



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

BLACK COUNTRY EXECUTIVE JOINT COMMITTEE

On Wednesday 1 February 2023 at 11:00am

To be held at Walsall College Hub, Littleton Street West, Walsall

MINUTES – PUBLIC (Draft)

MEMBERS - In person

Dudley MBC - Kevin O'Keefe

Sandwell MBC - Councillor Kerrie Carmichael (Voting), Kim Bromley-Derry

Walsall MBC – Councillor Mike Bird (Voting) (**Chair person**), Dr Helen Paterson
(**Secretary**)

City of Wolverhampton Council - Councillor Stephen Simkins (Voting), Tim Johnson

INVITED GUESTS – In person

The Black Country Consortium Ltd - Sarah Middleton

Dudley MBC - Helen Martin

Sandwell MBC - Tony McGovern

City of Wolverhampton Council - Richard Lawrence

Walsall MBC - Simon Neilson

Councillor Bird welcomed everyone to the meeting with voting members being present at Walsall College Hub. Councillor Bird confirmed that the meeting was quorate and that there were no members of the public viewing present in the meeting room.

1. Apologies

Councillor Ian Brookfield, City of Wolverhampton Council

Councillor Patrick Harley, Dudley Council

2. Notes of Meeting held on 19 October 2022

Decision 23/0001

Councillor Bird moved approval of the minutes of the meeting on 19 October 2022 which was seconded by Councillor Carmichael. The motion was subsequently declared carried and it was Resolved that the minutes of the meeting held on 19 October 2022 be confirmed as a true record.

3. Matters arising from the notes of the previous meeting

None.

4. Declarations of Interest

None.

5. Local Government (Access to Information) Act, 1985 (as amended): to agree that the public be excluded from the private session.

None.

**6. Land and Property Investment Fund
Dudley Brownfield Land Programme (2022)
Approval of Grant Agreement**

Sarah Middleton referred to the report previously circulated and explained it was to seek approval for funding to support the delivery of investment in brownfield land site. The Black County Local Enterprise Partnership (BCLEP) and funding sub group have supported the proposal. The Grant is to support the delivery of 52 new homes on a Council owned site. To support the viability gap. Excellent strategic fit. Outputs are 1.49hec of land to be remediated.

Decision 23/0002

Councillor Bird moved the recommendations that were put to the vote by way of a show of hands of BCJC members. The motion was subsequently declared carried and it was Resolved (unanimously) that the Joint Committee

Approve the Accountable Body for the Land and Property Investment Fund (Walsall Council) to proceed to **enter into a Grant Agreement with Dudley Council for £1,040,000** to deliver the Land and Property Investment Fund funded elements of the Dudley Brownfield Land Programme with delivery to commence in the 2023/24 financial year.

The Grant award is subject to the conditions detailed in 3.5 of the report.

**7. Land and Property Investment Fund
Stowheath Redevelopment for Housing
Approval of Grant Agreement**

Sarah Middleton referred to the report previously circulated and explained the request was for approval of £1m to support the delivery of site clearance and services to Stowheath landholding, which includes proposed works to a nearby highway, and delivery of 134 mixed tenure new homes. The site is 1.52hectare owned by the Council and part of a much bigger development.

City of Wolverhampton Council is investing £1.4m of funding at this important strategic location which also has an excellent strategic fit. There are a number of conditions that have been put in place by the Black Country Local Enterprise Board and additional conditions are outlined in 3.6 of the report.

Decision 23/0003

Councillor Bird moved the recommendations that were put to the vote by way of a show of hands of BCJC members. The motion was subsequently declared carried and it was Resolved (unanimously) that the Joint Committee

Approve the Accountable Body for the Land and Property Investment Fund (Walsall Council) to proceed to **enter into a Grant Agreement with Wolverhampton City Council for £1,000,000**, to deliver the Land and Property Investment Fund funded elements of the Stowheath Redevelopment for Housing project with delivery to commence in the 2023/24 financial year.

The Grant award is subject to the conditions detailed in 3.5 of this report.

8. Land and Property Investment Fund Willenhall Garden City – Phase 1 – (Moat Street and Villiers Street) Approval of Grant Agreement

Sarah Middleton referred to the report previously circulated and explained the grant is requested by Walsall Council and is a strategic project and long standing aspiration by the Council for it to be developed. The Council has outlined that public sector intervention is required to de-risk the Phase 1 site to enable delivery by the private sector. Phase 1 hopes to deliver 111 new homes but requires public sectors intervention. There are a series of conditions linked to secure the funding. Part of a larger development and has an excellent strategic fit.

Councillor Bird added that Levelling Up Fund has been confirmed for this project.

Councillor Simkins felt that it is really important to note how the levelling up fund can have real impact in the Black Country and felt that there should not be a need to compete against each other for this funding. Councillor Simkins welcomed the funding that Walsall have achieved and hopes that Wolverhampton will be successful in the future bidding rounds.

Councillor Bird felt that the Black Country as a region working together do achieve successful funding bids and we should try to work as a region. However, it is not always possible as the funding criteria set by the Government does not always allow this.

The Levelling Up Fund will improve our railway links and this will benefit Wolverhampton through the Willenhall to Wolverhampton corridor. Councillor Bird hoped that Wolverhampton would be successful in the next round of bidding.

Decision 23/0008

Councillor Bird moved the recommendations that were put to the vote by way of a show of hands of BCJC members. The motion was subsequently declared carried and it was Resolved (unanimously) that the Joint Committee

Approve for the Accountable Body for the Land and Property Investment Fund (Walsall Council) to proceed to **enter into an internal Grant Agreement with Walsall MBC for £3,200,000** to deliver the BC LEP funded elements of the Willenhall Garden City – Phase 1 (Moat Street and Villiers Street) with delivery to commence in the 2022/23 financial year.

The Grant award is subject to the conditions detailed in 3.6 of this report.

9. Delegated Authority Decision
Growing Places Fund
Dudley Zoo Visitor and Education Centre Development Phase
Grant Award Reduction

Simon Neilson referred to the report previously circulated and explained he is reporting about a Delegated Authority decision he took as Chair of the Working Group. This was for a very minor change on this project to reduce previously agreed Grant Award by £5,000 and also a reduction of £5,000 of Match funds due to an administrative error.

Decision 23/0005

Councillor Bird moved the recommendations that were put to the vote by way of a show of hands of BCJC members. The motion was subsequently declared carried and it was Resolved (unanimously) that the Joint Committee

Note that the Executive Director for Economy, Environment and Communities within Walsall Council in his role of the Chair of the Working Group has used his Delegated Authority to approve the Accountable Body for the Growing Places Fund (Walsall Council) to proceed **to amending the Grant Agreement with the Dudley and West Midlands Zoological Society Ltd**, to deliver the Growing Places Fund (GPF) funded elements of the Dudley Zoo Visitor and Education Centre Development Phase project.

The Amendment is a **reduction of £5,000 of Grant Award and a reduction of £5,000 of Match Funds** due to an administrative error.

10. Black Country Growth Hub
Growth Hub Funding 2022/23
Approval of Grant Agreement

Sarah Middleton referred to the report previously circulated and explained this report is for noting that the Accountable Body (Walsall Council) has entered into a Grant Agreement with the Black Country Consortium Ltd to deliver the Black Country Growth Hub Funding for 2022/23.

The Black Country Growth Hub is a partnership made up of Dudley Council, Sandwell Council, Walsall Council, City of Wolverhampton Council, the Black Country Chamber of Commerce, BCC Ltd and the University of Wolverhampton.

Growth Hubs are local public/private sector partnerships which join up national and local business support, so it is easy for businesses to find the help they need.

Decision 23/0010

Councillor Bird moved the recommendations that were put to the vote by way of a show of hands of BCJC members. The motion was subsequently declared carried and it was Resolved (unanimously) that the Joint Committee note that the Accountable Body for the Growth Deal (Walsall Council) has received Walsall Council's Cabinet approval to **proceed with a Grant Agreement with a value of £231,000, with the Black Country Consortium Ltd** to deliver the Black Country Growth Hub Funding for 2022/2023.

The meeting closed.



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

REPORT OF THE SECRETARY TO BLACK COUNTRY EXECUTIVE JOINT COMMITTEE ON WEDNESDAY 21 JUNE 2023

CONSTITUTION AND TIMETABLE OF MEETINGS 2023/24

Key Decision:	Yes
Forward Plan:	Yes

1. PURPOSE OF REPORT

- 1.1 The report sets out the amendments required to be made to the Constitution of the Black Country Executive Joint Committee and its Protocols following amendments to the Black Country Executive Joint Committee Collaboration Agreement following the abolition of the Black Country Local Enterprise Partnership (BCLEP) on 31 March 2023 and the voluntary winding down of Black Country Consortium Ltd (BCC Ltd).
- 1.2 The report includes the Forward Plan publication dates and the timetable of meetings to be adopted for the municipal year 2023/24.

2. RECOMMENDATIONS

The Black Country Executive Joint Committee is requested to:

- 2.1 Note the amendments made to its Constitution (**Appendix A**) and Protocols (**Appendix B**).
- 2.2 Approve the Forward Plan publication dates for 2023/24 as set out in **Appendix C** of the report.
- 2.3 Approve the Timetable of meetings for 2023/24 as set out in **Appendix D** of the report.

3. REPORT DETAIL

3.1 Constitution

- (a) As noted in the Collaboration Agreement report elsewhere on this meeting's agenda, the February 2022 Levelling Up White Paper signalled a shift in policy direction from Government, requiring the functions of Local Enterprise Partnerships to be transferred into Combined Authorities. Before its closure on 31 March 2023, the Black Country Local Enterprise Partnership (BC LEP) was working with the West Midlands Combined Authority (WMCA) to develop an integration plan, to transfer their functions.
- (b) The Collaboration Agreement has been updated to reflect the integration plan, and formalise arrangements for continued Black Country ways of working. The Constitution has therefore been updated to reflect these changes. Those items removed and any text added is indicated with highlighting on the attached document (Appendix A)
- (c) Due to the closure of the BC LEP, the Black Country Consortium Ltd will no longer be a signatory to the Collaboration Agreement and therefore all references to the BC LEP and the Black Country Consortium Ltd have been removed from the Constitution.
- (d) All references to the City Deal, Growth Deal, Combined Authority and funds secured by the BC LEP have been removed and replaced with the Black Country Local Enterprise Partnership Legacy Funds.
- (e) The Annex C Delegation has also been updated to simplify the Delegation being to the Chairperson of the Heads of Regeneration Working Group and removing the specific reference to the Executive Director for Economy, Environment & Communities at Walsall Council.
- (f) Formatting improvements have also been made to the Constitution to ensure it meets with the Accessibility requirements for published documents.

3.2 Protocols for the management of Black Country Executive Joint Committee Business

The working protocols for the management of the Black Country Executive Joint Committee business (Appendix B) have been amended by the Secretariat to ensure they reflect the changes to the Constitution and the smooth running of the Committee.

3.3 Timetable 2023/24

The draft timetable which is recommended for approval is attached as Appendix D. Leaders and Chief Executives offices have been consulted in its preparation.

4. FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

5. LEGAL IMPLICATIONS

There are no legal implications associated with this report.

6. RISK MANAGEMENT

There are no Risk implications associated with this report.

7. EQUALITY IMPLICATIONS

There are no Equality implications associated with this report.

8. CONSULTATION

Chief Executives and Directors of Regeneration from the four Black Country authorities have been consulted during the preparation of this report.

Back Ground papers

None.

Attachments

- Appendix A – BCJC Constitution
- Appendix B - BCJC Protocols
- Appendix C – BCJC Forward Plan Publication Dates 2023/24
- Appendix D – BCJC Timetable of Meetings 2023/24

Contact Officer & Author

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

BLACK COUNTRY EXECUTIVE JOINT COMMITTEE CONSTITUTION

Adopted on 26 March 2014

And updated in June 2023

1. Establishment

Dudley MBC, Sandwell MBC, Walsall MBC and Wolverhampton City Council established an Executive Joint Committee known as the Black Country Executive Joint Committee (BCJC) for the purpose of discharging the functions mentioned in Annex A. The BCJC is a joint committee of the Executive for the purposes of Part VI of the Local Government Act 1972 and Part I Chapter 2 of the Local Government Act 2000 and the provisions of thereof that are applicable to Joint Committees of the Executive shall apply to the BCJC.

2. Membership, voting and quorum

- 2.1 The BCJC shall comprise four members, each Council being entitled to appoint one voting member who shall be a member of the Councils Cabinet making the appointment. In the event of a voting member of the BCJC ceasing to be a member of the Council which appointed him/her, the Council shall forthwith appoint another voting member in his/her place. Only a voting member is entitled to be elected as Chair or Vice-Chair of the BCJC.
- 2.2 Each Council may appoint members of its Executive as substitute for the voting members appointed under (i) above to attend meetings of the BCJC and its sub-committees in the absence for any reason of the voting members or observer members. The substitute voting members or observer members shall be treated in all respects if they were appointed under (i) above as the case may be. The Secretary for the Committee shall be informed prior to the commencement of the meeting of the names of the substitute members.
- 2.3 Three voting members of the BCJC shall constitute a quorum. Except as otherwise provided by statute, all questions shall be decided by a majority of the

votes of the voting members present, the Chair having the casting vote in addition to his/her vote as a member of the BCJC.

2.4 For the avoidance of doubt and subject to there being no changes to the law on this issue, where a Council is operating Executive arrangements pursuant to the Local Government Act 2000 (and any regulations made under it), it will be a matter for the Executive of the Council to appoint any voting member, or substitute member of the Committee as long as that member is a member of the appointing Councils Cabinet.

2.5 That the relevant Standing Orders for BCJC are those of Walsall Metropolitan Borough Council.

~~The Chairman of the Black Country Local Enterprise Partnership shall be an ex officio member of the BCJC on matters relating to City Deal, Growth Deal, Combined Authority and the funds secured by the Black Country Local Enterprise Partnership. Ex officio members may speak at meetings of the BCJC but not vote.~~

3. Chairperson

The BCJC shall at its Annual Meeting, elect a Chair and Vice-Chair from among its voting members or chose to adopt for that year to have a rolling Chair and Vice Chair being upon rotation. In the event of both being absent from the meeting, the Chair and Vice-Chair for whatever reason, the BCJC shall elect a Chair from amongst the voting members present for that meeting but shall not count for purposes of rotation.

4. Secretariat

4.1 The BCJC Secretary and such other officers as may be deemed necessary for the due conduct of the business of the BCJC shall be Walsall Metropolitan Borough Council.

4.2 The Secretary shall be responsible for collating, preparing and publishing (in accordance with Access to Information requirements) the Forward Plan, the Agenda, reports, decision notices and minutes as appropriate.

5. Frequency of the Committee meetings

5.1 Meetings of the BCJC shall be held at the date, time and place agreed at the AGM and published by the Secretary of the BCJC following the AGM unless otherwise directed by the BCJC.

5.2 The BCJC shall meet as agreed at its AGM.

- 5.3 However a meeting of the BCJC may be convened at any time by the Secretary in consultation with the Chair for the meeting.
- 5.4 A meeting of the BCJC must also be convened by the Chair within 28 days of the receipt of a requisition of any two voting members of the BCJC addressed to the Secretary of the Committee. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting.
- 5.5 The BCJC shall from time to time make such standing orders for the carrying on of the business of the BCJC as the BCJC shall deem necessary and or desirable.

6. Bringing reports to the Committee meetings

- 6.1 ~~The Head of the Programme Management Office at the Black Country Consortium Ltd~~ **The Single Accountable Body** will be responsible for **transferring the Heads of Regeneration Working Group reports to the Joint Committee report templates once they are approved,** ~~writing reports to the BCJC from the Heads of Regeneration Working Group~~ in the format provided for in the BCJC Protocols document.
- 6.2 All other reports from any subcommittee and or Council will also take the form as set out in BCJC Protocols document.
- 6.3 ~~The Head of the Programme Management or their representative from the SAB Office at the Black Country Consortium Ltd, supported by the relevant Head of Regeneration/~~ **Senior Project Officer supported by the relevant Senior Responsible Officer/Head of Regeneration from the Local Authority,** will present reports regarding funding at meetings of the BCJC on matters relating to **BC LEP Legacy Funds.** ~~City Deal, Growth Deal, Combined Authority and the funds secured by the Black Country Local Enterprise Partnership.~~

7. Delegations

- 7.1 The BCJC (as could a Cabinet) can delegate authority, but the law restricts that delegation only to officers of the four Local Authorities not any other persons. **Annex B** lists delegations to officers.
- 7.2 The BCJC shall from time to time appoint such sub-committees and Advisory Boards to consider and deal with any of the functions of the BCJC as may be thought desirable.

