



**BLACK COUNTRY EXECUTIVE JOINT COMMITTEE**

**Wednesday 13 September 2017, 12.00pm**

**To Be Held at:**

**Dudley Council House**

**MINUTES**

**VOTING MEMBERS**

Councillor Patrick Harley, Dudley MBC  
Councillor Steve Eling, Sandwell MBC  
Councillor Sean Coughlan, Walsall MBC (Chair)  
Councillor Roger Lawrence, Wolverhampton CC

**NON VOTING MEMBERS**

Ninder Johal, Black Country LEP Board (sub)

**IN ATTENDANCE**

Jan Britton, Sandwell MBC  
Paul Sheehan, Walsall MBC (Secretary)  
Mark Taylor, Wolverhampton CC (sub)  
Sarah Middleton, The Black Country Consortium Ltd

**INVITED GUESTS**

Alan Lunt, Dudley MBC  
Simon Neilson, Walsall MBC  
Tim Johnson, Wolverhampton CC

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|----|---|
| 1. | <p><b><u>Apologies</u></b></p> <p>Stewart Towe, Black Country LEP Board<br/>Keith Ireland, City of Wolverhampton Council<br/>Sarah Norman, Dudley</p>   |
| 2. | <p><b><u>Notes of Previous Meeting held on 28 June 2017</u></b></p> <p><b>17/0061 It was resolved that:</b></p> <p>The notes of the meeting held on 28 June 2017 be confirmed as a true record.</p>   |
| 3. | <p><b><u>Matters Arising from the notes of the previous meeting</u></b></p> <p>None.</p>  |
| 4. | <p><b><u>Declarations of Interest</u></b></p> <p>None.</p>  |
| 5. | <p><b><u>Local Government (Access to Information) Act, 1985 (as amended):</u></b></p> <p>To agree that the public be excluded from the private session during consideration of the agenda items indicated for the reasons shown on the agenda.</p> <p>There are no items to be considered in private session.</p> |

6. **Black Country Local Growth Deal - Changes to the Growth Fund Programme - Updated Project Expenditure and Outputs Approval**

Sarah Middleton presented the report and advised that the report details the current position of the Growth Deal Projects, reflecting all changes to the Programme (Funding and Outputs) which have been considered and approved by the LEP Board and Joint Committee throughout the year, plus some additional changes that have been reported since the last Joint Committee meeting on 28<sup>th</sup> June 2017.

The 2016/17 Growth Deal support approved by BEIS was £46.30m (£37.15m LGF, £8.8m LTB, and 0.35m Retained DfT). The Baseline grant award position for 2016/17 started at £48.80m, however, to address anticipated slippage as evidenced by projects throughout the first year of the programme (2015/16), and to ensure full utilisation of the £46.30m, the LEP Board approved over programming of £5m on the total Growth Deal Funding award, resulting in £51.3m of potential programmed spend in 2016/17.

Throughout the year a range of additional Pipeline projects have been brought forward for LEP and Joint Committee approval, resulting in an additional £22.54m of projects being funded, with £10.03m allocated in 2016/17 to maintain the level of potential programmed spend.

**17/0062 It was resolved that the BCJC:**

approves the updated expenditure and output profiles for the Growth Deal projects as set out in **Attachment 1 of the report.**

7. **Black Country Local Growth Deal - Approval of Resources for Technical Advice Service**

Simon Neilson presented the report and advised that the Technical Advice Service for the LEP's Growth Deal programme is currently being provided by a specialist consultancy firm (Thomas Lister), funded through the Growth Deal. To ensure that we are receiving the most cost effective services that fully meets the requirements of the programme and complies with national and EU legislation (OJEU etc.), Walsall Council acting on behalf of the LEP is going to the market place through a competitive tendering process to procure the appropriate services for the remainder of the programme, through to 2021.

