22nd May

19th June (12-5.00pm policy planning);

24th July

18th September

16th October

20th November

18th December (12-5.00pm policy planning).

(The meeting closed at 5.00 p.m.)