Functions of the Black Country Executive Joint Committee

1. To receive reports from the Heads of Regeneration Working Group and any Sub Committee of the Black Country Executive Joint Committee (BCJC) or Advisory Board of the BCJC.
2. At any time review and agree proposed changes to the Functions of the BCJC, and seek approval of the same from the four Council Executives of the Black Country authorities.
3. To agree and approve any proposed governance and or reporting structure that the BCJC sees fit.
4. In relation to the **Black Country Local Enterprise Partnership Legacy Funds** ~~City Deal, Growth Deal, Combined Authority and funds secured by the Black Country Local Enterprise Partnership:~~
 - 4.1 To act as a strategic body; setting and reviewing objectives for strategic investment across the Black Country, including;
 - a. Providing a coherent single position on the major strategic **matters in relation to the Black Country Local Enterprise Partnership Legacy funds.** ~~City Deal, Growth Deal, Combined Authority matters and in relation to the funds secured by the Black Country Local Enterprise Partnership;~~
 - b. Agreeing allocation of spending;
 - c. Agreeing major priorities;
 - d. Consider and agree recommendations made by the Heads of Regeneration Working Group and any Sub Committee or Advisory Board of the BCJC;
 - e. Refer recommendations received back from the Heads of Regeneration Working Group and any Sub Committee or Advisory Board of the BCJC for further consideration as and when minded in the first instance to not follow recommendations at all or to materially change the substance of the decision except in the case of genuine urgency requiring a decision to be made at that time;
 - 4.2 Agreeing Lead and or (Single) Accountable Body status for a body or organisation;

Annex A
Terms of Reference

- 4.3 Agree, review and amend options at any time for any Sub Committee or Advisory Board of the BCJC governance which is fit for purpose;
- 4.4 Influence and align government investment in order to boost economic growth;
- 4.5 Have regard to the duty to cooperate and BCJC's overall function as set out above;
- 4.6 To ensure alignment between decision making on **all BC LEP Legacy Funds** ~~City Deal, Growth Deal, Combined Authority and funds secured by the Black Country Local Enterprise Partnership~~ and decisions on other areas of policy such as land use, transportation, economic development and wider regeneration;
- 4.7 Co-ordinate and align decision making on transport with the Black Country ~~Local Enterprise Partnership~~ ensuring that business views are taken on board and that ~~Black Country Local Enterprise Partnership~~ growth plans are reflected in strategic priorities;
- 4.8 Deciding on capital expenditure programmes and ensuring policy and programmes are delivered effectively through partners;

**Delegation of Authority to the
Chair of the Heads of Regeneration Working Group**

Pursuant to Item 3 in the Constitution, on 17 June 2015 the Black Country Executive Joint Committee (BCJC) approved the Delegation of Authority to the Executive Director for Economy, Environment and Communities within Walsall Council in his role as Chair of the Heads of Regeneration Working Group. On 21 June 2023 the Delegation was amended and simplified to reflect a change to the Chair of the Working Group. The Chair of the Heads of Regeneration Working Group

1. Deploy a Change Control process to "in-flight" projects previously approved by the Black Country Local Enterprise Partnership Board and the BCJC within a clearly stated range of Project Tolerances, allowing:

- 1.1 the approval of changes up to a maximum of 10% of individual grant value or up to £300,000 whichever is lower (all grant changes excluding year-end);
- 1.2 that changes of between 0 and 5% are to be considered as re-forecasting and do not need to be reported to the ~~Black Country Local Enterprise Partnership Board or the~~ BCJC until the final report on changes to the programme is presented to the BCJC ~~in June each year;~~

It is however understood that :

- 1.3 ~~the overall combined effect of the above changes must not exceed 10% of the annual approved Local Growth Fund grant value;~~
- 1.4 "in-flight" Change Control decisions taken under Delegated Authority by the Chair of the Working Group must be made in consultation with the Single Accountable Body Section 151 Officer ~~and with the Black Country Consortium Ltd Chief Executive only.~~
- 1.5 the Chair of the Working Group must report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting [published on the BCJC website](#)

2. Deploy a Change Control process to projects at Year-End for projects previously approved by the Black Country Local Enterprise Partnership Board and the BCJC within a clearly stated range of Project Tolerances, allowing:

- 2.1 the approval of changes up to a maximum of 15% of individual grant value or up to £500,000 whichever is lower (e.g. if a project grant allocation is £2m up to

£300,000 of changes can be agreed in the current financial year under delegated authority).

It is however understood that:

- 2.2 the cumulative maximum of projects approved via delegated authority being no more than 10% of the total value of the in year
- 2.3 Year-End Change Control decisions taken under Delegated Authority by the Chair of the Working Group must be made in consultation with the **Black Country Consortium Ltd Chief Executive**, the Single Accountable Body Section 151 Officer, Sponsoring Heads of Regeneration Working Group member and the Chair of the BCJC.
- 2.4 the Chair of the Working Group must report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting [published on the BCJC website](#)

3. Introduce Over Programming and approve New Small Projects that top up the pipeline as flexibility to respond to opportunities for challenges in maximising value from the funds, ensuring:

- 3.1 the total combined value of these projects must not exceed 10% of the annual approved grant value.
- 3.2 each individual New Small Project cannot exceed 10% of the value above which is 10% of the annual approved grant value.

It is however understood that:

- 3.3 Approval of New Small Projects taken under Delegated Authority by the Chair of the Working Group must be made in consultation with the **Black Country Consortium Ltd Chief Executive**, the Single Accountable Body Section 151 Officer, Sponsoring Heads of Regeneration Working Group member and the Chair of the BCJC.
- 3.4 The Chair of the Working Group must report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting [published on the BCJC website](#)

4. Approve an immaterial change to the grantee or an administrative error within a report recommendation under delegated authority.

- 4.1 Immaterial changes (i.e. Name Change, or name correction of the Grantee) can be approved or an administrative error (i.e. a typo or transposition to grant

value of less than 5% up to and not greater than £10,000), within the recommendation of the report can be rectified under Delegated Authority

5. Delegated Authority should only be used when :

- 5.1 the existing approval process is not possible due to impact on delivery times and the need to get spend underway prior to the next available Black Country Executive Joint Committee
- 5.2 the existing provisions of Special Urgency and General Exception within the Black Country Executive Joint Committee Protocols are not available.
- 6. Procedures will be implemented by the Chair of the Heads of Regeneration Working Group for the proper management of achieving the delegated authority decisions which will include, recording, control, and effective monitoring of the decisions and ensuring the appropriate financial records detailing spend against profile are established and maintained.



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

PROTOCOLS

For the management of the Black Country Executive Joint Committee

Updated June 2023

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Protocol 1: For the management of Black Country Executive Joint Committee (BCJC) business

1. This protocol relates to the procedure and processes to be used in determining business to be submitted to, and considered by, the BCJC in accordance with the timeline set out in **Appendix A** to this protocol and the detailed yearly timetable agreed at the BCJC Annual Meeting in June of each year.
2. The BCJC will meet in accordance with the schedule of meetings approved by the BCJC at its Annual Meeting in June of each year.
3. A meeting of the BCJC may be convened at any time by the Secretary in consultation with the Chair subject to the Access to Information Rules or General Exception and Special Urgency (Protocol 3).
4. A meeting of the BCJC must also be convened within 28 days of the Chair receiving a requisition of any two voting members addressed to the Secretary of the BCJC. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting.
5. The agenda for the BCJC will be prepared by Walsall MBC as the secretariat based on the current published version of the Forward Plan.
6. The Forward Plan will be prepared to cover a period of 4 months, beginning with the first day of any month. It will be prepared on a monthly basis and published in line with the dates agreed at the BCJC AGM (at least 14 days before the start of the period) by Walsall Council as Secretariat to BCJC.
7. A Decision (Key or Non-Key) cannot be added to the BCJC Agenda for publication unless it has been included in the Forward Plan that has been published for the forthcoming 4 month period. All Decisions should therefore appear on the Forward Plan for at least 28 days prior to the decision being taken. If the Decision has not been included in the Forward Plan but needs to be taken at the next available BCJC, then the General Exception Procedure (Protocol 3) must be applied and completed with at least 5 clear working days prior to publication of the agenda of the meeting for which the Decision is required. If the timescale for the General Exception Procedure has passed, then the Special Urgency Procedure (Protocol 3) should be followed.
8. Notwithstanding that an item has been included in the Forward Plan, written reports for consideration by the BCJC must have been endorsed by the Heads of Regeneration Working Group.
9. The Protocols for the management of business for the Heads of Regeneration Working Group must be followed.
10. All reports to the BCJC must take the format using the report template at **Appendix B**.

11. The report Consultation Sheet (**Appendix C**) should be fully completed prior to any report being presented to the Heads of Regeneration Working Group.
12. The report Consultation Sheet must accompany the report when submitted to the BCJC Secretariat otherwise the report will not be considered by the BCJC.
13. All reports regarding funding are to be verbally presented at the BCJC by the ~~Head of the Programme Management Office~~ **Senior Project Officer** supported by the relevant Head of Regeneration/Senior Responsible Officer from the relevant Local Authority.
14. In exceptional circumstances where, following the despatch of BCJC papers it is found necessary to submit additional information to the BCJC or amend a report recommendation, the Secretariat should be notified as soon as possible. The matter can then be referred to the Private pre-BCJC meeting.
15. The pre-BCJC meeting is for the BCJC to consider any last minute issues relating to items on the published Agenda of the BCJC.
16. The Chair of the Heads of Regeneration Working Group has Delegated Authority to Deploy a Change Control process (in-year change control, year-end change control and immaterial changes) and approve New Small Projects. Details of these delegations are contained within the BCJC Constitution Annex C and the process procedures are contained within the Protocols for the management of business for the Heads of Regeneration Working Group.
17. Should Delegated Authority be used, the Chair of the Working Group must advise the BCJC Secretariat and provide a report for the next BCJC meeting. The report should provide details of the purpose for which Delegated Authority was used and the reason for which it was sought and ask the BCJC to note its contents.
18. This protocol will apply without exception to all meetings of the BCJC.

Protocol 2 : For the notification of decisions for inclusion in the Black Country Executive Joint Committee (BCJC) Forward Plan

1. The BCJC Secretariat will publish once a year a notice in at least one newspaper circulating in their area giving details of the Forward Plan and where and when it will be available.
2. The Forward Plan is published at least 14 days before the start of the period. All “Key and Non-Key Decisions” should appear on the published Forward Plan for at least 28 days prior to the decision being taken. The Forward Plan should include Public and Private Reports with the appropriate Exemption used.
3. The exception to (2) above will be in urgent circumstances where a matter arises that has not been included in the Forward Plan but a decision needs to be taken at the next BCJC meeting. For this process, please see Protocol 3 General Exception and Special Urgency.
4. The Forward Plan will be updated and published monthly (at least 14 days before the start of the period) by Walsall Council as the Secretariat in line with the schedule of dates agreed at the BCJC AGM.
5. The Plan will be available on Walsall Council’s website and a link to this page will also be available on Dudley MBC, Sandwell MBC and City of Wolverhampton Council’s websites.
6. The responsibility for updating the Forward Plan will rest with Walsall Council as Secretariat. The process will be as follows:
 - a. ~~Black Country Heads of Regeneration and the Head of Programme Management Office at the Black Country Consortium Ltd~~ will email items to be included in the Forward Plan to the BCJC Programme Manager (Walsall) (or nominated officer) in line with the timetable agreed **(Appendix D)**.
 - b. The BCJC Programme Manager (Walsall) (or nominated officer) will update the draft BCJC Forward Plan and email this to BCJC Secretariat who is responsible for updating and publishing the Forward Plan each month in line with the timetable published.
7. If it is decided that an item appearing on the Forward Plan should be taken in Private Session, the relevant Head of Regeneration (Director) should immediately notify the BCJC secretariat (Walsall) identifying the report on the published Forward Plan and giving the reason why it needs to be taken in Private Session.
8. The BCJC Secretariat (Walsall) will then publish an Access to Information Notice on the BCJC website to inform the public **(Appendix E)**.

9. A Key Decision:

- a. A “key decision” means an executive decision, which is likely:
 - i. to result in the BCJC making a decision or a relevant local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority’s budget for the service or function to which the decisions relates; or
 - ii. to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.
- b. In determining the meaning of “significant” for the purpose of paragraph (i) above, savings or expenditure are significant if they exceed £100,000.

Protocol 3 : For when Decisions have not been included in the BCJC Forward Plan

General Exception

If a Decision has not been included in the Forward Plan, then the decision may still be taken at the forthcoming BCJC if the agenda and papers for the meeting have not been published in line with the required timescales and :

- (a) The decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next Forward Plan – ie you cannot wait for the decision to be included on the next published Forward Plan.
- (b) The relevant Head of Regeneration sponsoring the Decision ~~in conjunction with the Programme Management Office (PMO)~~, must produce a **Notice for information (Appendix F)** giving details of :
 - i. the matter to which the decision is to be made
 - ii. why it has not been included in the Forward Plan
 - iii. why it cannot wait to be included in the next Forward Plan;
- (c) This **Notice for information** must be emailed to the BCJC Secretariat (Walsall) for distribution to all (4) Chief Executives, Heads of Regeneration (Directors) and Democratic Services Team who will **Notify for information** the Chair of their relevant Overview and/or Scrutiny and Performance Committee/Panel, or each member of that Committee/Panel if there is no Chair, via email and advise by telephone.
- (d) Once the BCJC Secretariat has received confirmation of receipt of the **Notice for information** from the Chair of the Overview and/or Scrutiny and Performance Committee/Panel (all 4) the item will be included in the “Decisions notified after publication” document published on the BCJC webpage. The item will then be added to the BCJC Agenda which must be published 5 clear working days before the BCJC meeting takes place.

Where such a decision is taken collectively, it must be taken in public.

Special Urgency

If the General Exception (1) cannot be followed due to short timescales or the Agenda has been published but the decision must be taken by such a date that it is impracticable to defer, then:

- (a) The relevant Chief Executive in consultation with the Head of Regeneration (Director) sponsoring the Decision request must produce a **Notice for Agreement (Appendix G)** giving details of :
 - i. the matter to which the decision is to be made
 - ii. why it has not been included in the Forward Plan
 - iii. why it cannot wait to be included in the next Forward Plan;
- (b) This **Notice for Agreement** must be emailed to the BCJC Secretariat (Walsall) for distribution to all (4) Chief Executives, Heads of Regeneration (Director) and Democratic Services Team who will **Notify for Agreement** the Chair of their relevant Overview and/or Scrutiny and Performance Committee/Panel, or each member of that Committee/Panel if there is no Chair, via email and advise by telephone **requesting the agreement of the Chairs (all 4)** that the taking of the decision cannot be reasonably deferred.
- (c) Once emailed confirmation of the **agreement** of this Notice has been received from the Chair of the Overview and/or Scrutiny and Performance Committee/Panel (all 4) a copy must be emailed to the BCJC Secretariat (Walsall).
- (d) The BCJC Secretariat (Walsall) will ensure the **Notice for Agreement** is uploaded onto the BCJC website.
- (e) An Amended Agenda with the additional paper will then be circulated to the BCJC members and uploaded onto the BCJC website.

It should be noted that utilising the General Exception or Special Urgency procedures still requires that the Heads of Regeneration Working Group should receive the report in line with their Protocols and then recommend it for approval by the BCJC.

Protocol 4 : For the practical operation of call-in procedure of Key Decisions

1. When a decision is made by the Black Country Executive Joint Committee (BCJC) that decision will be published within two working days by the Secretariat (Walsall).
2. All Members of BCJC will receive decisions electronically via email and copies will also be placed on the website.
3. The decision notice will bear the date on which it is published and the date on which the decision (s) may be implemented on the expiry of five clear working days after publication.
4. For the avoidance of doubt and the practical operation of the Scrutiny process, it was agreed by the BCJC at its meeting on 26 March 2014, that each Council will continue as it currently does, with its own Scrutiny process.
5. Where an Overview and/or Scrutiny Committee/Panel chooses to call-in a Key Decision, it can do and report under the normal procedures of its particular Council.
6. However, in addition and for transparency, when a Call-in Notice is received and accepted, the BCJC Secretariat should be notified immediately by the Chief Executive and/or Democratic Services and supplied with a copy of the Call-in Notice that gives details of the Call-in.
7. The BCJC Secretariat will then at this point advise (for information only) BCJC members and Chief Executives and/or Democratic Services who should advise (for information only) their Overview and/or Scrutiny and Performance Committee/Panels of the Call-in.
8. If the Author of the report, and/or the Head of Regeneration (Director) with responsibility for the matter called-in, is from a different local authority due to the matter being a joint project affecting more than one local authority, then this authority should provide a full briefing to the hosting authority's Head of Regeneration (Director) to enable him/her to present at the Overview and/or Scrutiny Committee/Panel. **For the avoidance of doubt, Heads of Regeneration (Directors) will only present and be questioned by their own local authority Overview and/or Scrutiny and Performance Committee/Panel.**
9. The findings of the Overview and/or Scrutiny Committee/Panel should then be forwarded via email by the Chief Executive and/or Democratic Services to BCJC Secretariat as soon as they are received.
10. If the Overview and/or Scrutiny and Performance Committee/Panel (s) are in agreement with the BCJC decision then the response will be reported to the next available meeting of the BCJC. The BCJC Secretariat will then at this point advise (for information only) BCJC members and Chief Executives and/or Democratic Services who should advise (for information only) their Overview and/or Scrutiny and Performance Committee/Panels.
11. Otherwise the BCJC will receive and consider the Overview and/or Scrutiny and Performance Committee's/Panel's recommendation(s) at a special meeting to be called within a further 10 working days from receipt of all of the Overview and/or

Scrutiny and Performance Committee/Panel's recommendation(s).

12. Once the BCJC has met and reached a decision on the recommendations, the BCJC Secretariat will at this point advise (for information only) Chief Executives and/or Democratic Services who should advise (for information only) their Overview and/or Scrutiny and Performance Committee/Panels.

Note: The Call-in procedure set out above will not apply where the decision taken by the Executive is deemed urgent and in need of immediate implementation. A decision will be deemed urgent only if it can be demonstrated to the Chair of the BCJC that any delay would seriously prejudice the interest of the Councils or the public generally.

For the management of BCJC business

- Project Proposals for the Heads of Regeneration Working Group should be included in the BCJC Forward Plan as soon as practically possible.
- The BCJC Forward Plan will be published monthly in line with the timetable that is agreed at the BCJC AGM and will be available on the [Website : www.walsall.gov.uk](http://www.walsall.gov.uk) or by following this link [Black Country Executive Joint Committee Forward Plan](#)

**REPORT OF THE HEADS OF REGENERATION WORKING GROUP
(OR COUNCIL)
TO
BLACK COUNTRY EXECUTIVE JOINT COMMITTEE
ON
(DAY, MONTH, YEAR)
(INSERT TITLE OF REPORT)**

Key Decision:	Yes/No
Forward Plan:	Yes/No

1. PURPOSE OF REPORT

- 1.1 Set out the main points of the report and details of what is being sought in summary.