The services procured will be accessible by any of the four Black Country local authorities, as the specialist contractor will be accessible through a framework arrangement. Those accessing these services will be required to make payment in accordance with the terms and conditions agreed and the services accessed.

To ensure that the Technical Advice Service we are tendering for meets the requirements of the programme, the appropriate people assisted in the drafting of the tender document and scoping out the legal requirements, this included; The Black Country Place Group, the LEP's Programme Office and the Accountable Body.

**17/0063 It was resolved that the BCJC:**

- 2.1 approves the allocation of **£616,000 to Walsall Council** in its role as Accountable Body to support the **Technical Advice Service and Legal Support costs** for the Growth Deal as set out within the following table.

| Details                         | 2017/18   | 2018/19  | 2019/20  | 2020/21  | Total    |
|---------------------------------|-----------|----------|----------|----------|----------|
| LGF Specialist TA Support Costs | £120,000* | £125,000 | £135,000 | £120,000 | £500,000 |
| Legal Fees in Support           | £18,000   | £30,000  | £33,000  | £35,000  | £116,000 |

- 2.2 agree that the framework approach is utilised as part of the tendering process, so that all LEP programmes Accountable Bodies and the Programme Office have access to the appointed Technical Advice Service provider.
- 2.3 Support the appointment of specialist legal advice to assist the Accountable Body and Programme Office with the continued development of robust grant agreements.

8. **Black Country Local Growth Deal – Refurbishment of 203-204 Wolverhampton Street, Dudley - Grant Agreement Approval**

Tony Oakman referred to the report and advised that this is a request for grant support towards the £648,488 refurbishment of the 203/204 Wolverhampton Street in Dudley Town Centre Conservation Area. The project will deliver 342 sqm of refurbished commercial Floorspace (direct), safeguard 14 jobs (indirect), create 4 new jobs (indirect), and generate £460,000 of match funding from Dudley MBC and the Heritage Lottery Fund (direct). The refurbishment works will commence in the autumn of 2017 and complete during the spring of 2018. The property is classified as a 'heritage asset' as identified by the National Planning Policy Framework and is in very poor internal and external condition. The property is owned by Dudley MBC. After a lengthy marketing exercise, the Council has secured a forward sale of the refurbished building to a local recruitment company. The company requires new premises as their current lease within the town centre is due to expire in June 2018. Due to the limited supply of premises suitable for their business, they are considering relocation of their headquarters offices away from Dudley into Staffordshire, and Cannock is the preferred location. The Council therefore has the opportunity to retain 14 jobs within the town centre, create 4 new jobs, provide a business assist and deal with a long-term dilapidated building that blights this part of the Conservation Area.

The Council can generate approximately £260,000 from the sale of the property and £200,000 of Heritage Lottery Grant to support the works. However, due to the excessive costs of the repairs, the Council has an approximate shortfall of £188,488 on the funding package.

**17/0064 It was resolved that the BCJC:**

- 2.1 approves for the Accountable Body for the Growth Deal (Walsall Council) to proceed to a Grant Agreement with **Dudley Council to the value of £145,947** to deliver the Local Growth Fund (LGF) funded elements of Refurbishment of 203-204 Wolverhampton Street, Dudley project - with delivery to commence in the 2017/18 financial year.
- 2.2 This Grant Agreement is subject to the Contract conditions detailed in 3.6 of this report.

**9. Black Country Local Growth Deal – Growing Priority Sectors – Individual Project Decision – Drywall Steel Sections Limited, Cradley Heath – Approval to Move to Contracting**

- Jan Britton referred to the report requesting £102,385 for a £372,310 project to fund the purchase of a Convertible Profile Steel Framing Machine.
- In summary, Drywall Steel Sections Limited is requesting a maximum grant of £102,385 to help implement a £372,310 project at an intervention rate of 27%.
- Leverage £269,925 of Private Sector Funding
  - Create 14 new jobs (inc. 4 apprenticeships) by March 2019 at £7.3k per job and an average salary of £23.5k per annum.

