

BLACK COUNTRY JOINT COMMITTEE
Wednesday 26 March 2014

Black Country Strategic Economic Plan

**(Additional information as referenced in paragraph 3.6 of the
covering report Agenda Item 4)**

Black Country Local Growth Deal Project Priorities 2015/16

1. Summary

- 1.1 This report includes summary details of the 16 priority projects, including 4 transport schemes, approved by the Black Country Local Enterprise Partnership to be included in the 2015/16 Strategic Economic Plan. These projects are requesting funds from the Government's Single Growth Fund in 2015/16 of £56.32M and will provide total investment of £500M over the period of the Growth Fund up to 2021. Summary details are shown in the tables below:

1.2 Overview of Funding

16 Priority Projects	2015-16 £M	All years 2015-21 £M
Growth Fund Financial Asks	£56.32m	£124.91m
Other Public Funding investments aligned;	£44.07m	£81.70m
Private Sector investments aligned;	£102.10m	£288.40m
Black Country pre-allocation from transport majors;	£5.30m	£8.90m
	£207.80M	£503.91M

1.3 Overview of Outputs

2015-16	All years 2015-21
5,481 new jobs	10,117 new jobs
200 new private homes	1,640 new private homes
1,883 additional businesses helped to grow	4,040 additional businesses helped to grow
1,479 additional learners supported	7,529 additional learners supported

2.0 Financial Growth Fund Asks

2.1 The table below sets out the Black Country call on the single local growth fund for 2015-16 to 2020/21:

		2015/16 Outputs											Total			
		Jobs	Houses	Business assists	Learner Assists	2015/16 £M	2016/17 £M	2017/18 £M	2018/19 £M	2019/20 £M	2020/21 £M	Total £M	Jobs	Houses	Business assists	Learner Assists
All	BCLGF (Pre-Committed)	5,481	200	1,883	1,479	£5.30	£3.60	£0.00	£0.00	£0.00	£0.00	£8.90	10,117	1,640	4,040	7,529
	BCLGF (Competitive)					£56.32	£32.72	£25.05	£4.50	£6.32	£0.00	£124.91				
	Other Public Source					£44.07	£25.82	£11.72	£0.10	£0.00	£0.00	£81.70				
	Private (own funds)					£72.42	£14.27	£7.98	£0.28	£0.00	£0.00	£94.95				
	Private (3rd party)					£29.69	£35.48	£47.08	£39.97	£26.97	£14.27	£193.45				
	Total					£207.80	£111.89	£91.83	£44.84	£33.28	£14.27	£503.91				

2.2 The 12 priority projects (not including Transport projects) are set out below:

SEP Programme	Project Title - Delivery Organisation (DO) - Project Sponsor (PS)	Project Description	2015-16 Local Growth Fund Ask	2016-21 Future Year Local Growth Fund Ask	Total Investments
B1 – Developing a Supply Chain fit to supply	Growing Priority Sector Regional Growth Fund DO - Black Country Consortium PS - Nick Bubalo	Providing Access to Finance via a Regional Growth Fund to Grow our Priority Sectors via capital investment in plant, machinery & property. A £15m fund will be available over 3 years, leveraging in over £40m of private sector investment and generating 1500 jobs.	£5,000,000	£10,000,000	£55,500,000