2. RECOMMENDATIONS

- 2.1 Specific recommendation from the Heads of Regeneration Working Group. with approval requested by the BCJC.
- 2.2 The recommendation(s) should be clear, concise and include all relevant information. No abbreviations or acronyms are to be used. No statements are to be used.
- 2.3 It is not acceptable to recommend “That the course of action set out in the report be approved” as this does not give sufficient clarity.
- 2.4 There must be a separate recommendation for each decision you wish the BCJC to make.
- 2.5 Do not set out any recommendations elsewhere in the report.
- 2.6 If you only have one recommendation there is no need to number it.

3. REPORT DETAIL

- 3.1 Write clearly, concisely and focus on relevant material information. Do not use acronyms.
- 3.2 All relevant and pertinent information should be included so as to enable a fully informed decision to be made by the BCJC.

- 3.3 Sufficient weight and emphasis should be made on key points.
- 3.4 Sufficient information to enable an informed decision must be contained within the report.

4. BENEFIT COST RATIO (VALUE FOR MONEY)

Benefit-cost ratios (BCRs) are utilised in capital budgeting to analyse the overall value for money of undertaking a new project. It is an indicator showing the relationship between the relative costs and benefits of a proposed project, expressed in monetary or qualitative terms.

5. FINANCIAL IMPLICATIONS

All relevant financial implications. You must consult the appropriate Finance Officer at the outset of the project. You must give sufficient time for the appropriate Finance Officer to comment on your report. Your report will not be considered if the Finance Officer has not commented.

6. LEGAL IMPLICATIONS

You must consult the appropriate Legal Services at the outset of the project. Set out any legal obligations on and consequences for the BCJC arising from the proposals. You must give sufficient time for Legal Services to comment on your report. Your report will not be considered if Legal Services have not commented.

7. RISK MANAGEMENT

Key risks should be identified and explanations given as to how they will be managed.

8. EQUALITY IMPLICATIONS

An equality impact assessment should be done and equality implications set out in the report as well as how they will be managed.

9. CONSULTATION

- 9.1 Identify who has been consulted and why, the outcome of the consultation and if there is any planned future consultation. For example, do not use “the report is prepared in consultation with relevant Managers and Executive Directors”.
- 9.2 There is an expectation that wherever possible, Ward Councillors should be consulted and involved in matters affecting their Ward.

- 9.3 Consultees mentioned in this part of the report should match with those referred to in the Forward Plan entry, if it is a key decision. Include other consultees if they have been identified since.
- 9.4 If scrutiny panels have considered this issue, provide feedback on their recommendations/views.

Note:

- It is the responsibility of the Senior Responsible Officer/Sponsoring Senior Responsible Officer to identify and consult with relevant officers and external parties about the proposals and the contents of the draft reports. Should any material changes be made before the report appears in final form then you must consult relevant people again. If the revised circumstances could impact on the legal and financial position, you must consult afresh with legal and finance colleagues.
- A report consultation sheet **must be completed and accompany your report at all times**. The consultation sheet template should not be amended. If any amendments are made to your report at any stage which requires the re-consultation of colleagues, this must be reflected in the form when submitted at the final stage.

Back Ground papers

- List any background documents that you have used or which are associated with the report being produced. (This is to satisfy the legal requirements that govern public access to local authority papers and the Freedom of Information Act.) You should not list acts of Parliament or any documents that give confidential information. Do not quote file references. Such files will be open to public scrutiny if asked.

Attachments

List any attachments that will accompany the report, if no attachments are required, state 'None'

Report Author - (insert name and contact details)

Senior Responsible Officer (SRO) - (insert name and contact details)

Sponsoring Senior Responsible Office (SSRO) - (insert name and contact details)

Report Consultation Sheet for reports to the Heads of Regeneration Working Group and the Black Country Executive Joint Committee

Report title	
Author Name and contact details	
SRO Name and contact details	
SSRO Name and contact details	
Responsible Director Name	
Designation and Local Authority	

HoR Working Grp Meeting Date		BCJC Meeting Date	
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Key Decision	YES/NO*	Included in the Forward Plan	YES/NO*
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*DELETE AS APPROPRIATE

Consultation

Officers	Consulted – Who (name/designation)	Date(s) consulted	Comments of Consultees
Legal			
Finance			
Other (please state)			

Comments <i>Please include any further comments that support the Joint Committee report, include any explanations as to why the report is incomplete e.g. information not available until closer to the meeting, etc.</i> <i>If the report contains sensitive/confidential information, please, highlight relevant parts of the report and state the reason why this report must be considered in the private Joint Committee session (please select the category under the Description of exempt information from the list provided*).</i>
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Approval

Responsible Director Name	Signature	Date

Comments	
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SRO / SSRO Name	Signature	Date

Comments	
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PLEASE NOTE

- It is the responsibility of the SRO/SSRO to identify and consult with relevant officers and external parties about the proposals and the contents of the draft reports. Should any changes be made before the report appears in final form to the Heads of Regeneration Working Group then you must consult relevant people again. If the revised circumstances could impact on the legal and financial position, you must consult afresh with legal and finance colleagues.
- The consultation sheet must make it clear that consultees have responded (putting “no comments” is misinterpreted). If you have not received comments say “not received”.
- This Report Consultation Sheet is available from the BCJC Programme Manager (Walsall) via email at jcst@walsall.gov.uk and must be completed and accompany your report at all times. The consultation sheet template should not be amended. If any amendments are made to your report at any stage which requires the re-consultation of colleagues, this must be reflected in the form when submitted at the final stage.
- The Report Consultation Sheet must be returned fully completed to the Programme Manager, Walsall Council via email at jcst@walsall.gov.uk
- with your final report. Any material consultation responses or issues will be reported at the Heads of Regeneration meeting if not incorporated into the report.
- Please note that if a completed consultation sheet confirming that appropriate consultation has taken place is not received ahead of the publication of papers and prior to the Heads of Regeneration Working Group, the decision will be removed from the Joint Committee agenda.

*** Schedule 12A to the Local Government Act, 1972 (as amended)**

Access to information: Exempt information Part 1

Description of exempt information: England

*Exempt information means information falling within the following 8 categories
(subject to any condition)*

Category

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:
 - (a) to give any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
8. Information being disclosed during a meeting of a Scrutiny and Performance Panel when considering flood risk management functions which:
 - (a) Constitutes a trade secret;
 - (b) Its disclosure would, or would be likely to, prejudice the commercial interests of any person (including the risk management authority);
 - (c) It was obtained by a risk management authority from any other person and its disclosure to the public by the risk management authority would constitute a breach of confidence actionable by that other person.

Black Country Executive Joint Committee Forward Plan of Key Decisions

Published up to October 2023

Date Created	Key Decision	Contact Officer	Main consultee	Date of meeting

Access to Information Notice
Local Authorities (Executive Arrangements) Meetings
and Access to Information (England) Regulation 2012
Black Country Executive Joint Committee (BCJC) – (insert date)

Notice is hereby given that in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulation 2012, the undermentioned report to be considered by BCJC on (insert date) will be considered in private session for the reason stated:

(Report name)
Reason : (details)

Enquiries regarding this notice should be directed to the Black Country Executive Joint Committee Secretariat, Chief Executives Office, Walsall Council, Email : chiefexecutive@walsall.gov.uk or Telephone : 01922 652089.

Chief Executive of Walsall Council
And
Secretary to the Black Country Executive Joint Committee

Date:

When completed, this Notice should be emailed to BCJC Secretariat ChiefExecutive@walsall.gov.uk for distribution.

Dear all,

Notice for Information (General Exception) – (Insert Project Name)

I am writing to Black Country Chief Executives and Heads of Regeneration (Directors) to request that in accordance with the Black Country Executive Joint Committee's protocols the General Exception Protocol can be used to allow the **(Insert Project Name)** Decision to be added to the BCJC Agenda before it is published for the meeting to be held on **(Insert Meeting date)**.

This is Protocol 3 of the management of Black Country Executive Joint Committee Business **(For when Decisions have not been included in the BCJC Forward Plan)**.

This Decision:

- has not been on the Forward Plan for the required 28 days, due to **(Insert reason)**
- cannot be deferred until the next publication of the Forward Plan because **(insert reason)**.
- Is a Key Decision **(delete as appropriate)**

The Decision to be taken in relation to the above project is as follows:

- **(Insert Decision)**

This **Notice for Information** must now be forwarded by each of you to the Chair of your Overview and/or Scrutiny and Performance Committee/Panel or each member of that Committee/Panel if there is no Chair, via email and advised by telephone.

The Chair of your Overview and/or Scrutiny and Performance Committee/Panel **must then confirm via email to me that they have received the request by (insert date before the Agenda is published)**.

Once this confirmation has been received from all 4 Chairs, the Decision will be uploaded onto the BCJC Forward Plan and included on the forthcoming BCJC agenda for **(Insert date)**.

Thank you for your assistance.

Kind regards

Chief Executive of Walsall Council

And

Secretary to the Black Country Executive Joint Committee

ChiefExecutive@walsall.gov.uk

When completed, this Notice should be emailed to BCJC Secretariat
ChiefExecutive@walsall.gov.uk for distribution

Dear all,

Notice for Agreement (Special Urgency) – (Insert Project Name)

I am writing to Black Country Chief Executives and Heads of Regeneration (Director) to request that in accordance with the Black Country Executive Joint Committee's protocols, the Special Urgency Protocol can be used to allow the **(Insert Project Name)** Decision to be added to the Agenda for the meeting on **(Insert Meeting date)**.

This is Protocol 3 of the management of Black Country Executive Joint Committee Business **(For when Decisions have not been included in the BCJC Forward Plan)**.

This Decision:

- has not been on the Forward Plan for the required 28 days, due to **(Insert reason)**
- cannot be deferred until the next publication of the Forward Plan **because (insert reason)**.
- Is a Key Decision **(delete as appropriate)**

The Decision to be taken in relation to the above project is as follows:

- **(Insert Decision)**

This **Notice for Agreement** must now be forwarded by each of you to the Chair of your Overview and/or Scrutiny and Performance Committee/Panel or each member of that Committee/Panel if there is no Chair, via email and advised by telephone.

The Chair of your Overview and/or Scrutiny and Performance Committee/Panel **must then confirm via email to me if they agree with the request.**

Once this confirmation has been received from all 4 Chairs, the decision will be included on the forthcoming BCJC agenda for **(Insert date)**.

Please ensure you send an email confirming that your Chair of Overview and/or Scrutiny and Performance Committee/Panel has given agreement by **no later than (day before the meeting)**.

Thank you for your assistance.

Kind regards

Chief Executive of Walsall Council

And

Secretary to the Black Country Executive Joint Committee

ChiefExecutive@walsall.gov.uk

FORWARD PLAN PUBLICATION DATES

August 2023 – August 2024

September 2023 – December 2023 published on	07 August 2023
October 2023 – January 2024 published on	04 September 2023
November 2023 – February 2024 published on	02 October 2023
December 2023 – March 2024 published on	06 November 2023
January 2024 – April 2024 published on	04 December 2023
February 2024 – May 2024 published on	08 January 2024
March 2024 – June 2024 published on	05 February 2024
April 2024 – July 2024 published on	04 March 2024
May 2024 – August 2024 published on	01 April 2024
June 2024 – September 2024 published on	07 May 2024
July 2024 – October 2024 published on	03 June 2024
August 2024 – November 2024 published on	01 July 2024
September 2024 – December 2024 published on	05 August 2024

MEETING SCHEDULE 2023/24

CHAIRPERSON - TBC

VICE CHAIRPERSON – TBC

DATE	TIME	VENUE (Subject to Change)
Wed 21 June 2023	11:00am Public	Walsall Council and via Teams digital platform
Wed 6 September 2023	11:00am Public	Walsall Council and via Teams digital platform
Wed 24 January 2024	11:00am Public	Walsall Council and via Teams digital platform
Wed 26 June 2024	11:00am Public	Walsall Council and via Teams digital platform

**REPORT OF THE HEADS OF REGENERATION WORKING GROUP
TO THE
BLACK COUNTRY EXECUTIVE JOINT COMMITTEE
ON
21 JUNE 2023**

**BLACK COUNTRY EXECUTIVE JOINT COMMITTEE COLLABORATION AGREEMENT
For noting**

Key Decision:	No
Forward Plan:	Yes

1. PURPOSE OF REPORT

- 1.1 To request that the Joint Committee notes the revised Black Country Executive Joint Committee Collaboration Agreement (Collaboration Agreement), which sets into place the arrangements agreed by the four Black Country Local Authorities (BCLAs), following the abolition of the Black Country Local Enterprise Partnership (BCLEP) and voluntary winding down of Black Country Consortium Ltd (BCC Ltd) with effect from the 31 March 2023.
- 1.2 The Collaboration Agreement was agreed by the four Black Country Local Authorities as follows:
- Sandwell Council Cabinet delegation on 13 February 2023 (Cabinet Member Regeneration & Growth Delegates Authority to the Director Regeneration & Growth to enter into the BCJC Collaboration Agreement as revised);
 - Dudley Council Cabinet approved on 13 March 2023;
 - Walsall Council Cabinet approved on 22 March 2023;
 - Wolverhampton City Council Cabinet approved on 22 March 2023.

2. RECOMMENDATIONS

That the Joint Committee notes the revised Black Country Joint Committee Collaboration Agreement, attached as **Appendix A**, with significant changes set out in further detail in this report. Completion of the signed and sealed document by all four local authorities was achieved on 24 May 2023.

3. REPORT DETAIL

- 3.1 The Collaboration Agreement was originally approved by the Black Country Executive Joint Committee (BCJC) on the 7 May 2014 and set out the governance and operational arrangements for the City Deal and Growth Deal programmes, including: collaboration, governance, project approval, management and audit, and claw back arrangements. The Collaboration Agreement was subsequently entered into by the BCLAs and BCC Ltd.
- 3.2 Several amendments to the Collaboration Agreement have been made since, which were approved and set out in previous BCJC reports, with the latest amendment covering the removal of the Advisory Board on 27 April 2022. The scope of the last updated Collaboration Agreement included all current and future funding opportunities secured or operated by or through the BCLEP.
- 3.3 The February 2022 Levelling Up White Paper signalled a shift in policy direction from Government, requiring the functions of Local Enterprise Partnerships to be transferred into Combined Authorities. Since this date, the BCLEP has been working with the West Midlands Combined Authority (WMCA) to develop an integration plan, to transfer their functions by the end of this financial year.
- 3.4 The Collaboration Agreement has been updated to reflect the integration plan, and formalise arrangements for continued Black Country ways of working. The Collaboration Agreement sets out how BCLEP Legacy Funds will be managed (paragraphs 3.7 to 3.13), including Black Country Enterprise Zone (BCEZ) (paragraphs 3.14 to 3.21) being the only significant uncommitted fund remaining, and sets out revised governance arrangements (paragraphs 3.22 to 3.24). The department for Business, Energy and Industrial Strategy (BEIS) have confirmed that management, reporting and decision making in relation to BCLEP Legacy Funds will remain the responsibility of the BCLAs, with these responsibilities not transferring to the WMCA.
- 3.5 BCC Ltd is an original signatory to the Collaboration Agreement and continued trading until the 31 March 2023, fulfilling its contractual obligations in its current financial year, but to cease trading post that date, effectively closing its accounts by circa 30 June 2023. Therefore, BCC Ltd will no longer be a signatory to the Collaboration Agreement.
- 3.6 From 1 April 2023 the continued management and monitoring of BCLEP Legacy Funds will be the responsibility of the BCLAs; it has been agreed that these will continue to be managed locally by Walsall Council, as the BCLEP's Single Accountable Body (SAB).

BC LEP Legacy funds

- 3.7 BCLEP Legacy Funds are as follows: the Local Growth Deal; the Growing Places Fund; the Land and Property Investment Fund (LPIF); the Black Country Enterprise Zone (BCEZ); the

Getting Building Fund (GBF); and the BCLEP Reinvestment Fund. Walsall Council are the Single Accountable Body (SAB) for the BCLEP.

3.8 The majority of BCLEP Legacy Funds are fully spent or committed to projects:

3.8.1 The Local Growth Deal Fund (cumulative grant award of £211m) was fully spent by March 2021 on 116 projects. The programme is now in the output monitoring stage of its lifecycle. The Growing Places Fund was used to over-programme Local Growth Fund and is also fully spent.

3.8.2 The £53m LPIF was awarded by the WMCA as part of its first Devolution Deal. Final indicative allocations to commit the remaining balance of the LPIF have been approved by the BCLEP and BCJC. This programme will then be fully committed with investment in 10 projects. The fund must be fully spent by March 2025, with a further year allocated for output monitoring, to March 2026.

3.8.3 The GBF (£27.7m), awarded via the WMCA, was fully spent by March 2022, and is now in the output monitoring stage of its lifecycle.

3.9 The LEP Reinvestment Fund was established by the BCLEP to capture recycled investments from other LEP grants, such as from overage and the BDUK Broadband project gainshare returns. The Collaboration Agreement sets out that any overage and returns to this fund will be shared equally by the four BCLAs.

3.10 The only uncommitted LEP Legacy Funds relate to the following:

Table 1: Uncommitted BCLEP funds

Fund	Unallocated value	Additional details
Growing Places Fund	£0 although further loan repayments from projects are expected in future years	Used to over-programme the Local Growth Fund. Future loan repayments to be shared equally between the 4 BCLAs
LEP Reinvestment Fund	c£0.149m overage collected with a further £0.778m invoiced as at the date of this report	Any unallocated remaining funds to be shared equally between the 4 BCLAs
Building Digital UK Gainshare (part of the LEP Reinvestment Fund)	£0.994m net accrued to date	Gainshare receipts are received annually including payments due in 2023 with a final report in summer 2024. Gainshares received will be shared equally amongst the 4 BCLAs
Enterprise Zones	See paragraphs 3.14 to 3.21	

3.11 Reporting to BEIS and the BCJC will be the responsibility of the SAB with the last reporting date being to 31 March 2026, excluding the BCEZ. The SAB will continue to report to the

BCJC and BCLAs on contingent liabilities relating to BCLEP Legacy Funds (being the possible liabilities in relation to clawback risk) until such time as either the liabilities are realised, the possible liabilities are mitigated via output delivery, or it is deemed that the risk is remote. If any liabilities were to arise from BCLA projects, they would be settled in accordance with the Collaboration Agreement, according to respective geographical areas. *Note that the government department may change following government announcements on 7 February 2023.*

- 3.12 For some of the Legacy Funds received from the funding providers in advance (i.e. Local Growth Deal, GBF), interest was accrued in the period between grant receipt and grants being distributed to applicants. The BCLEP approved that interest could be utilised to fund SAB and BCC Ltd programme management costs, where they could not be capitalised to projects. Any remaining interest, after accounting for costs incurred by the SAB in completing their roles and responsibilities to 31 March 2026 (or beyond should any programmes be extended), shall be shared equally between the four BCLAs.
- 3.13 Any re-investment of the Legacy Funds by the BCLAs must be spent in line with funder intentions when originally granted, or otherwise in order to promote economic growth and development in the respective administrative areas of each of the Parties.