**17/0065 It was resolved that the BCJC:**

- 2.1 approves Sandwell Council to move to contracting with **Drywall Steel Sections Limited, for a funding allocation of £102,385 from the Growing Priority Sectors programme of works** totalling £6.5m, to deliver the Local Growth Fund (LGF) funded elements of the Growing Priority Sectors Drywall Steel Sections Limited project - with delivery to commence in the 2017/18 financial year.

**10. Black Country Local Growth Deal – Growing Priority Sectors – Individual Project Decision – Strut Direct Ltd, Wednesbury – Approval to Move to Contracting**

- Jan Britton referred to the report requesting £94,262 for a £314,207 project to fund the purchase of an Injection Moulding Machine and a Rubber Vulcanising Machine.
- In summary, Strut Direct Ltd is requesting a maximum grant of £94,262 to help implement a £314,207 project at an intervention rate of 30%.
- Leverage £219,945 of Private Sector Funding
  - Create 10 new jobs by March 2022 at £9.4k per job and an average salary of £24k per annum.

**17/0066 It was resolved that the BCJC:**

- 2.1 approves Sandwell Council to move to contracting with **Strut Direct Limited, for a funding allocation of £94,262 from the Growing Priority Sectors programme of works** totalling £6.5m, to deliver the Local Growth Fund (LGF) funded elements of the Growing Priority Sectors Strut Direct Ltd project - with delivery to commence in the 2017/18 financial year.

11. **Black Country Local Growth Deal – Growing Priority Sectors – Individual Project Decision – Burcas Limited, Sandwell – Approval to Move to Contracting**

Jan Britton referred to the report requesting £125,000 for a £510,000 project to fund the purchase of CNC machines with special milling and turning capacity.

In summary, Burcas Limited is requesting a maximum grant of £125,000 to help implement a £510,000 project

- Leverage £385,000 of Private Sector Funding
- Create 15 new jobs (inc 1 apprenticeship) by March 2022

**17/0067 It was resolved that the BCJC:**

- 2.1 approves Sandwell Council to move to contracting with **Burcas Limited, for a funding allocation of £125,000 from the Growing Priority Sectors programme of works** totalling £6.5m, to deliver the Local Growth Fund (LGF) funded elements of the Growing Priority Sectors Burcas Limited project - with delivery to commence in the 2017/18 financial year.

12. **Black Country Local Growth Deal – Growing Priority Sectors – Individual Project Decision – Interplas Coatings Limited, Dudley – Approval to Move to Contracting**

Jan Britton referred to the report requesting £177,000 for a £885,000 project to support development and installation of a new UV line towards creating a world class coatings facility.

In summary:

- Interplas Ltd is requesting a maximum grant of £177,000 to help implement a £885,000 project
- Leverage £708,000 of Private Sector Funding
- Create 15 new jobs by March 2022
- Confirmation of match funding to successfully deliver this project

**17/0068 It was resolved that the BCJC:**

- 2.1 approves Sandwell Council to move to contracting with **Interplas Coatings Limited, for a funding allocation of £177,000 from the Growing Priority Sectors programme of works** totalling £6.5m, to deliver the Local Growth Fund (LGF) funded elements of the Growing Priority Sectors Interplas Coatings Limited project - with delivery to commence in the 2017/18 financial year.

13. **Black Country Land and Property Investment Fund – Appointment of Accountable Body**

Councillor Coughlan referred to the report and advised that a £53m facility to be made available to the Black Country LEP from 2017/18 be approved to deliver a remediation programme designed to deliver 1,600 houses, 1,800 jobs and 126,000 sqm of commercial floorspace. City of Wolverhampton Council are offering to act in the role of Accountable Body in line with their appropriate “accountable body” protocols which will be updated to reflect the requirements and processes of the Land & Property

Investment Fund.