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SEP Programme	Project Title - Delivery Organisation (DO) - Project Sponsor (PS)	Project Description	2015-16 Local Growth Fund Ask	2016-21 Future Year Local Growth Fund Ask	Total Investments
P2. Skills Capital	Advanced Science, Engineering & Technology at Halesowen College DO - Halesowen College PS - Keith Bate	£3m investment in a New Advanced Science, Engineering and Technology Skills Centre based at Coombs Wood Business Park to up skill the local population in science, technology and engineering to advanced and higher levels to meet the needs of employers. Providing 250 higher levels apprenticeships in higher level IT, laboratory technician, electrical engineering and business/accounts. The new centre will work a range of leading companies including Exova, Eurofins Scientific and Sterling Power Group who will provide the practical training facilities.	£1,059,000	n/a	£5,300,000
P2. Skills Capital	Dudley Advance Phase 2: Centre for Advanced Building Technologies & Construction Skills (CABTech) DO - Dudley College PS - Lowell Williams	State of the art new Centre for Advanced Building Technologies & Construction Skills comprising approximately 4,427m ² of new teaching and workshop facilities to complete the £48m investment in Dudley Advance. Leading in Building Information Modelling the centre will up skill over 3,250 people in the first 5 years and ensure the sector is ready for the opportunities from High Speed 2.	£7,384,000	£1,295,000	£49,770,000
PL3. Housing	Goscote Lane Corridor DO - Walsall Housing Group/Walsall MBC PS - Simon Neilson	Investing £28m (£2.5m LGF ask in 2015/16) in a transformational programme to bring forward a residential development of 750 houses on three related vacant brownfield sites, totalling 21 hectares, within the Goscote Lane Corridor regeneration area in Blakenall, Walsall, accompanied by environmental and infrastructure improvements and stewardship scheme.	£2,500,000	£6,320,000	£28,400,000
PL1. Employment Sites & Premises	Bentley Lane remediation DO - Private Landowners/Walsall MBC PS - Simon Neilson	Creating 11ha of high quality employment land , this project is investing in a key industrial development location (Bentley Lane) to undertake on site remediation works (to assist in addressing a viability gap) and off site infrastructure (road improvements). The site has known developer interest from a locally based national operation planning significant business expansion. The net developable area is in the region of 400,000sq/ft plus, resulting in 800 jobs.	£8,800,000	N/a	£38,800,000
PL3. Housing	Regeneration of Bilston Centre DO - Wolverhampton CC PS - Tim Johnson	Delivering the Core Strategy and working with partners including the HCA and Wolverhampton City Council who have committed investment to provide further infrastructure and services and remediation to Bilston Urban Village site to facilitate the release of further viable residential and employment development sites including 580 houses .	£3,250,000	N/a	£54,660,000
B1 – Developing a Supply Chain fit to supply	The People’s Power Station Demonstrator and Catalyst DO – Encraft PS - Matthew Rhodes	A £3m project with funding from the Technology Strategy Board to launch The People’s Power Station and make the Black Country a national leader in the development and deployment of smart grid technologies, a global market growing at 30% a year across the EU and estimated to be worth £3-5Billion a year to UK companies by 2020. The project will provide grants to building owners to install smart control technologies and local energy storage systems, enabling the Black Country to create a critical mass of demand for smart grid technologies and services faster than other regions.	£500,000	N/a	£3,000,000

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SEP Programme	Project Title - Delivery Organisation (DO) - Project Sponsor (PS)	Project Description	2015-16 Local Growth Fund Ask	2016-21 Future Year Local Growth Fund Ask	Total Investments
PL4. Locally Distinctive Economies	Growing the City Centre Cultural & Business Events Offer DO - Wolverhampton CC PS - Keren Jones	An investment of £5m to support at £20 investment to transform Wolverhampton strategic centre. The project is a major refurbishment and extension of the Civic Halls, coupled with adaptations to the Grand Theatre, to enable the expansion of the Civic Halls offer as a multi-purpose leisure, entertainment, business conferencing and training venue, in order to meet demand and stimulate further economic development and investment in the city centre. The project will address the barriers to the growth and viability for both of these key venues in Wolverhampton City Centre. To ensure business continuity during building works, a temporary venue will be leased and improved, making the site more attractive for business and commercial development. The Civic Halls is a unique, national recognised venue in cultural and creative industry sector (Burns Owen Partnership Report for Wolverhampton City Council, 2013).	£5,000,000	£1,600,000	£20,020,000
Pl.3 Housing	Woods Lane Sandwell DO - Sandwell MBC PS- Nick Bubalo	£6m LGF investment to enable a new road junction to access development site for approximately 247 units , together with relocation of at least three manufacturing businesses, and environmental improvements to River Stour. This project will leverage in £30m of private sector funding and will assist the relocation of at least 3 local manufacturing businesses, safeguarding 56 existing jobs and creating 10 new jobs. It will regenerate 9.43 hectares of poor quality industrial land, and improve approximately 0.6km of the River Stour Corridor.	£1,961,000	£3,138,000	£35,630,000
P2. Skills Capital	Automotive & Engineering Centre & Building Technologies and Construction Centre at Birmingham Metropolitan College DO -Birmingham Met College PS - Julie Nugent	£14m (£6m LGF ask) to build and establish a world class training and education facility at the BMET Stourbridge Campus that will provide the programmes of learning and skills acquisition that the engineering, manufacturing and the automotive industries require in the Black Country. Training facilities will include Computer Integrated Manufacturing, CNC Machining, Welding and Toolmaking, Mechatronics, Transport Technologies and Automotive specialising in high value processes. Also to build a Building Technology and Construction Centre housing wet trade's utilities, plumbing and gas training and assessment centre.	£6,000,000	N/a	£15,200,000
B1. Developing a Supply Chain Fit to Supply	Science, Technology and Prototyping Centre DO - University of Wolverhampton PS - Nigel Babb	A new Science, Technology and Prototype Centre expanding the Wolverhampton Science Park facilities and extending the work of the Black Country Growth Factory and Caparo Innovation centre. The £10m centre will provide 2,839m ² of lettable high quality managed office space as well as dedicated and/or shared workspace and laboratory/testing space to facilitate prototype and R&D activity, supporting growth in the Black Country Enterprise Zone and the wider region.	£2,787,000	£2,088,000	£10,000,000
P2. Skills Capital	FAB KIT DO - Sandwell College, PTP Training, Comms PS - Scott Upton, Rob Colbourne, Colin Mills	£.5m Investment (£.18m LGF ask) in a range of high tech high value manufacturing capital equipment to meet the identified short term needs of Black Country businesses to meet growing demand and increase output. Equipment includes creation of a 'Fab Lab' to turn ideas into new products and prototypes by giving them access to a range of advanced digital manufacturing technology based on a Massachusetts Institute of Technology (MIT) model. Two training providers - Incomm and PTP will provide CNC machines and training currently required by Black Country businesses to enable them to grow.	£176,300	N/a	£525,000
		Total	£44.42m	£24.44M	£316.80M