Enterprise Zones

- 3.14 The BCEZ had to date been managed on a consolidated Black Country basis, with a shared financial model and a pre-agreed order of priority for costs claimed against collected business rates.
- 3.15 A Schedule to the Collaboration Agreement setting out these matters, and the principles and framework for managing the BCEZ, was approved by the BCJC on 9 December 2020.
- 3.16 BCLA Chief Executives and Leaders, through their Association of Black Country Authorities (ABCA) meetings, were consulted on the future of BCEZs throughout 2022/23. Several options were explored as to how BCEZ, as a Legacy Fund, would be managed. The preferred and agreed option is that the SAB will continue to manage and administer BCEZs, collecting business rate surpluses until 31 March 2025 and paying out existing commitments from these consolidated surpluses, with the significance of this date being the point at which the majority of the shared commitments cease.
- 3.17 From 1 April 2025 (subject to a handover and settlement period to 31 August 2025), Enterprise Zones will revert back to their Local Authority of geographical origin for decision making, management and administration. Walsall Council will therefore cease to be the Accountable Body for the BCEZs, and each Local Authority will become the Accountable Body for their own Enterprise Zones, managing business rates and investment related to their own geographies.
- 3.18 The North BCEZ (North EZ), comprising the Wolverhampton and Walsall geographical areas) was originally submitted to government as a joint bid. Since its approval, the North EZ priority

site for investment was i54, which is now generating a business rate surplus (after accounting for borrowing costs). Whilst Phoenix 10 was identified as the next priority site, the later timing has meant that there is a shorter period to ring-fence business rates and spread borrowing costs by the end of the North EZ (being 31 March 2038). As a result of this, and differing viability gaps for Walsall and Wolverhampton projects, the surpluses of Wolverhampton are forecast to be significantly greater at c£46m, than Walsall's £3m by March 2038. Therefore, a straight forward reversion of the North EZ to respective Local Authorities was not in line with the original spirit and intention of the North EZ submission, being that surpluses generated from investment should support other deficit EZ sites.

- 3.19 As a result, it was agreed that a key strategic Walsall site within the BCEZ, the Gasholders site, should be funded from the Wolverhampton generated business rate surpluses up to a capped value and subject to a green book compliant business case.
- 3.20 The BCEZ Schedule to the Collaboration Agreement titled "BCEZ Governance Principles" has been amended to reflect these new arrangements for BCEZs post BC LEP.
- 3.21 EZ are the only significant BCLEP Fund that is not fully committed, so government have specifically requested that a (non-legally binding) Memorandum of Understanding (MOU) in relation to EZ is agreed between them and the BCLAs. The relevant government department and signatory to this MOU is still to be confirmed as at the date of this report.

Governance Arrangements

- 3.22 From 31 March 2022, the BCLEP, and its Funding Sub Group, will no longer exist. Therefore new arrangements will be required to approve new investments (such as the Gasholder investment as per paragraph 3.19 above), and to approve change requests (such as reductions on outputs).
- 3.23 The Legacy Funds are still required to follow an Assurance Framework which is compliant with the government's National Assurance Framework. The amended Collaboration Agreement is drafted on the basis that BCLAs and projects must comply with the existing BCLEP Assurance Framework "in so far as it is applicable". This approach has been discussed with BEIS who consider that this is reasonable, as changes to National Frameworks are reducing, meaning that the BCLEP Framework will still be compliant.
- 3.24 In practice, this will mean that change requests and investment decisions, if any, would need to be approved at the Heads of Regeneration Working Group and BCJC only. Investment decisions (relating to BCEZs only i.e. the Gasholder project) would still need a Green Book compliant business case, which would be appraised by the SABs independent technical advisors. This would not apply to funds shared equally between BCLAs in Table 1 above, and the BCEZ from 1 April 2025, which would follow Local Authority protocols and governance.

4. BENEFITS COST RATIO (VALUE FOR MONEY)

A Benefit-Cost Ratios (BCRs) is not applicable for this recommendation.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no direct financial implications associated with the approval of the Collaboration Agreement. All costs associated with the delivery of SAB functions by Walsall Council, including making amendments to the Collaboration Agreement, are covered from 'top-slicing' of the grants managed, or from the interest generated from funding held, or a mixture of both, as agreed by the BCLEP and the BCJC. SAB costs are budgeted and funded up to 31 March 2026 when output reporting for Legacy Funds are expected to cease.
- 5.2 Each BCLA will benefit from an equal (one quarter) share of the unallocated Legacy Funds, as set out in Table 1.
- 5.3 In relation to Enterprise Zones, all existing commitments will be honoured (i.e. SAB management costs, the £250,000 annual pipeline development grants and historic revenue costs being recovered). There are significant implications for each BCLA associated with the BCEZ reverting to their geographical Local Authority by 31 March 2025, and they will differ for each BCLA. Each BCLA has been fully consulted on the implications of the BCEZ reversion, and have set out their tailored financial implications in their own Cabinet Reports / internally.

6. LEGAL IMPLICATIONS

- 6.1 Under the Local Government Act 1972 and Local Government Act 2000 as amended by the Localism Act 2012 and regulations issued by the Secretary of State, the Council's Executive has the power to set up an Executive Joint Committee.
- 6.2 An Executive Joint Committee is effectively an extension of Cabinet, making decisions on behalf of Cabinet where it has delegated authority to do so. Delegation does not prevent Cabinet from choosing to excise the powers instead of the Executive Joint Committee, nor withdrawing at any time the delegation for a specific matter or item, or in its entirety.
- 6.3 The Collaboration Agreement is a legal document that requires its signatories to adhere to the governance and protocols in managing the BCLEP Legacy Funds.
- 6.4 The SAB and legal and finance officers of each BCLA have been consulted on the drafting of the Collaboration Agreement. Therefore these documents can be completed as the BCLAs have each secured their own formal Cabinet approvals to these arrangements. The completion of the associated binding agreement will also be progress alongside this work to provide each of the parties with the protection and risk mitigation associated with a legally binding document.

7. RISK MANAGEMENT

- 7.1 There is a risk that the revised Collaboration Agreement does not comply with National Government requirements. This has been mitigated by engaging with BEIS throughout the LEP integration to understand national changes and requirements. Given national requirements are reducing there is a remote risk that the Agreement is non-compliant.

- 7.2 There are various risks associated with the BCLEP Legacy Funds (i.e. non-achievement of outputs, risk of clawback, etc) but these are existing and not additional risks resulting from the recommendations in this report. These are already being mitigated from existing processes as set out in the BCLEP Assurance Framework and the Collaboration Agreement.
- 7.3 Enterprise Zones: There is associated financial risk and reward for each BCLA with the new arrangements from 1 April 2025, as set out in individual Cabinet Reports.

8. EQUALITY IMPLICATIONS

None at the time of drafting.

9. CONSULTATION

Legal and Finance officers from all signatory organisations of the original agreement being; Dudley Council, Sandwell Council, Wolverhampton City Council and the Black Country Consortium have been consulted with. Legal and Finance Officers at Walsall Council have been consulted as part of the development of this report.

Background papers

None.

Attachments

Appendix A – revised Black Country Executive Joint Committee Collaboration Agreement.

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DATE: _____ **2023**



WALSALL METROPOLITAN BOROUGH COUNCIL

and

DUDLEY METROPOLITAN BOROUGH COUNCIL

and

SANDWELL METROPOLITAN BOROUGH COUNCIL

and

WOLVERHAMPTON CITY COUNCIL

COLLABORATION AGREEMENT

in relation to

**the Black Country Executive Joint Committee for the
Black Country Local Enterprise Partnership Legacy Funds**

**Walsall Council
Civic Centre
Darwall Street
Walsall, WS1 1T**

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THIS AGREEMENT is made on the
2023

Paper X Appendix A
day of

BETWEEN:

- (1) **WALSALL METROPOLITAN BOROUGH COUNCIL** of Civic Centre, Darwall Street, Walsall, WS1 1TP ("**Walsall**"); and
- (2) **THE BOROUGH COUNCIL OF DUDLEY** of The Council House, Priory Road, Dudley, West Midlands, DY1 1HF ("**Dudley**"); and
- (3) **THE BOROUGH COUNCIL OF SANDWELL** of Freeth Street, PO Box 2374, Oldbury, B69 3DE ("**Sandwell**"); and
- (4) **WOLVERHAMPTON CITY COUNCIL** of Civic Centre, St Peter's Square, Wolverhampton, WV1 1RG ("**Wolverhampton**").

WHEREAS:

- (A) The Parties have agreed to collaborate to administer the allocation by central Government of funding (together referred to as "the Deal"), which was secured by the Black Country Local Enterprise Partnership ("BCLEP"), across the Black Country area, which comprises the combined administrative areas of Walsall, Dudley, Sandwell and Wolverhampton.
- (B) The Executives of each Party have established a Joint Executive Committee, the Constitution (BCJC), and Terms of Reference of which are set out at Schedule 4 pursuant to Section 101(5) of the Local Government Act 1972 and regulations issued under Section 9EB of the Local Government Act 2000. The decision dates respectively being Walsall's Cabinet of 11 September 2013, Dudley's Cabinet of 30 October 2013, Sandwell's Cabinet of 13 November 2013 and Wolverhampton's Cabinet of 4 December 2013.
- (C) The Parties are empowered under Section 1 of the Localism Act 2011 to "do anything that individuals generally may do" and the Parties have therefore established the Black Country Consortium Ltd (BCC Ltd), as a company limited by guarantee, to carry out general public administration activities and to help to facilitate the Deal and manage the BCLEP Legacy funds.
- (D) The Government's 2022 Levelling Up White Paper signalled a shift in policy direction and a significant change in economic development architecture, namely emphasising and empowering local leadership and improving pride of place. This shift resulted in the functions of the BCLEP being integrated into the West Midlands Combined Authority with effect from 31 March 2023 (so that the BCLEP shall then cease to exist), and the voluntary winding down of BCC Ltd, which was a signatory to the previous Collaboration Agreement dated 7 May 2014 (which is referred to in recital (E) above).

- (E) The purpose of this Collaboration Agreement is to set out an updated framework for joint working between the Parties to enable delivery of the Deal and to manage the BCLEP Legacy funds.
- (F) This Collaboration completely supersedes and therefore renders void the previous Collaboration Agreement which was completed on 7 May 2014 between the Parties and the BCC Ltd and as subsequently amended by variations approved by the Black Country Joint Committee on 7 September 2016, 12 February 2020, 9 December 2020 and 27 April 2022.
- (G) From midnight on 31 March 2023, BCLEP functions will transfer to the WMCA but the management, reporting and decision making in relation to BC LEP Legacy Funds will remain the responsibility of the BCLAs. It has been agreed that these functions will continue to be managed locally by the Single Accountable Body.
- (H) As a consequence of the voluntary winding up of BCC Ltd, the members of the 'Economic Intelligence Team' employed by BCC Ltd will TUPE transfer to Walsall with effect from 1 April 2023, to continue to provide rigorous, best in class, economic analysis across the three key Strategic Economic Plan themes of people, businesses and place.
- (I) The Parties have agreed to continue to collaborate throughout the Term to administer the BCLEP Legacy funds on the terms and conditions which are set out in this updated and refreshed Collaboration Agreement.

1. Definitions

- 1.1 The words and phrases which are used in this Agreement and which are set out in the left hand column of the following Definitions Table shall (unless the context otherwise requires) have the meanings which are given to them opposite in the right hand column of the Definitions Table:

DEFINITIONS TABLE	
Word/Phrase	Definition
Authority	means one of the four Black Country Local Authorities signatories to this Agreement, comprising of the Metropolitan Borough Councils of Dudley, Sandwell and Walsall and Wolverhampton City Council.
BCC Limited	means Black Country Consortium Ltd, which will cease to have functions in relation to this Agreement with effect from midnight on 31 March 2023;
BCLEP	means the Black Country Local Enterprise Partnership, which shall cease to exist with effect from midnight on 31 March 2023;
BCEZ	means any or all of the Black Country Enterprise Zones which are established by any of the Parties
Business Case	means a Green Book compliant business case which sets out a Project proposal in a format which is ultimately approved by the Joint Committee to enable Project commencement.
Combined Authority	means the West Midlands Combined Authority and/or subsequent amended or replacement and its successors.
Commencement Date	means 1 April 2023;
Constitution (BCJC)	means the Terms and Reference and Constitution of the BCJC as set out in Schedule 4 which has been approved by the Executive of each Black Country Local Authority.
Constitution (HoR Working Group)	means the constitution of the HoR Working group which is detailed in Schedule 1 to this Agreement.
Data Protection Legislation	means the GDPR, the Data Protection Act 2018 and all relevant codes of practice and directives regarding the processing of confidential, personal and/or special category data.
Deal	means City Deal and / or Growth Deal, Land and Property Investment Fund (LPIF) and / or any subsequent amended or replacement for them as

	determined by central Government and/ or funding provided by the Combined Authority, generated through any BCEZ and/or any funding secured by the BCLEP prior to it's abolition.
Dudley	means the Borough Council of Dudley;
End Date	means the date specified in any grant or funding agreement by which the agreed activity must have been completed by, outputs are delivered and when any claw-back provision may be exercised.
Enterprise Zone	means those areas specified in Schedule 7 as such locally or externally and falling within the respective administrative areas of Wolverhampton, Walsall and Dudley areas.
Force Majeure	means any circumstances beyond the reasonable control of any Party (including, without limitation, any strike, lock-out or other form of industrial action).
Functions	means the functions of the HoR Working group which are as detailed in Schedule 2 to this Agreement.
GDPR	means the General Data Protection Regulation, (Regulation (EU) 2016/679).
Governance Structure	means the decision making structure for the Joint Committee as set out in the constitution (BCJC) and this Collaboration Agreement.
Grant Agreement	means any Programme or Project funding agreement and related documents to be entered into between the Single Accountable Body and a Party of this Agreement.
Green Book	means guidance issued by HM Treasury from time to time on how to appraise policies, programmes and projects and also providing guidance about the design and use of monitoring and evaluation, before during and after implementation;
HoR Working Group	means the Heads of Regeneration Working Group, being the body which comprises of the relevant Regeneration Directors of each of the Authorities, the Constitution (HoR Working Group) for which is set out in Schedule 1.
Intellectual Property Rights	means all patents, trademarks, copyright, moral rights, rights to prevent passing off, rights in designs, know-how and all other intellectual or industrial property rights, in each case whether registered or unregistered and including applications or rights to apply for them and together with all extensions and renewals of them, and in each and every case all rights or forms of protection having equivalent or similar effect anywhere in the world.
Joint Committee	means the Joint Committee that has been established as a legally formed body of the Cabinets of Walsall, Dudley, Sandwell and Wolverhampton and is known as the "Black

	Country Executive Joint Committee" and which will carry out its decision making in accordance with the Governance Structure approved by each Party.
Lead Authority	means the Authority which is allocated by the Joint Committee to be the lead authority with immediate responsibility for delivery of a particular Project.
Legacy Funds	means the following funds that were awarded to the BCLEP: (a) the Local Growth Deal; (b) the Growing Places Fund, (c) the Land and Property Investment Fund, (d) the Black Country Enterprise Zone funds, (e) the BDUK Gainshare, (f) the Getting Building Fund and (g) the BCLEP Reinvestment Fund.
Local Assurance Framework	means the Black Country Local Assurance Framework (version 14) as referred to in sub-clause 10.1.4, which sets out how the National Assurance Framework is to be applied and adhered to by all Parties (subject however to the interpretation provision in subs-clause 1.2.10 below).
Material Change in Circumstance	means a change that does or is likely to significantly affect or impact upon delivery of the Programme or any Projects under it which necessitates a change in any decision made by the Joint Committee or if such circumstances had been known at the time of the Joint Committee's decision it would have potentially influenced the Joint Committee to make a different decision than the one that it made originally.
Monitoring Procedures	means the Programme monitoring procedures, Programme audits and any other reporting, monitoring or audit processes required by a central Government department in relation to the Programme.
National Assurance Framework	means the National Assurance Framework as issued by central Government;
Objectives and Outputs	means the successful delivery and completion of all Projects and/or initiatives as agreed by the Joint Committee together with such other objectives and outputs as are adopted by the Parties from time to time in accordance with this Agreement.
Parties	Dudley, Sandwell, Walsall and Wolverhampton;
Party	means one of the Parties, as applicable;
Programme	means the operational element of the individual programme within the Deal, secured by the Black Country Local Enterprise Partnership, from central Government for the Black Country area, which comprises the administrative boundaries of Walsall, Dudley, Sandwell and Wolverhampton, including any individual Projects and/or funding streams.