**17/0069 It was resolved that the BCJC:**

- 2.1 approves the appointment of the City of Wolverhampton Council as Accountable Body for the Black Country Land and Property Investment Fund Programme on behalf of the BCLEP.
- 2.2 Notes that a future proposal will be submitted to the WMCA for a future bid of a minimum of £150m to support the BC wide Strategic Land & Property Investment Programme, subject to the success of the initial phase;
- 2.3 Notes that a member from the WMCA is to sit on the Funding Sub-Board of the Black Country LEP when Land & Property Investment Fund bids are being considered;
- 2.4 Notes the requirement for the WMCA branding to be displayed at the supported site;
- 2.5 Confirms the requirement for sites being supported to also display the BC LEP branding.

14.

**Black Country Land and Property Investment Fund – Commissioning Framework – Approval of the Commissioning Framework**

Councillor Coughlan referred to the report that advises WMCA Board on 17<sup>th</sup> March 2017 Approved an initial £53m facility for the Black Country “Land Fund” bid, against a range of Indicative schemes that supported delivery of a high volume of priority Outputs. It also confirmed drawdown of the balance of £97m would be dependent on the successful achievement of priority Outputs resulting from the initial £53m facility which is operational between 2017- 2021.

The Black Country “Land Fund” bid indicated it would allocate its resources across the three high level Priority Development propositions:

- I. Establishing High Value Manufacturing (HVM) Capital City
- II. Delivering Black Country Garden City
- III. Strategic Population Centres

These propositions have been translated into three main thematic priorities consistent with the above Priority Development Propositions.

- An articulated set of Eligibility criteria;
- City of Wolverhampton as the Accountable Body for the Investment Fund;
- Existing Growth Deal based PMO processes and criteria used for Evaluation will continue to underpin the consideration of future Scheme bids against the Investment Fund.

The Commissioning Framework (*Attachment 1*) was initially developed by the Black

Country Council Officer's Place Group and supplemented by Wolverhampton and Dudley Officers and the PMO.

**17/0070 It was resolved that the BCJC:**

- 2.1 approves the **Black Country Land and Property Investment Fund - Commissioning Framework.**
- 2.2 notes that, simultaneously it will be necessary to take the Black Country Land & Property Investment Fund - Commissioning Framework through the various layers of Approval at the WMCA. This will provide assurance to WMCA members that the Black Country are clear in how they want to manage and apply the Fund and the Outputs they are targeting

**15. Black Country Land and Property Investment Fund – Music Institute – Cable Plaza Site – Grant Agreement Approval**

Tony Oakman referred to the report and advised that the Music Institute project includes the purchase and refurbishment of an existing building - Cable Plaza (currently owned by INTU and unoccupied for circa eight years), and the construction of new high quality student accommodation which has the potential to unlock an investment opportunity of approximately £37m. This application relates to the purchase and renovation of Cable Plaza.

The facilities at the new centre will include teaching and rehearsal rooms, performance venue, recording and production studios, a radio station, lecture theatre, library, computer suite and cafeteria.

A subsequent phase will see delivery of Student accommodation which will cost approximately £27m to construct and will deliver up to 600 units. Financial leverage for the student accommodation is likely to be significant, delivering substantial outputs in addition to skills, brownfield land development and employment. Funding will be sought through a private developer/management company. Delivery may start during 2018/19.

**17/0071 Following the West Midlands combined Authority decision on Friday 8 September 2017 to amend its scope and range of investment to include property investment, it was resolved that the BCJC:**

- 2.1 approves the Accountable Body for the Black Country Land and Property Investment Fund (City of Wolverhampton Council) to proceed to a Grant Agreement with **BICMP Limited to the value of £7,159,551** to deliver the Land and Property Investment Fund funded elements of the Music Institute - Cable Plaza Site project - with delivery to commence in the 2017/18 financial year.
- 2.1 This Grant Agreement is subject to the Conditions detailed in 3.9 of this report.