2.3 Ranked Transport Projects by Deliverability

SEP Programme	Project Title - Delivery Organisation (DO) - Project Sponsor (PS)	Project Description	Outputs	2015-16 Local Growth Fund Ask		2016-21 Future Year Local Growth Fund Asks including Major Allocation as shown	Total Investments
				Majors Allocation £	Growth Fund £		
PL2. Infrastructure	Managing Short Trips - Centro - Sandeep Shingedi	Encompasses a range of improvements to walking and cycling routes across the Black Country to form an active travel network which links to key economic growth areas, such as Birmingham.	Increase in cycle mode share 1,146 jobs Leverage ESIF & LSTF revenue funding Improvements in environment		£1,500,000	£2,700,000	£8,800,000
PL2. Infrastructure	M6 Junction 10 (Transport Majors) - Walsall MBC - Matt Crowton	To improve the management of traffic flows at Junction 10 and minimise blocking back onto the Motorway local operator intervention by Walsall's Urban Traffic Control team is currently required to clear the slip roads. This scheme specifically looks to eliminate operator intervention by improving capacity and reducing delays.	£221 M of journey time benefits, Supports 2,012 new jobs at Enterprise Zone	£300,000	£1,400,000	£11.600,000	£40,000,000
PL2. Infrastructure	W'ton Interchange (Transport Majors) - Wolverhampton CC - Peter Taylor	The project will provide a fully integrated multi-modal transport hub. A new rail station building will be constructed and the multi-storey car park refurbished and extended. The Midland Metro system will be extended to serve the redeveloped railway station and recently completed bus station.	73,862 sq ft of office/retail / leisure floorspace; 278 Jobs New strategic gateway for City	£5,000,000	£4,500,000	£3,600,000 <i>(from the majors allocation)</i>	£120,300,000
PL2. Infrastructure	Access to Growth Fund - BC Director of Transport - Laura Shoaf	A series of transport schemes costing over £500,000 but less than £1,000,000. Will combine improvements to infrastructure, innovation and Sustainable Transport to support economic growth in the Black Country, previously funded via the ITB	15/16 first tranche: enabling works for 1,600 housing units, a 10 ha employment site; and 215,000 sq ft of B1 premises.		£4,500,000	£13,500,000	18,000,000
		TOTALS		£5,300,000	£11,900,000	£27,800,000 and £3,600,000 major allocation	£187,100,000

Medium Term Transport Projects (post 2016)

1. **A4101-** increasing capacity, reducing delay and improving connectivity from a key employment area to M5 J2 (2016-2018)
2. **M5 J2** - This scheme involves a major capacity improvement to the linked junctions of Birchley Island and the M5, J2, building on the Highways Agency scheme to widen the motorway 'off' slips as part of the Pinch Point Programme. (2016-2018)
3. **Snow Hill Lines** - This is a cross LEP supported scheme, which features in the HS2 connectivity package for the West Midlands. It includes the reinstatement of Platform 4 at Snow Hill Station (vacated by Birmingham City Centre Midland Metro extension) and a new turn back facility at Rowley Regis and is critical in ensuring the Black Country maximises the impact of HS2 investment. (2017-2019)
4. **M5 J1** – This scheme will carry out a major grade improvement to the junction, increasing the capacity of all approaches to the junction. It is a key link to the national network for West Bromwich, North Smethwick, and links to Birmingham and key Black Country centres (2018-2020)
5. **Aldridge Station/Electrification** – providing direct access to the rail network, linking the eastern part of the conurbation to key growth opportunities including HS2 (2018-2019)