Programme Manager	means an officer appointed by Walsall to fulfil the roles and duties of the Programme Manager as detailed in this Agreement.
Project	means an individual Project or initiative within the overall Deal that is subject to an application to the Joint Committee for funding to be allocated to it pursuant to the Programme.
Sandwell	means the Borough Council of Sandwell;
Senior Responsible Officer (SRO)	as defined in the Definitions section of the Local Assurance Framework
Single Accountable Body or (SAB)	means the Authority (currently Walsall Council) which is appointed by the Joint Committee to act in this role to manage on their behalf all funds forming part of the Deal with central Government, the Combined Authority (and any other funding secured).
Term	means the period of time during which this Collaboration Agreement is in force, as provided for in clause 2.1;
Third Party	means any organisation which is not a Party to this Agreement.
TUPE	means the Transfer of Undertaking (Protection of Employment) Regulations 2006;
Walsall	means Walsall Metropolitan Borough Council;
Wolverhampton	means Wolverhampton City Council.
Working Days	means Monday to Friday inclusive throughout each calendar year, excluding weekends and statutory bank holidays.

1.2 In this Agreement:

- 1.2.1 The clause headings do not affect its interpretation,
- 1.2.2 Words in the singular shall include the plural and vice versa,
- 1.2.3 Unless otherwise indicated, references to clauses and Schedules are to clauses of and Schedules to this Agreement, and references in a Schedule to a paragraph are to a paragraph of that Schedule,
- 1.2.4 References to any statute or statutory provision include references to:
- 1.2.5 All Acts of Parliament and all other legislation having legal effect in the United Kingdom,
- 1.2.6 Any subsequent statutes directly or indirectly amending, consolidating, extending, replacing or re-enacting that statute and also include any orders, regulations, instruments or other subordinate legislation made under that statute,
- 1.2.7 A person includes a natural person, corporate or unincorporated body or organisation and their successors and permitted assigns,
- 1.2.8 Including means including, without limitation,
- 1.2.9 If any provision is held to be illegal, invalid or unenforceable that provision shall be struck out and the legality, validity and enforceability of the remainder of the Agreement is to be unaffected.

Interpretation of the Local Assurance Framework

1.2.10 The Parties agree and confirm that notwithstanding that BCLEP shall cease to exist after 31 March 2023 and BCC Ltd is to be wound up and shall also cease to exist from the same date, the Local Assurance Framework shall continue to apply to define and regulate the respective roles and responsibilities of each of the Parties under this Collaboration Agreement, in so far as it remains applicable, provided that in interpreting and applying the provisions of the Local Assurance Framework, the Parties shall be guided and bound by the following stipulations:

- (a) all references to either the “BCLEP”, the “BCLEP Funding Sub-Group”, the “BCC Ltd” and the “PMO” (and any other similar or equivalent groups and sub-groups which are referred to in the Local Assurance Framework which cease to operate as a consequence of the BCLEP ceasing to exist) and their respective obligations and liabilities under the Local Assurance Framework, shall be regarded as void (subject to the proviso in sub-clause (b) of this clause below);
- (b) all applications for any uncommitted Legacy Funding (excluding Legacy Funding agreed to be shared equally and likely only to be in relation to Enterprise Zones) shall continue to follow the process which is detailed in clauses 4.3, 4.5, 4.8, 4.13.1.2 to 4.13.1.5 of the Local Assurance Framework, provided that the SAB shall be obligated to carry out all of the functions of the “PMO” as detailed in such clauses of the Local Assurance Framework (unless stated otherwise in this Agreement);
- (c) all Projects which are approved shall continue to be subject to the requisite monitoring and reporting requirements to enable the Single Accountable Body to report the relevant outcomes to central Government, including clauses 4.14 and 4.15 of the Local Assurance Framework, and the Monitoring and Assurance Framework (Appendix 21 and Appendix 22 to the Local Assurance Framework);
- (d) each of the other Parties shall cooperate fully and without delay, with the Single Accountable Body by providing all requested information to the Single Accountable Body to enable it to meet its obligations. This includes, but is not limited to, information and data to the Combined Authority or central Government with regard to the outcomes achieved from the granting, expenditure and delivery of the Legacy Funding;
- (e) any legitimate amendments to the Local Assurance Framework which are required by the Combined Authority or central Government, or by any statute or any related regulations, shall be made by the Single Accountable (acting reasonably) and notified to each of the other Parties in writing with ten (10) Working Days thereafter.

2. The Collaboration Agreement

The Term

- 2.1 This Agreement shall take effect from and including the Commencement Date and shall remain in full force and effect and binding on each of the Parties until the completion of the Programme(s) objective and outputs within the Deal (subject to clause 17.1).

Redundancy Costs

- 2.2 With regard to the TUPE arrangements which are referred to in recital (H), the Parties note and agree the following:
- 2.2.1 the members of the Economic Intelligence Team (whose employment is to transfer from BCC Ltd to Walsall) are self-funding, although not all of the income sources are secure for a period of more than 12 months;
 - 2.2.2 if the net cost to Walsall of employing the members of the intelligence Team becomes an ongoing deficit, with the result that redundancies are required, then each Party shall contribute equally to the resulting redundancy costs and (if agreed, each Party acting reasonably) any deficit, provided that Walsall shall use its reasonable endeavours to mitigate for such costs and to keep them to a minimum.

Collaboration

- 2.3 The Parties agree to work in a spirit of mutual co-operation to fulfil their agreed roles and responsibilities to achieve the Objectives and Outputs, and to put in resources to the extent set out in this Agreement.
- 2.4 Each of the Parties, which are Local Authorities, have agreed to form a Joint Committee, which will undertake the functions as set out in the Joint Committee Terms of Reference and Constitution (BCJC) as set out in Schedule 4.
- 2.5 Walsall, as secretary to the Joint Committee, will publish in accordance with its own Constitution (BCJC) all agendas, reports, Forward Plan and minutes of the Joint Committee and will distribute all agendas, reports, and minutes of the Joint Committee to the other Parties within such timescales that will allow the other Parties to comply with their statutory Access to Information requirements. Walsall as secretary will maintain the Forward Plan of the Joint Committee and submit the plan to all Parties in a timely manner. Each of the Parties have a link on their websites to the Joint Committee's webpage.
- 2.6 The Parties have agreed the principles of how the Joint Committee will operate which is set out in the Governance Structure. Walsall will provide copies of all agendas, reports, and minutes to all Parties as soon as they become available for publication in accordance with any legislative requirements.
- 2.7 Each Party shall (each acting reasonably):
- 2.7.1 carry out the tasks and contribute sufficient resources and facilities to ensure that the Programme objectives are met and commitments under this Agreement are met,
 - 2.7.2 co-operate with each other and do such acts, matters and things as may be necessary or desirable to implement the decisions of the Parties and in order to complete the Programme,
 - 2.7.3 keep the other Parties fully informed of the progress of and of any matters relevant to the Programme and make available to the other Party all relevant information, data, reports and opinions in relation to the Programme,
 - 2.7.4 notify each of the other Parties as soon as reasonably possible in writing (but in any event within ten Working Days of the relevant event occurring) if there is an unexpected problem which are likely to cause a

material delay to achievement of any of the objectives of the Programme, or any particular stage of the Programme, or any material increase in the costs of the Programme, or if any Party becomes aware of the action of any third party, which threatens to affect adversely the progress of the Programme, or the reasonable expectations of each Party hereunder.

- 2.8 The direction of the Programme shall be vested in the Joint Committee, which shall be advised by the HoR Working Group and the Single Accountable Body, but which shall otherwise carry out its role in accordance with its Constitution and Functions.
- 2.9 The planning, and overall management of the Programme, including initial appraisal of Project proposals shall be vested in the HoR Working Group. The Constitution and Functions of the HoR Working Group are set out in Schedule 1 and Schedule 2 respectively of this Collaboration Agreement . Without prejudice to the generality of the foregoing, the matters set out in Schedules 1 and 2 shall only be agreed by the HoR Working Group.
- 2.10 The final decision making on Project Approval, including material changes to approved Projects, shall be vested in the Joint Committee. Material changes are variations to a Project that change the nature, outcome or objectives of a Project, for the avoidance of doubt material variations are outlined in Appendix 23 of the Local Assurance Framework.
- 2.11 Where a Material Change in Circumstances occurs after a Project has been approved by the Joint Committee, the Joint Committee must be advised of that Material Change in Circumstances as soon as practicable, after the Lead Authority for a Project becomes aware of the Material Change in Circumstances. It is the Lead Authority's responsibility to do this as soon as possible and to ensure that both the HoR Working Group and the Single Accountable Body are briefed and involved.

3. Appointment to Roles

- 3.1 Following instructions received from central Government in 2019, the BCLEP was required to appoint a single accountable body, effective from February 2020 (the "Single Accountable Body" or "Sab"). The Joint Committee was also required to approve the appointment of one of the Parties as the Single Accountably Body.
- 3.2 Walsall acting as the Single Accountable Body, up to and including 31 March 2026 (or beyond should any programmes be extended) shall ensure that the outputs and outcomes from the Legacy funds continue to be properly monitored and audited after BCC Ltd and the BCLEP cease to exist.
- 3.3 Any change in the SAB shall require approval by the Joint Committee. The exception to this in relation to Enterprise Zones; from 1 April 2025, the management and decision-making for Enterprise Zones will revert back to the Authority whose administrative area incorporates the Enterprise Zone in question, resulting in three Accountable Bodies for Enterprise Zones: Dudley Council, Wolverhampton Council, and Walsall Council.
- 3.4 Where the Single Accountably Body and Lead Authority are one and the same, the respective duties of those roles, as defined in this Agreement, agreed by the Joint Committee, or otherwise set out in a Joint Committee approved Project Business Case, shall be concurrent.

- 3.5 The Joint Committee will, with the agreement of the Single Accountable Body, continue to decide how the Single Accountable Body will recover the costs associated with the implementation of the Projects. Except as specifically agreed between the Parties, the cost of all officer time and resources necessary to perform the role of Single Accountable Body shall be met from the funding available and not from the budgets of the Parties.

4. Project Approval

- 4.1 Project proposals shall be worked up by the Parties (and for the avoidance of doubt, any Project proposal put forward by the Parties can be a Project proposal initiated by a third party). Where such a Project proposal is initiated by a third party the Lead Authority must detail the third party who initiated the Project proposal.
- 4.2 Without prejudice to the general application of clause 4.1, the Parties agree and acknowledge that any new Project proposals are only likely to apply to Enterprise Zones, given that the remainder of the Legacy Funds are either fully committed or have been agreed to be shared equally between the Parties.
- 4.3 The process for Project proposals shall comprise the following stages:
- 4.3.1 All Project proposals will follow / meet the requirements of the National Assurance Framework, as articulated through the Local Assurance Framework, provided that as and when the Government amends the National Assurance Framework or places any additional duties or responsibilities on any of the Parties, then these will be reflected in the Local Assurance Framework by way of any appropriate variation which shall be made by the Parties and which must then be adhered to by all of the Parties.
- 4.3.2 All Project proposals and Business cases will be submitted in accordance with the Local Assurance Framework, in so far as it is applicable and in accordance with clause 1.2.10 (Interpretation of the Local Assurance Framework), as part of the decision making process and governance arrangements.
- 4.3.3 Each Project will have a designated (Sponsoring) Senior Responsible Officer (SRO) and a Lead Authority for preparing and for approval and submission of the Business Case to the HoR Working Group, then the Joint Committee. The HoR Working Group will ensure that the Programme and all projects recommendations are reviewed and approved by their own Council's Portfolio Holders for Regeneration prior to their meeting and that the projects recommendations within their geographical area are reviewed and approved via consultation process by relevant officers (including legal and finance) in their respective authorities.
- 4.3.4 Where agreement of the HoR Working Group is given for the submission of a Business Case in a form of a project report to the Joint Committee, the Senior Project Officer shall present the Business Case to the Joint Committee for approval. This will be in a Green Book compliant format (for example using templates appended to the Local Assurance Framework or the equivalent templates of the responsible Authority) and where required presentation of the report shall be supported by the relevant Head of Regeneration/Senior Responsible Officer from the responsible Authority. For the avoidance of doubt, the final decision on the status of any Project is at the point of Project approval by the Joint Committee.

- 4.3 The process which is detailed in clause 4.3 shall enable the appropriate approval bodies to approve or reject a Project to move to the next stage in the lifecycle. All Projects within the lifecycle will move through the same Project Lifecycle and Stage Gates as outlined in the Local Assurance Framework, in so far as they are applicable, leading up to final Project approval by the Joint Committee.

5. Project Management

- 5.1 When appointed Single Accountable Body or Lead Authority, the relevant Authority will assign a member of staff to the role of Programme Manager and provide sufficient support to officers to ensure delivery of the Programme and the Projects.
- 5.2 The Lead Authority (via its Senior Responsible Officer) shall be responsible for writing and submitting updates, progress and change request reports to the HoR Working Group and in any event as requested by the HoR Working Group and Joint Committee. All HoR Working Group reports must be reviewed by the Single Accountable Body, who will transfer the reports to the Joint Committee report templates once they are approved. For the avoidance of doubt, the Lead Authority for any Project will send its relevant Executive Director or his representative to all meetings at which the Projects for which they are Lead Authority are being considered.
- 5.3 The Parties have set up a HoR Working Group in accordance with Schedule 1 and Schedule 2 and the role and functions of the HoR Working Group shall be as set out in Schedule 1 and Schedule 2. Notwithstanding, anything contained within this Agreement and the Schedules, the Parties role at the HoR Working Group will be to have overall operational responsibility for the implementation of the Programme and all of its elements.
- 5.4 The Governance Principles for the Enterprise Zones, Schedule 6, sets out the principles and a framework for managing and monitoring the BCEZ funding programme, including: the process for the collection, distribution and monitoring of the business rates and business rates surpluses; collaborative working between the Local Authorities, including joint working on the Financial Model and roles and responsibilities; prioritisation of costs to be funded from business rates; and principles of borrowing and payback.
- 5.5 Unless agreed otherwise with central Government and subject to at all times compliance with UK procurement law requirements, all procurement of goods, works and/or services needed for or in the delivery of Projects shall be procured in accordance with the Lead Authorities constitution and in particular contract and/or procurement rules.
- 5.6 The Parties roles and responsibilities in relation to the Programme's, the Joint Committee and/or the HoR Working Group as set out in this Agreement shall be carried out by personnel of the Parties and no charge shall be made to the Programme in respect of costs except for where costs have been agreed to claimed by a Party either as part of an approved Business Case and/or by the Joint Committee at any time.
- 5.7 The Single Accountable Body Programme Manager will be responsible for arranging the HoR Working Group meetings, their agenda, minuting decisions, and will be responsible for providing written updates to HoR Working Group and Joint Committee on the progress of Programme tasks and updates. The Single Accountable Body will also review Project Reports prepared by Lead

Authorities as per paragraph 5.2 as appropriate, and transfer the reports to the Joint Committee report templates once they are approved.

- 5.8 The Parties agree that they shall ensure officers attend Programme/ Project meetings, as appropriate, as set out in the Local Assurance Framework to enable management of the Programme, projects, the Deal and Legacy Funds effectively.

6. Project Audit and Claw-back

- 6.1 Each Party shall be responsible for ensuring compliance with all financial requirements imposed under any grant terms imposed by central Government or approved by the Joint Committee for any element of the Programme or Project for which they are the Lead Authority.
- 6.2 At all times each Party will be responsible for ensuring that adequate audit arrangements are in place for any element of the Programme or Project for which they are the Lead Authority including providing free and unfettered access to all information and documentation in relation to the Programme and/or Project for which they are the Lead Authority.
- 6.3 Each Party agrees to give the Single Accountable Body and Lead Authority unrestricted and unfettered access to all information and documentation in relation to any element of the Programme and/or Project for which they are the Lead Authority, including providing copies of any such information and/or documentation free of charge.
- 6.4 In the event of any irregularity of any expenditure declared by any, the auditor of a Party or the Single Accountable Body's auditor, that Party shall be liable in respect of such irregularity and shall be required to repay to the Single Accountable Body any amounts unduly paid, or incurred.
- 6.5 Subject to Clause 6.4, and unless agreed otherwise by the Joint Committee, the Parties agree that in the event that any monies are clawed back from the Single Accountable Body by the funding bodies, including but not limited to central Government and the WMCA, as the Single Accountable Body pursuant to any Funding Agreement, then all of the Parties will:
- 6.5.1 take all reasonable steps to mitigate the amount of monies clawed back from the Single Accountable Body; and
 - 6.5.2 where there is an administrative irregularity by the Single Accountable Body or Lead Authority declared by an auditor of a Party and accepted by the Joint Committee, the Parties shall meet the costs of the claw-back in the same proportion to the programme funding that has been expended within their administrative area.
 - 6.5.3 where fault is proven or accepted, the Party / Parties concerned will be responsible for meeting all costs associated with the claw-back and / or costs incurred by the Single Accountable Body.

7. General Obligations

- 7.1 The Parties agree that they will continue to be bound by the terms of any funds secured by the BCLEP's Funding Agreement(s) entered into by the Single Accountable Body or Lead Authority as if they had entered into the Funding Agreement in so far as the actions of any such Party causes or leads to a breach of the Funding Agreement by the Single Accountable Body or Lead Authority.

- 7.2 The Parties each agree that they shall be required to comply directly with the terms of any Grant Agreement if they are a recipient of any funding derived from the Funding Agreement.
- 7.3 The Parties agree to assist, co-operate and comply with the Monitoring Procedures and will work together to resolve or rectify any errors or irregularities identified during the Monitoring Procedures or otherwise.
- 7.4 Each Party shall be liable for any cost implications or irregularities or errors attributable primarily to it and identified during any Monitoring Procedures.
- 7.5 Each Party indemnifies the others against all claims, liabilities, costs, expenses, damages or losses suffered by the others arising out of the negligence, default or breach by such Party of this Agreement or the Grant Agreement, and each Party shall be responsible for maintaining sufficient insurance where available in respect of such liabilities under this Agreement.
- 7.6 Each Party shall at all times take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against another pursuant to this Agreement.

