



Black Country Executive Joint Committee
Dudley, Sandwell, Walsall and Wolverhampton

**REPORT OF THE CITY DEAL AND GROWTH DEAL ADVISORY BOARD
TO
BLACK COUNTRY EXECUTIVE JOINT COMMITTEE
ON
9 MARCH 2016**

**Black Country Local Growth Deal - GROWING PRIORITY SECTORS
Individual Project Decisions – Approval to move to Contracting**

Key Decision:	Yes
Forward Plan:	Yes

1. PURPOSE OF REPORT

- 1.1 To request that the Joint Committee approves a request from within the Local Growth Fund (LGF) Programme.
- 1.2 The request detailed in this report was endorsed by the Working Group and Advisory Board and received LEP Board approval on 26th January 2015.

2. RECOMMENDATIONS

- 2.1 That the Joint Committee grants the approval for Sandwell MBC to move to contracting with 3 companies to be awarded grant funding from the Growing Priority Sectors programme of works £6.5m 2015/16 allocation for delivery to commence in the 2015/16 financial year. Details of each individual project are detailed in this report.

3. REPORT DETAIL

- 3.1 On the 7th July 2014 the Black Country Local Enterprise Partnership (LEP) secured £138m from the Government's Local Growth Fund to support economic growth in the area. £24.35m of funding was confirmed for 2015/16 with approval for 14 projects submitted within the LEP's Strategic Economic Plan. Growing Priority Sectors was one of 14 projects approved to commence delivery in 2015/16 with an annual funding profile awarded of £2.0m for 3 consecutive years commencing April 2015–March 2018.
- 3.2 In January 2016 the Black Country Local Enterprise Partnership (LEP) agreed an expansion to its Growth Deal with the Government to enable an additional £23.9m of grant funding to be invested in the Black Country between 2016 and 2021. Growing Priority Sectors was one of the projects recognised in the expansion profile with £500k of top-up

funding allocated to the existing programme - with delivery commence in the 2016/17 financial year.

3.3 Current GPS Project Position

Currently applications are in progress as detailed in the table:

Stage	# applicants	Total Grant	2015/16	2016/17	2017/18
EOI approved	3	£450,000	£150,000	£250,000	£50,000
LEP Approved & DD Stage	11	£3,613,549	£1,431,381	£1,928,205	£253,963
LEP Approved & Contracted	7	£1,520,163	£1,027,279	£333,884	£159,000
Total Pipeline	21	£5,583,712	£2,608,660	£2,512,089	£462,963

Current Cashflow Forecast from GPS programme indicates £2.4m will be spent in 15/16, of which £1.1m will be spent in March 2016. Currently circa £600k has been claimed.

3.4 Schemes seeking Joint Committee approval for 2015/18 delivery

Rank	Company Name	Nature of investment	Total Grant Request	2015/16	2016/17	2017/18
1	Chamberlain & Hill	New machinery	£330,000	£99,000	£231,000	
2	Superior Sections	New building	£240,000	£187,000	£53,000	
3	Pascon	New building	£180,000	£163,935	£16,065	
	Total		£750,000	£449,935	£300,065	£0

4. FINANCIAL IMPLICATIONS

- 4.1 The costs associated with this development work and the delivery of the projects will be covered by allocations associated with this programme.

5. LEGAL IMPLICATIONS

- 5.1 The appropriate additional grant agreements are being prepared by the Accountable Body (Walsall Council) and will include all conditions passed onto the LEP by Government together with all terms, conditions, performance measures and sanctions as required by the approvals/conditions received from Government or approved by the LEP Board or the Joint committee.

6. RISK MANAGEMENT

- 6.1 A Risk Register is in use and risk is being managed through the on-going assessment of individual projects and their ability to deliver the required spending profiles and outcomes for the programme as required or agreed with Government and set into place by the LEP Board or the Joint Committee.

7. EQUALITY IMPLICATIONS

- 7.1 None at the time of drafting.

8. CONSULTATION

- 8.1 All Local Authorities were Consulted. There are no future plans for consultation.

Back Ground papers

None

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