8. Rights of the Single Accountable Body

- 8.1 Where the Single Accountable Body enters into a grant agreement with a Third Party, the Single Accountable Body will require formal security in the form of a legal charge, mortgage, performance bond or similar as it considers fit and prudent.
- 8.2 Where a Lead Authority either enters into a Grant Agreement with the Single Accountable Body, **or** agrees in writing to indemnify a Third Party project due to their inability to meet security requirements as per clause 8.1, then the Lead Authority shall indemnify the Single Accountable Body against all claims, liabilities, costs, expenses, damages or losses suffered by the Single Accountable Body arising out of the negligence, default or breach by either the Lead Authority or the Third Party in respect of the Grant Agreement and the Grant Agreement shall be drafted according to document this indemnity.
- 8.3 For the avoidance of doubt, the indemnities set out in clauses 8.2 shall apply where:
 - 8.3.1. the Lead Authority or the Third Party indemnified by the Lead Authority has failed to repay all or any of the grant funding upon demand within fourteen days of being requested by the Single Accountable Body to make such repayment, in circumstances including (but not limited to) a breach of the grant agreement;
 - 8.3.2 where there has otherwise been a claw-back (or demand for claw-back) made by central Government to the Single Accountable Body in respect of all or any part of the grant funding.
- 8.4 Where any grant for capital expenditure is time limited, the Lead Authority will make any such payment (as set out in clauses 8.2 and 8.3.) if they or the Third

Party have failed to demonstrate and evidence by the End Date of such grant that it is highly probable that a Fixed Asset will be delivered and meets Accounting Standards for Capitalisation. The minimum evidence requirements to avoid repayment pursuant to this clause would be a full business case, approved by all the funders of the Project, including the evidence of any required match funding.

- 8.5 The Lead Authority understands and agrees that the Single Accountable Body will be entitled to satisfy any such sums demanded from them or Third Parties under clause 8 by offsetting the amount of such sums against any payments due whatsoever from the Single Accountable Body to the Lead Authority.
- 8.6 Where any grant is in excess of a monetary threshold (*to be advised by the Single Accountable Body*) clauses 8.2 to 8.5 will be set out in a side letter to be signed by the Section 151 Officer and Chief Executive of the other Party to confirm that they understand the obligations of this Agreement. Any such side letter shall then be appended as a Schedule to any grant agreement to which this Clause applies.

9. The National Assurance Framework, the Local Assurance Framework and the Section 151 Officer

- 9.1 The Parties shall each adhere in full to all elements of the Government's National Assurance Framework, as administered by the Ministry of Housing Communities and Local Government or any subsequent government body or agent.
- 9.2 The requirements of the National Assurance Framework have been taken as the basis of and have been articulated within the Local Assurance Framework. The Parties will each at all times comply with the requirements, processes and procedures as set out within the Local Assurance Framework, together with all / any amendments thereto which are subsequently collectively approved by the Parties.
- 9.3 The Authority appointed as the Partnership's Single Accountable Body will ensure that their Section 151 Officer understands, and delivers / ensures the delivery of the roles and principles as set out within the Chartered Institute of Public Finance & Accountancy (CIPFA), Principles for Section 151 Officer in accountable bodies working with local enterprise partnerships document, including any future revisions or adaptations to the same.
- 9.4 The Parties will ensure that they fully understand what is expected of them in relation to meeting these Section 151 Officer requirements, and will work collaboratively with the appointed Single Accountable Body to achieve them.
- 9.5 The receipt of funding from the BCLEP or WMCA requires full compliance with the National Assurance Framework, the Local Assurance Framework and the requirements of the Single Accountable Bodies Section 151 Officer. Failure to meet these requirements will place all Legacy Funding, whether approved and planned or not, at risk of being placed on hold or being withdrawn or reclaimed by Government.

10. The Legacy Funds

- 10.1 The Parties shall continue to manage and administer the Legacy Funds, in accordance with the following requirements (in order of priority as set out):
- 10.1.1 the conditions (if any) associated with each of the Legacy funds which were imposed by the Secretary of State or any other relevant authority on behalf of Central Government when each of the Legacy Funds was created and pursuant to which each of the Legacy Fund's grant monies were paid over to the Combined Authority or the BC LEP (or any accountable body for which the Combined Authority is now the relevant successor authority);
 - 10.1.2 the provisions of any Ministerial Consent which is required to authorise the delegation of the management and use of the BCEZ legacy funds to the Parties by the Combined Authority;
 - 10.1.3 the provisions of this Collaboration Agreement (as amended from time to time during the Term);
 - 10.1.4 the Local Assurance Framework which was approved by the LEP Board and the BCJC on behalf of the Black County Authorities on 23 June 2021 as referred to in clauses 1.2.10 and 7B of this Collaboration Agreement.
- 10.2 The Single Accountable Body shall be responsible for carrying out the following generic responsibilities in relation to each of the Legacy Funds (in so far as they remain active) to the End Date (without limitation), with the exception of where (firstly) one of the other Authorities is acting as the Lead Authority (in which case they shall be obligated instead) and (secondly) in relation to the BCEZ Legacy Funds in respect of which each of the four Authorities shall be responsible for such activities in relation to their use and management of the BCEZ Legacy Funds in their respective administrative areas as is provided for in this Collaboration Agreement:
- 10.2.1 management of refunds and overage payments;
 - 10.2.2 management of residual output monitoring;
 - 10.2.3 underwriting and payment of any government clawback of the funding;
 - 10.2.4 distribution of residual funds in accordance with applicable contractual requirements of the Collaboration Agreement;
 - 10.2.5 continued financial and non-financial (i.e. output) reporting in relation to the required outcomes and objectives to the Accountable Body, or relevant Government Authority (as applicable).
- 10.3 Each of the Parties shall also be responsible for carrying out the following specific responsibilities (without limitation) in relation to the use by each of them in their respective administrative areas of any BCEZ Legacy Funds as provided for in the Collaboration Agreement:
- 10.3.1 the management, generation and retention of future business rates and any surpluses;
 - 10.3.2 the retention and management of all borrowing risk by the Parties in line with the Collaboration Agreement.
- 10.4 The LEP Reinvestment Fund was established by the BCLEP to capture recycled investments from other LEP grants, such as from overage and the BDUK Broadband project gainshare returns. Any overage or refunds recovered

by the Single Accountable Body pursuant to their management of their Legacy Funds, or any other residual funding arising out of such Legacy Funds, shall be shared equally between the Parties, after deduction of their respective costs incurred to recover these funds. Each Party should then use their share of these funds (as aforesaid) for the purposes for which such funds were originally intended when granted, or otherwise in order to promote economic growth and development in their administrative areas.

- 10.5 For the avoidance of doubt, this equal share also applies to uncommitted funds arising from the Growing Places Funds, including future loan repayments from projects and gainshare arising from the LEP Reinvestment Fund.
- 10.6 For some of the Legacy Funds received from the funding providers in advance (i.e. Local Growth Deal, Growing Places Fund), interest was accrued in the period between grant receipt and grants being distributed to applicants. The LEP approved that interest could be utilised to fund SAB and BCC Ltd programme management costs, where they could not be capitalised to projects. Any remaining interest, after accounting for costs incurred by the SAB in completing their roles and responsibilities to 31 March 2026 (or beyond should any programmes be extended), shall be shared equally between the four parties.

11. Scrutiny of Joint Committee decisions

- 11.1 As and when required, by an Overview and Scrutiny Committee or Board or an Audit Committee of any Party, the member of the Joint Committee for the Authority, whose Overview and Scrutiny Committee or Board or Audit Committee has instigated an investigation, shall take the lead responsibility for accounting for the activities of the Joint Committee to the Overview and Scrutiny Committee or Board or Audit Committee, and shall attend such meetings of those committees of its Authority as necessary.
- 11.2 The Parties shall liaise and co-operate at all times with the Authority whose Overview and Scrutiny Committee or Audit Committee have made requests for information and/or reports and use all reasonable endeavours to assist that Authority in responding to such requests, but for the avoidance of doubt, no Party, its officers or members shall be required to attend the Overview and Scrutiny Committee or Board or an Audit Committee of any other Party.

12. Documentation

The HoR Working Group will produce the initial drafts of the standard documentation for the Programme for approval by the Joint Committee, and will ensure that the Programme and all projects recommendations are reviewed by their own Council's Portfolio Holders for Regeneration and that the projects recommendations within their geographical area are reviewed and approved via consultation process by relevant specialist officers (including finance and legal) in their respective authorities.

13. Confidentiality

- 13.1 Each Party shall use all reasonable endeavours to keep in strict confidence, and shall bind all its employees and agents to keep in strict confidence, all commercial and technical information in whatever form acquired by it (whether directly or indirectly) concerning another Party in consequence of this

Agreement (hereinafter called Confidential Information). No Party shall save, as hereinafter provided, use or disclose any such Confidential Information other than for the purposes of the Programme or as expressly permitted by this Agreement. The foregoing restriction shall not apply to:

- 13.1.1 Information which at the time of disclosure is generally available to the public,
- 13.1.2 Information which the Parties obliged to release under the provisions of the Freedom of Information Act 2000,
- 13.1.3 Information which after disclosure becomes generally available to the public through no fault of the receiving Party,
- 13.1.4 Information which the receiving Party can show was in its possession prior to the disclosure and which was not acquired directly or indirectly from the other Party, and
- 13.1.5 Information which the receiving Party can show was received by it after the time of disclosure from any Party without any obligation of confidentiality and which was not acquired directly or indirectly from the other Party,
- 13.1.6 The confidentiality obligations set out in this clause shall survive for a period of five (5) years after the termination of the Programme,
- 13.1.7 Each Party shall impose the same confidentiality obligations set out in this clause 9 upon its affiliates, consultants and other third parties who are in association with it and may have access to any Confidential Information during the term of this Agreement.

14. Intellectual Property

- 14.1 The Parties agree that all Intellectual Property Rights relating to the Programme shall, unless otherwise agreed in writing, belong to the Parties jointly, and that the Parties will use all reasonable endeavours to ensure that each receive appropriate rights to any Intellectual Property Rights created during and relating to the Programme.

15. Warranties

- 15.1 Each Party warrants to the other Parties that:
 - 15.1.2 It has the necessary right and authority to enter into this Agreement,
 - 15.1.2 The signatories hereto for and on behalf of that Party are authorised and fully empowered to execute this Agreement on that Party's behalf.

16. Force Majeure

- 16.1 If any Party is affected by Force Majeure it shall forthwith notify the other Parties of the nature and extent thereof.
- 16.2 No Party shall be deemed to be in breach of this Agreement, or otherwise be liable to the other, by reason of any delay in performance, or the non-performance, of any of its obligations hereunder, to the extent that such delay or non-performance is due to any Force Majeure of which it has notified the other Parties, and the time for performance of that obligation shall be extended accordingly.
- 16.3 If the Force Majeure in question prevails for a continuous period in excess of three months, the Parties shall enter into bona fide discussions with a view to

alleviating its effects, or to agreeing upon such alternative arrangements as may be fair and reasonable.

17. Termination of the Collaboration Agreement

- 17.1 Any of the Parties may withdraw from this Agreement by giving at least three (3) month's written notice to the others Parties and the Joint Committee, but this right shall only apply if the Party in question has either not received any Legacy Funding, or the benefit of Legacy Funding under the Deal within their administrative area and/or the Programme and or the Deal is terminated, or has ceased and all outputs and outcomes required by central Government in respect thereof have manifestly been delivered in a fully compliant way.
- 17.2 If one or more Parties gives notice to withdraw from this Agreement in accordance with clause 17.1, then:
- 17.2.1 the Joint Committee shall meet within one month of the service of any such notice of termination for the purposes of preparing an implementation plan for the termination; and
- 17.2.2 the Parties shall each act reasonably in co-operating with each other to facilitate the termination and the Party giving notice of termination (or if there is more than one such Party then each of them in equal shares) shall bear all costs arising out of or in connection with such termination and shall indemnify the remaining Parties against all costs and expenses incurred or to be incurred by them arising out of or in connection with that termination
- 17.3 No relaxation, forbearance, delay or indulgence by any Party in enforcing any of the terms of this Agreement or the granting of time by any Party to any other shall prejudice, affect or restrict the rights and powers of that Party in relation to the other, nor shall any waiver by any Party of a breach of this Agreement be considered as a waiver of any subsequent breach of the same or any other provision.
- 17.4 The rights to terminate or withdraw from this Agreement given by this clause 17 shall not prejudice any other right or remedy of any Party in respect of the breach concerned (if any) or any other breach.

18. Variation

- 18.1 The Joint Committee shall from time to time review the operation of this Agreement and implementation of the Programme(s) and or the Deal. The Joint Committee shall make proposals to the Parties for any changes which seem to the Joint Committee to be reasonable and appropriate in the circumstances which shall be dealt with be a Deed of Variation appended to this Agreement.

19. Publicity and Public Relations

- 19.1 The Parties shall co-operate and consult with each other in respect of any matter involving public relations in so far as reasonably practicable having regard to the nature and urgency of the issue involved. The Parties acting through the Joint Committee may agree protocols for the handling of public relations from time to time.

20. Disputes

- 20.1 If any dispute arises between the Parties arising out of the provisions of this Agreement, the Parties shall endeavour to resolve the dispute by agreement as quickly as possible, but if the dispute has not been resolved within ten (10)

Working Days, then either Party may request the others to participate in a meeting of their Chief Executives. The Parties in dispute shall exchange statements at least three (3) clear Working Days prior to the date of the meeting, setting out their respective views of the disputed issues. If the Chief Executives do agree a strategy for the resolution of the dispute, the Parties shall then liaise in good faith to arrange and implement the strategy for resolution within ten (10) Working Days of the meeting.

- 20.2 If notwithstanding any steps taken by the Parties pursuant to clause 20.1, the dispute between them remains unresolved then at the request of any Party it shall be referred (in the absence of any express provision to the contrary) to an Independent Person appointed jointly by the Parties.
- 20.3 The Independent Person is to have at least 10 years relevant post qualification experience and his/her identity shall be agreed between the Parties.
- 20.4 If the Parties cannot agree on the Independent Person's identity, the Independent Person is to be appointed at the request of any of the Parties by the president or chairman for the time being of whichever of the following bodies is most appropriate having regard to the nature of the dispute:
 - 20.4.1 The Royal Institution of Chartered Surveyors;
 - 20.4.2 The Institute of Chartered Accountants in England and Wales; or
 - 20.4.3 The Law Society of England and Wales.
- 20.5 The Independent Person is to act as arbitrator in accordance with the Arbitration Act 1996 and the costs of the arbitration shall be payable by the Parties in the proportions determined by the Independent Person unless agreed otherwise the default position being as determined under the Arbitration Act 1996.
- 20.6 Where costs of the Independent Person remain unpaid by the Party liable to pay them pursuant to this clause, the other Parties or any of them may discharge those costs and recover the sum so paid from the defaulting Party as a debt on written demand.

21. Priority of documents

- 21.1 In the event of any inconsistencies between the terms of this Agreement and its Schedules the Parties are the following order of priority of documents:
 - 21.1.1 This Agreement;
 - 21.1.2 The Constitution (BCJC) and Terms of Reference of the Joint Committee;
 - 21.1.3 The Constitution (HoR Working Group) and Functions of the HoR Working Group.

22. Complaints

- 22.1 In the event of a complaint about a Project being received, the Lead Authority for that Project will manage the complaint and shall report regularly as necessary upon the complaint and in any event at the conclusion of the complaint.

23. The Authorities Powers

- 23.1 Nothing in this Agreement shall prejudice or affect any of the statutory rights powers obligations and duties for the time being vested in the Parties.

24. Notices and Service

- 24.1 Any notice or other information required or authorised by this Agreement to be given by any Party to the other Parties shall be given to the other Party or Parties at their address which is stated at the beginning of this Agreement (or such other address as has been notified by them to the other Parties in writing at any time during the Term) by any of the following methods:
- 24.1.1 delivering the same by hand,
 - 24.1.2 sending the same by pre-paid registered post;
 - 24.1.3 sending the same by email to the dedicated email address which each Party has notified to the other Parties for the purposes of this clause of the Agreement.
- 24.2 Any notice or information sent by post in the manner provided by clause 24.1, which is not returned to the sender as undelivered, shall be deemed to have been given on the second day after the envelope containing it was posted, and proof that the envelope containing any such notice or information was properly addressed, pre-paid, registered and posted, and that it has not been returned to the sender, shall be sufficient evidence that the notice or information has been duly given.

25. Freedom of Information

- 25.1 The Parties acknowledges that they are subject to the requirements of the code of practice on access to Government information, the Freedom of Information Act 2000 ("FOIA") and the Environmental Information Regulations ("EIR") and shall assist and cooperate with each other to enable the Parties to comply with their information disclosure obligations.
- 25.2 The Parties shall provide all necessary assistance as reasonably requested by the other Parties to enable the other Parties to respond to any requests for information that falls under the FOIA or EIR and is related to the Project ("Request for Information") within the time for compliance set out in section 10 of the FOIA or regulation 5 of the EIR.
- 25.3 The Party who received the initial Request for Information shall be responsible for responding to the initial request and determining in its absolute discretion and notwithstanding any other provision in this Agreement or any other agreement whether any information is exempt from disclosure in accordance with the provisions of the code of practice on access to Government information, FOIA or the EIR.
- 25.4 The Parties shall ensure that all information produced in the course of this Agreement is retained for disclosure and shall permit the other Parties to inspect such records as requested from time to time.

26. Data Protection Legislation

- 26.1 With respect to the parties' rights and obligations under this Agreement, the Parties agree to each comply with the obligations imposed on them by the Data Protection Legislation and to ensure that Personal Data (as defined in the Data Protection Legislation) is processed only in accordance with their own policies on data protection, information security and retention of personal data to comply with their obligations under the Data Protection Legislation.

27. Equality Act 2010

- 27.1 The Parties agree to each comply with the obligations imposed on them by the Equality Act 2010 in so far as the same applies to this Agreement.

28. General

- 28.1 This Agreement is personal to each of the Parties and no Party may assign, mortgage, charge or (except as otherwise provided in this Agreement) license any of its rights hereunder, or sub-contract or otherwise delegate any of its obligations hereunder, except with the written consent of all the other Parties.
- 28.2 Nothing in this Agreement shall create or be deemed to create a partnership or the relationship of principal and agent, between the Parties.
- 28.3 The Parties will act in good faith towards each other in relation to the Deal and in achieving the Objectives and Outputs of the Programme and in complying with this Agreement and the Funding Agreement.
- 28.4 If any provision of this Agreement is held by any competent authority to be invalid or unenforceable in whole or in part, this Agreement shall continue to be valid as to the other provisions thereof and the remainder of the affected provision.
- 28.5 This Agreement, the Funding Agreement and the documents referred to in it, constitutes the entire agreement and understanding of the Parties and supersedes any previous agreement between the Parties relating to the subject matter of this Agreement.
- 28.6 All of the Parties acknowledge and agree that in entering into this Agreement, and the documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether Party to this Agreement or not) other than as expressly set out in this Agreement. Nothing in this clause shall, however, operate limit or exclude any liability for fraud.
- 28.7 All payments by any Party pursuant to this Agreement are exclusive of any applicable Value Added Tax (VAT), except where expressed to the contrary, and if any such VAT is payable, the Party in question shall be additionally liable for such tax, which shall accordingly be shown on the relevant VAT invoice.
- 28.8 No variation to this Agreement or of any of the documents referred to in it shall be valid unless it is in writing and signed by and on behalf of all of the Parties.
- 28.9 Every Party shall from time to time do all such acts and execute all such documents as may be reasonably necessary in order to give effect to the provisions of this Agreement.
- 2.10 The Parties shall bear their own costs of and incidental to the preparation, execution and implementation of this Agreement.
- 28.11 The Parties do not intend that any of this Agreement should be enforceable pursuant to the Contracts (rights of Third Parties) Act 1999 by any person who is not a Party to this Agreement.
- 28.12 This Agreement shall be governed by and construed in accordance with the laws of England and Wales.

SEALING PAGE

IN WITNESS where this Agreement has been signed and delivered as a deed by or on behalf of each of the Parties on the date stated at the beginning of this Agreement.

EXECUTED as a **DEED** by)
WALSALL METROPOLITAN)
BOROUGH COUNCIL with the)
affixing of its **COMMON SEAL**)
in the presence of:)

.....
Authorised Signatory

EXECUTED as a **DEED** by **THE**)
BOROUGH COUNCIL OF)
DUDLEY with the affixing of its)
COMMON SEAL in the presence)
of:)

.....
Authorised Signatory

EXECUTED as a **DEED** by **THE**)
BOROUGH COUNCIL OF)
SANDWELL with the affixing of)
its **COMMON SEAL** in the)
presence of:)

.....
Authorised Signatory

EXECUTED as a **DEED** by **THE**)
WOLVERHAMPTON CITY)
COUNCIL with the affixing of its)
COMMON SEAL in the presence)
of:)

.....
Authorised Signatory

SCHEDULE 1

Constitution of the Heads of Regeneration Working Group

The Black Country Heads of Regeneration Working Group (HoR Working Group) will oversee the delivery of the programme making key recommendations to the Black Country Executive Joint Committee (BCJC)

1. The HoR Working Group shall comprise of:

Decision making (voting) membership:

4 Relevant Directors¹ (or their nominated proxy), each representing one of the four voting members (so that each of such members are represented), but subject to the quorum rule in point 4 and the conflict of interest rules in point 13.

Adviser/support membership (none decisions making members):

Joint Committee Programme Manager;

BC Transport Director;

Single Accountable Body Officers;

Regeneration Managers;

Other officers as appropriate

Section 151 Officer or their representatives (for investment decisions/presentation of business cases).

2. The HoR Working Group shall at its Annual Meeting (AGM, held in line with the start of municipal year) elect a Chair from among its voting members. In the event of the Chair being absent from the meeting, the HoR Working Group shall elect a Chair from amongst the voting members present for that meeting. Only a full voting member is entitled to be elected as a Chair of the Group.
3. The voting members can nominate an alternate member (nominated proxy) to attend on their behalf, who will for that meeting be considered a voting member, but may not chair the Group.
4. Two voting members shall constitute a quorum, regardless of whether or not any affected voting member is in attendance.
5. All questions shall be decided by a majority of the votes of the voting members present, with the Chair having the casting vote where there is a split even vote, in addition to his/her vote as a member of the Working Group.
6. The HoR Working Group shall meet as agreed at AGM and set the forthcoming year's timetable of meetings.
7. A meeting of the HoR Working Group may also be convened by the Chair within 14 days of the receipt of a requisition of voting member of the group. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting. However, in cases of genuine urgency a meeting may be convened at any time by the Chair, upon five (5) Working Days of notice to all members of the Group.

¹ Director of Regeneration (CWC); Director of Regeneration & Enterprise (DMBC); Director Regeneration and Growth (SMBC); Executive Director Economy, Environment and Communities (WMBC).

8. Should urgent items occur that require immediate decisions, the Chair may through the appropriate mediums (phone, email, etc.) contact the voting members and agree a decision, which must be confirmed in writing by each voting members contacted as soon as possible and discussed at the next scheduled meeting date.
9. The HoR Working Group shall from time to time appoint such sub-Working Groups to consider and deal with any of the functions of the Group as may be thought desirable. Membership of which is determined by the HoR Working Group.
10. The HoR Working Group Secretary shall be Walsall Council, and all meetings of the Group shall take place at Walsall Council, unless agreed otherwise by the Chair. If agreed by the Chair and if lawful so to do, meetings may take place virtually via the Internet (including by email).
11. The role of the Secretary shall include:
 - i. Preparing the agenda and submitting reports prepared by any of the Black Country Local Authorities' or other bodies to the Group and minutes of the meetings.
 - ii. Arrangements for recommendations from the Group, including supporting reports and Consultation Sheets, to the BCJC.
12. Members of the HoR Working Group or sub- Groups that are representatives appointed by a Black Country Local Authority must comply with their own Council's Code of Conduct.
13. Members of the HoR Working Group or sub- Groups with Conflicts of Interest must comply with the following rules:
 - a. A conflict-of-interest arises where any decision potentially gives direct commercial or financial payment or benefits to:
 - i) you,
 - ii) a close member of your family,
 - iii) an organisation that you are either:
 - A. are employed by or hold office with or
 - B. in which you own more than 10% of the issued share capital
 - b. a conflict-of-interest as set out in situations above does not arise in relation to any business regarding allocation of funding streams or Projects to be allocated to or benefit the area of any of the four Black Country Local Authorities.
 - c. Upon a conflict-of-interest arising:
 - i) in the case of a voting member that member must declare an interest and not vote, but may remain in the room to make representations;

- ii) in the case of non-voting members that member must declare an interest but may remain in the room to make representations.

14. Gifts and Hospitality policy for elected members attending the group meeting will be the same as that of their own Black Country Local Authority. For non-elected voting members, they should declare any gifts or hospitality that has a value over £25, which may be seen as related to their role on the HoR Working Group and or any specific scheme, Project or funding stream.
15. The HoR may invite external visitors to attend meetings; this can be for an individual meeting to make, for example, a presentation, or for a number of meetings against a theme of work commissioned, etc. Visitors can take part in the debates associated with the agenda items for which they are invited, but not for the remainder of the meeting, unless invited to do so by the Chair. Visitors can not take part in any voting and must declare any Conflicts of Interest on joining the meeting.
16. The HoR Working Group will formally invite their s151 officers (or their representatives) to meetings where investment decisions are being made and business cases are being reviewed, or where a material change to a project is being approved, to ensure that financial implications and risk related to decisions are fully understood. The Secretary will ensure that all representatives are invited, and if the s151 officer (or their representatives) cannot attend the meeting, they will have an opportunity to give feedback within a reasonable timeframe.

SCHEDULE 2

Functions of the Heads of Regeneration Working Group:

1. To manage the Programme(s) on an operational basis.
2. To manage promotion of the Programme(s).
3. To lead the Consultation on the funding proposals and projects recommendations with their own Council's Portfolio Holder for Regeneration.
4. To ensure alignment between decision making on all BC LEP Legacy Funds and decisions on other areas of policy such as land use, transportation, economic development and wider regeneration. Ensuring that business views are taken on board and that growth plans are reflected in strategic priorities.
5. To act as a strategic advisory body; reviewing and recommending objectives for strategic investment across the Black Country in relation to all BC LEP Legacy Funds LEP including:
 - a. Providing a coherent single position on the major strategic issues for the funds;
 - b. Formulating proposals for allocation of spending;
 - c. Formulating proposals for major priorities;
 - d. Considering and agreeing recommendations made by the Single Accountable Body's independent technical advisors in their due diligence reports, relating to investment decisions;
 - e. Recommending Lead and/or Single Accountable Body status for a body or organisation;
 - f. Referring final recommendations from the HoR Working Group as to items a) to e) above to the BCJC for formal approval.
6. To agree the timeline for delivery of the implementation of the Programme(s), monitor progress and ensure that the key milestones are achieved.
7. Review and approval of reports with supporting Project Business Cases as necessary and provide recommendations to the BCJC in the form of a report.
8. To devise, oversee, manage and monitor the Programme(s) and elements of it generally and specifically review and evaluate on a regular basis ongoing individual Projects progression and delivery against the Business Case for the Project, including any key miles stones, financial spend and compliance with any central Government/ WMCA grant terms.
9. To identify and manage risk for the Programme(s) and individual Projects.
10. To ensure appropriate financial management is in place and complies with any government grant terms, EU (Withdrawal) Act 2018 and UK law, and accounting good practice.
11. To receive from Lead Authorities as appropriate detailed updates on Projects in accordance with the timescales set out in the Business case or otherwise as necessary, and provide written updates along with appropriate recommendations on the progress of the specific Projects as necessary.

12. To advise the BCJC in relation to all funds secured by the BC LEP, i.e. capital expenditure programmes and potential programs, and ensuring policy and programmes are delivered effectively through partners.
13. Relevant Directors who are members of the HoR Working Group (Relevant Directors”) will ensure that the Project Register on Verto is undertaken by officers, in their respective authorities, setting out Project details including, Project Authority, Project Authority Project Lead officer, Project Objectives, funding amount, Key dates, specific tasks/targets that need to be delivered to ensure Project success, Project key risks and mitigation measures in place, any relevant cut of date for funding spend and latest Project position.
14. Relevant Directors will ensure that the Project Register is kept fully up-to-date by officers, in their respective authorities, who are responsible for leading on the Projects for which their Authority is the Lead Authority.
15. Relevant Directors will ensure that the programme(s) and all projects recommendations are reviewed and approved by their own Council’s Portfolio Holders for Regeneration via consultation process and ensure that any concerns, feedback or queries are raised and if possible resolved at the HoR Working Group meeting.
16. Relevant Directors will ensure that the projects recommendations within their geographical area are reviewed and approved via consultation process by relevant officers (including legal and finance) in their respective authorities.

SCHEDULE 3

Not used

SCHEDULE 4

Black Country Executive Joint Committee

CONSTITUTION

26 March 2014

(Updated June 2021 and January 2023)

1. Dudley MBC, Sandwell MBC, Walsall MBC and Wolverhampton City Council established an Executive Joint Committee known as the Black Country Executive Joint Committee (BCJC) for the purpose of discharging the functions mentioned in **Annex A**. The BCJC is a joint committee of the Executive for the purposes of Part VI of the Local Government Act 1972 and Part I Chapter 2 of the Local Government Act 2000 and the provisions of thereof that are applicable to Joint Committees of the Executive shall apply to the BCJC.
2.
 - (i) The BCJC shall comprise four members, each Council being entitled to appoint one voting member who shall be a member of the Councils Cabinet making the appointment. In the event of a voting member of the BCJC ceasing to be a member of the Council which appointed him/her, the Council shall forthwith appoint another voting member in his/her place. Only a voting member is entitled to be elected as Chair or Vice-Chair of the BCJC.
 - (ii) Each Council may appoint members of its Executive as substitute for the voting members appointed under (i) above to attend meetings of the BCJC and its sub-committees in the absence for any reason of the voting members or observer members. The substitute voting members or observer members shall be treated in all respects if they were appointed under (i) above as the case may be. The Secretary for the Committee shall be informed prior to the commencement of the meeting of the names of the substitute members.
 - (iii) The Single Accountable Body will be responsible for transferring the Heads of Regeneration Working Group reports to the Joint Committee report templates once they are approved, in the format provided for at **Annex B**. All other reports from any subcommittee and or Council will also take the form as set out in **Annex B**. The Head of the Programme Management or their representative from the SAB supported by the relevant Head of Regeneration/Senior Responsible Officer from the Local Authority, will present all of the reports regarding funding at meetings of the BCJC on matters relating to BC LEP Legacy Funds.
 - (iv) The BCJC shall at its Annual Meeting, elect a Chair and Vice-Chair from among its voting members or chose to adopt for that year to have a rolling Chair and Vice Chair being upon rotation. In the event of both being absent from the meeting, the Chair and Vice-Chair for whatever reason, the BCJC shall elect a Chair from amongst the voting members present for that meeting but shall not count for purposes of rotation.

- (v) Three voting members of the BCJC shall constitute a quorum. Except as otherwise provided by statute, all questions shall be decided by a majority of the votes of the voting members present, the Chair having the casting vote in addition to his/her vote as a member of the BCJC.
 - (vi) The BCJC shall meet as agreed at its AGM. However a meeting of the BCJC may be convened at any time by the Secretary in consultation with the Chair for the meeting. A meeting of the BCJC must also be convened by the Chair within 28 days of the receipt of a requisition of any two voting members of the BCJC addressed to the Secretary of the Committee. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting.
 - (vii) The BCJC shall from time to time make such standing orders for the carrying on of the business of the BCJC as the BCJC shall deem necessary and or desirable.
 - (viii) For the avoidance of doubt and subject to there being no changes to the law on this issue, where a Council is operating Executive arrangements pursuant to the Local Government Act 2000 (and any regulations made under it), it will be a matter for the Executive of the Council to appoint any voting member, or substitute member of the Committee as long as that member is a member of the appointing Councils Cabinet.
3. The BCJC (as could a Cabinet) can delegate authority, but the law restricts that delegation only to officers of the Black Country Local Authorities not any other persons. **Annex C** lists delegations to officers.
 4. The BCJC shall from time to time appoint such sub-committees and Advisory Boards to consider and deal with any of the functions of the BCJC as may be thought desirable.
 5. The BCJC Secretary and such other officers as may be deemed necessary for the due conduct of the business of the BCJC shall be Walsall Metropolitan Borough Council.
 6. Meetings of the BCJC shall be held at the date, time and place agreed at the AGM and published by the Secretary of the BCJC following the AGM unless otherwise directed by the BCJC.
 7. The Secretary shall be responsible for collating, preparing and publishing (in accordance with Access to Information requirements) the Forward Plan, the Agenda, reports, decision notices and minutes as appropriate.
 8. That the relevant Standing Orders for BCJC are those of Walsall Metropolitan Borough Council.

FUNCTIONS OF BLACK COUNTRY EXECUTIVE JOINT COMMITTEE

5. To receive reports from the Heads of Regeneration Working Group and any Sub Committee or Advisory Board of the Black Country Executive Joint Committee (BCJC).
6. At any time review and agree proposed changes to the Functions of the BCJC, and seek approval of the same from the four Council Executives of the Black Country Local Authorities.
7. To agree and approve any proposed governance and or reporting structure that the BCJC sees fit.
8. In relation to the Black Country Local Enterprise Partnership Legacy Funds:
 - 8.1 To act as a strategic body; setting and reviewing objectives for strategic investment across the Black Country, including;
 - f. Providing a coherent single position on the major strategic matters in relation to the Black Country Local Enterprise Partnership Legacy Funds;
 - g. Agreeing allocation of spending;
 - h. Agreeing major priorities;
 - i. Consider and agree recommendations made by the Heads of Regeneration Working Group and any Sub Committee or Advisory Board of the BCJC;
 - j. Refer recommendations received back from the Heads of Regeneration Working Group any Sub Committee or Advisory Board of the BCJC for further consideration as and when minded in the first instance to not follow recommendations at all or to materially change the substance of the decision except in the case of genuine urgency requiring a decision to be made at that time;
 - 8.2 Agreeing Lead and or (Single) Accountable Body status for a body or organisation;
 - 8.3 Agree, review and amend options at any time for any Sub Committee or Advisory Board of the BCJC governance which is fit for purpose;
 - 8.4 Influence and align government investment in order to boost economic growth;

- 8.5 Have regard to the duty to cooperate and BCJC's overall function as set out above;
- 8.6 To ensure alignment between decision making on all BC LEP Legacy Funds and decisions on other areas of policy such as land use, transportation, economic development and wider regeneration;
- 8.7 Co-ordinate and align decision making on transport with the Black Country ensuring that business views are taken on board and that growth plans are reflected in strategic priorities;
- 8.8 Deciding on capital expenditure programmes and ensuring policy and programmes are delivered effectively through partners;



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

REPORT OF THE HEADS OF REGENERATION WORKING GROUP

(OR COUNCIL)

TO

BLACK COUNTRY EXECUTIVE JOINT COMMITTEE

ON

(DAY, MONTH, YEAR)

(INSERT TITLE OF REPORT)

CAPITAL FUNDING, DEVELOPMENT FUNDING, SITE INVESTIGATION (please delete
project types not appropriate)

Key Decision:	Yes/No
Forward Plan:	Yes/No

1. PURPOSE OF REPORT

1.3 Set out the main points of the report and details of what is being sought in summary.

2. RECOMMENDATIONS

2.1 Specific recommendation from the Heads of Regeneration Working Group with approval requested by the Joint Committee.

2.2 The recommendation(s) should be clear, concise and include all relevant information. No abbreviations or acronyms are to be used. No statements are to be used. Value of grant to be approved should be included in the recommendation.

- 2.3 It is not acceptable to recommend “That the course of action set out in the report be approved” as this does not give sufficient clarity.
- 2.4 There must be a separate recommendation for each recommendation you wish the Joint Committee to make.
- 2.5 Do not set out any recommendations elsewhere in the report.
- 2.6 If you only have one recommendation there is no need to number it. It looks like there should be others.

3. REPORT DETAIL

- 3.1 Write clearly, concisely and focus on relevant material information. Do not use acronyms.
- 3.2 All relevant and pertinent information should be included so as to enable a fully informed recommendation to be made by the Heads of Regeneration Working Group.
- 3.3 Sufficient weight and emphasis should be made on key points.
- 3.4 Sufficient information to enable an informed decision must be contained within the report.

4. BENEFITS COST RATIO (VALUE FOR MONEY)

- 4.1 Benefit-Cost Ratios (BCRs) are utilised in capital budgeting to analyse the overall value for money of undertaking a new project. It is an indicator showing the relationship between the relative costs and benefits of a proposed project, expressed in monetary or qualitative terms. The Economic Intelligence Unit has developed the formula, deployed by the Programme Management Office, to identify the BCR for a project requiring public sector funding. The threshold for any project that has been assessed is 1.5 and would be considered ‘good value for money’ should this threshold be exceeded. The BCR calculation however does not take into consideration the Strategic fit and proposition of a project.
- 4.2 Please state individual project BCR and provide further explanation why the project is put forward for consideration if the project ratio is under 1.5.

5. FINANCIAL IMPLICATIONS

- 5.1 All relevant financial implications. You must consult the appropriate finance officer at the outset of the project. Your report will not be considered if the Finance Officer has not commented.
- 5.2 Please state match funding and intervention rate of LGF.

6. LEGAL IMPLICATIONS

- 6.1 The appropriate grant agreement[s] [is/are *or* will be put] in place, which will include all necessary 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.
- 6.2 Please see paragraph 6.1 for suggested wording to include. You must consult legal services at the outset of the project. Set out any legal obligations on and consequences for the BCJC arising from the proposals. You must give sufficient time for legal services to comment on your report. Your report will not be considered if legal services have not commented.

7. RISK MANAGEMENT

- 7.1 Key risk identified and explanations as to how they will be managed are to be inserted.
- 7.2 For Site Investigation and Development funding, insert a paragraph covering the risk that this will not result in a capital asset. State when the full business case is expected to be approved, where the funding will come from and the risk of the business case not being approved (i.e. likelihood etc.).

8. EQUALITY IMPLICATIONS

- 8.1 An equality impact assessment to be done and equality implications set out in the report as well as how they will be managed.

9. CONSULTATION

- 9.1 Identify who has been consulted and why, the outcome of the consultation and if there is any planned future consultation. For example, do not use “the report is prepared in consultation with relevant managers and executive directors”.
- 9.2 There is an expectation that wherever possible, Ward Councillors should be consulted and involved in matters affecting their Ward.

- 9.3 Consultees mentioned in this part of the report should match with those referred to in the Forward Plan entry, if it is a key decision. Include other consultees if they have been identified since.
- 9.4 If scrutiny panels have considered this issue, provide feedback on their recommendations/views.

Note:

- It is the responsibility of the author of the report to identify and consult with relevant officers and external parties about the proposals and the contents of the draft reports. Should any changes be made before the report appears before the Heads of Regeneration Working Group and Joint Committee in final form then you must consult relevant people again. If the revised circumstances could impact on the legal and financial position, you must consult afresh with legal and finance colleagues.
- A report consultation sheet is available from the Programme Manager and **must be completed and accompany your report at all times**. The consultation sheet template should not be amended. If any amendments are made to your report at any stage which requires the re-consultation of colleagues, this must be reflected in the form when submitted at the final stage.

Background papers

- List any background documents that you have used or which are associated with the report being produced. (This is to satisfy the legal requirements that govern public access to local authority papers and the Freedom of Information Act.) You should not list acts of Parliament or any documents that give confidential information. Do not quote file references. Such files will be open to public scrutiny if asked.

Attachments

- I. List any attachments that will accompany the report, if no attachments are required, state 'None'

“DELETE AS APPROPRIATE”

Report Author

SRO (all projects)

SSRO (if SRO non-LA, then requires LA SSRO)

Contact Officer

[DELETE AS APPROPRIATE]

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**Delegation of Authority to
the EXECUTIVE DIRECTOR FOR ECONOMY, ENVIRONMENT &
COMMUNITIES
AT WALSALL COUNCIL IN HIS ROLE AS
Chair of the HEADS OF REGENERATION Working Group**

Pursuant to Item 3 in the Constitution, on 17 June 2015 the Black Country Executive Joint Committee (BCJC) approved the Delegation of Authority to the Executive Director for Economy, Environment and Communities within Walsall Council in his role as Chair of the Heads of Regeneration Working Group to:

1. Deploy a **Change Control process to "in-flight" projects** previously approved by the Black Country Local Enterprise Partnership Board and the BCJC within a clearly stated range of Project Tolerances, allowing:
 - 1.1 the approval of changes up to a maximum of 10% of individual grant value or up to £300,000 whichever is lower (all grant changes excluding year-end);
 - 1.2 that changes of between 0 and 5% are to be considered as re-forecasting and do not need to be reported to the BCJC until the final report on changes to the programme is presented to the BCJC.

It is however understood that :

- 1.3 "in-flight" Change Control decisions taken under Delegated Authority by the Chair of the Working Group must be made in consultation with the Single Accountable Body Section 151 Officer.
- 1.4 the Chair of the Working Group must report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting [published on the BCJC website by following this link.](#)

2. Deploy a **Change Control process to projects at Year-End** for projects previously approved by the Black Country Local Enterprise Partnership Board and the BCJC within a clearly stated range of Project Tolerances, allowing;

- 2.1 the approval of changes up to a maximum of 15% of individual grant value or up to £500,000 whichever is lower (e.g. if a project grant allocation is £2m up to £300,000 of changes can be agreed in the current financial year under delegated authority).

It is however understood that:

- 2.2 the cumulative maximum of projects approved via delegated authority being no more than 10% of the total value of the in year
- 2.3 Year-End Change Control decisions taken under Delegated Authority by the Chair of the Working Group must be made in consultation with the Single Accountable Body Section 151 Officer, Sponsoring Heads of Regeneration Working Group member and the Chair of the BCJC.
- 2.4 the Chair of the Working Group must report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting [published on the BCJC website by following this link](#)

3. **Introduce Over Programming and approve New Small Projects** that top up the pipeline as flexibility to respond to opportunities for challenges in maximising value from the funds, ensuring:

- 3.1 the total combined value of these projects must not exceed 10% of the annual approved grant value.
- 3.2 each individual New Small Project cannot exceed 10% of the value above which is 10% of the annual approved grant value.

It is however understood that:

- 3.3 Approval of New Small Projects taken under Delegated Authority by the Chair of the Working Group must be made in consultation with the Single Accountable Body Section 151 Officer, Sponsoring Heads of Regeneration Working Group member and the Chair of the BCJC.
- 3.4 The Chair of the Working Group must report the decision at the next available Black Country Executive Joint Committee meeting, which is then recorded in the minutes of that meeting [published on the BCJC website by following this link](#).

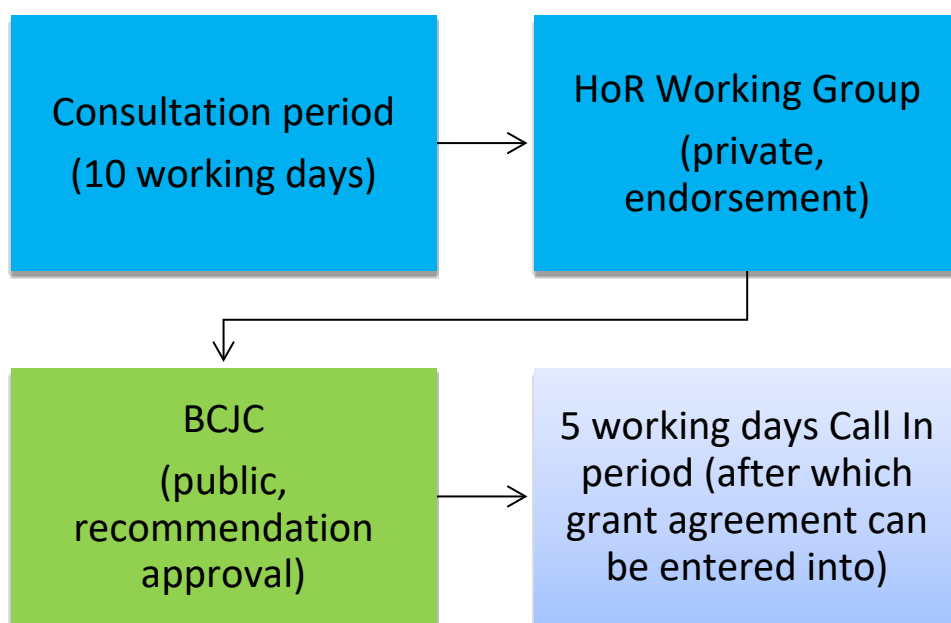
4. **Approve an immaterial change** to the grantee or an administrative error within a report recommendation under delegated authority.

- 4.1 Immaterial changes (i.e. Name Change, or name correction of the Grantee) can be approved or an administrative error (i.e. a typo or transposition to grant value of less than 5% up to and not greater than £10,000), within the recommendation of the report can be rectified under Delegated Authority

5. Delegated Authority should only be used when :
 - 5.1 the existing approval process is not possible due to impact on delivery times and the need to get spend underway prior to the next available Black Country Executive Joint Committee
 - 5.2 the existing provisions of Special Urgency and General Exception within the Black Country Executive Joint Committee Protocols are not available.
6. Procedures will be implemented by the Chair of the Heads of Regeneration Working Group for the proper management of achieving the delegated authority decisions which will include, recording, control, and effective monitoring of the decisions and ensuring the appropriate financial records detailing spend against profile are established and maintained.

SCHEDULE 5

Decision and oversight Flow Chart



SCHEDULE 6

Governance Principles: Enterprise Zones

1. Background

- 1.1 This paper sets out the principles and framework for managing the programme, funding, and monitoring of the Black Country Enterprise Zone (BCEZ), including:
- The process for the collection and distribution of the Business Rates Uplift
 - The process for monitoring the Business Rate Uplift and transfer of Business Rates Surplus to Walsall Council, the Single Accountable Body (SAB).
 - Collaborative working between Local Authorities (LA), including joint working on the Financial Model
 - Prioritisation of costs to be funded from business rates
 - Principles of borrowing, payback and the collection of surpluses or non-business rate income generation.

This paper must be considered in conjunction with the Black Country LEP Assurance Framework (BCAF), as BCEZ funding must be compliant with this framework and clause 1.2.10 of the Collaboration Agreement (Interpretation of the Local Assurance Framework). The BCAF defines the officer and member groups referred to as part of its governance processes.

- 1.2 Black Country Leaders agreed at a series of Association of Black Country Authorities meetings in 2022/23 that the Enterprise Zone will continue to be managed by the SAB until 31 March 2025, being the date that the majority of the revenue commitments in Table 1 (paragraph 6.4) end. From 1 April 2025, the management and decision-making for Enterprise Zones will revert back to the Local Authority of geographical origin, resulting in three Accountable Bodies for Enterprise Zones: Dudley Council, Wolverhampton Council, and Walsall Council. However, there will be a Consolidated BCEZ Close down process, to be managed by the SAB between 1 April 2025 and 31 August 2025, which is set out in Section 11.
- 1.3 The LEP integration into the West Midlands Combined Authority (WMCA) has resulted in the BCJC Collaboration Agreement being amended to reflect local decision making and monitoring and administration of BC LEP funds. This governance paper sets out these arrangements pre and post 31 March 2025, specifically relating to Enterprise Zones.

2. Definitions

- 2.1 Business Case means a Green Book five case compliance business case. The Green Book is guidance issued by HM Treasury on how to appraise policies, programmes and projects.
- 2.2 Business Rates means the tax or taxes levied on non-domestic premises based on a local valuation of premises in accordance with The Local Government Finance Acts 1988 or such other act or regulation, statutory instrument as is currently in force.

- 2.3 Business Rates Baseline Assessment means the Business Rates assessment in respect of the Sites as at 31 December 2011 and 31 December 2016 for the Walsall and Wolverhampton Enterprise Zone ("WWEZ") and Dudley Enterprise Zone ("DY5") respectively, as approved by DCLG.
- 2.4 Business Rates Uplift means the Business Rates collected by Local Authorities at the end of each financial year above the Business Rates Baseline Assessment in respect of the Sites, net of bad debts and reliefs that are not recoverable from Government.
- 2.5 Business Rates Surplus means the net Business Rates Uplift remaining after deducting costs approved by the LEP, including but not limited to the repayment of Borrowing costs (capital repayment and interest) and revenue costs.
- 2.6 Financial Model means the excel based financial model developed and designed by Cushman's, and used by each Local Authority and the SAB to forecast business rate uplift projections, costs, borrowing costs and Business Rates Surpluses within the BCEZ.
- 2.7 Grant means funds approved by the BC LEP and offered to either (i) a third party that is not subject to the Black Country Joint Committee Collaboration Agreement or (ii) a local authority where there are specific terms and conditions that fall outside of the BCEZ Collaboration Agreement,
- 2.8 Income generation means the surplus or a profit generated as a result of EZ funding or borrowing supported by EZ funding, identified by the SAB's professional technical advisors as part of the project's due diligence assessment.
- 2.9 NNDR1 Forecast means the National Non-Domestic Rates Provisional Return form designed to calculate and report the LA's estimated amount of non-domestic rates it will collect each financial year.
- 2.10 NNDR3 Outturn means the National Non-Domestic Rates Outturns form designed to reconcile and report the LA's actual non-domestic rates collected.
- 2.11 Surplus Sites mean BCEZ sites that are forecast to create a net Business Rates Surplus on a stand alone basis. These sites create excess business rates by the end of the relevant enterprise zone, after taking into account borrowing costs. These sites therefore self-fund over the BCEZ lifetime, and create additional funding that can be re-invested into BC LEP priorities.
- 2.12 Deficit Sites mean BCEZ sites where the borrowing costs are forecast to exceed the business rates generated by the end of the relevant enterprise zone. These sites would require cross-subsidy from other surplus generating sites in the BCEZ, or alternative funding in order to be delivered/fully funded

3. Governance

Up to 31 March 2025

- 3.1 Projects/sites seeking investment via the BCEZ will be required to submit a Business Case to the SAB, who will subsequently advise LA partners on the submission at the earliest opportunity. The SAB will

instruct their independent Technical Advisors to assess and appraise the business case, and produce a due diligence report.

- 3.2** The Business Case financial information must be as recorded in the BCEZ Financial Model, so that the SAB can understand the funding ask in the context of the wider model outputs. If in drafting the Business Case, the LA consider that the Financial Model needs updating, the relevant LA must update the model template data tabs and submit these to the SAB alongside the submission of the Business Case.
- 3.3** If the Business Case is supported and the Financial Model is forecasting that funding is available to support the investment, the project will follow the BCAF process (see clause 1.2.10 of the Collaboration Agreement “Interpretation of the Local Assurance Framework” and section 4.16 Project Lifecycle).

From 1 April 2025

- 3.4** Local Authorities will be responsible for the management and decision-making for Enterprise Zones falling in their own geographical region. Decision making will align with the Local Authority’s own governance making process, but in accordance with guidelines for public capital investment it is still expected that Business Cases will be completed for investments.
- 3.5** Investment decisions should align with the purposes for which the BCEZ funds were originally intended when granted, or otherwise in order to promote economic growth and development in the respective administrative areas of each of the Black Country Local Authorities.

4. Roles and Responsibilities

- 4.1** Local Authorities are responsible for:
- The day to day running and management of sites within the BCEZ within their own geographical area, including engagement with land owners, project management (including obtaining specialist consultancy and legal support where required), financial modelling and marketing.
 - Producing Business Cases as landowner/project lead, or supporting private land owners/developers in preparing business cases, for investment falling in their geographical area. Financial modelling completed as part of the business case must be shared with the SAB at the earliest opportunity so that the master Financial Model can be updated.
 - Borrowing for projects that have been approved that fall within their geographical area. For the avoidance of doubt each Local Authority will remain responsible for repayment of its own borrowings and meeting associated interest and loan servicing costs.
 - Collecting the Business Rates for those Sites within their own Borough in accordance with the Local Government Finance Acts (Local Authorities are empowered under The Local Government Finance Act 2012 to retain and distribute business rates revenues from April 2013 and the

Programme is in accordance with the Local Government Act 2000, The Localism Act 2011 and the Non-Domestic Rating Contributions (England) (Amendments) Regulations 2012).

- Prepare and submit financial returns/claims to the SAB, with supporting evidence as required in Section 8 up to the period ending 31 March 2025.
- Transferring the Business Rate Surplus to the SAB in accordance with Section 8 up to and including 31 March 2025. For periods after this date, the Local Authorities will retain and manage their own surpluses subject to the Consolidated BCEZ Close down process (Section 11).
- Providing and submitting information as required for reporting to Business Energy and Industrial Strategy (BEIS), in line with their reporting timetables. This information must reflect information as reported in the Financial Model.
- Updating the input tabs to the Financial Model and reporting changes to the SAB as changes become known (i.e. as per 3.2) but as a minimum on a quarterly basis, up to the period ending 31 March 2025.

4.2 The SAB is responsible for the following up to the period ending 31 March 2025 (*or up to 31 August 2025 to cover the Consolidated BCEZ Close down process set out in Section 11):

- Ensuring that decisions made are carried out in line with the approved governance arrangements.
- Carrying out the secretariat function to the Joint Committee for BCEZ matters.
- Ownership and updating of the Financial Model. SAB will hold and maintain the Master version*.
- Maintaining a consolidated running balance of the total Business Rate Uplift collected and transferred by and between the Parties and the total Borrowing position. Ensuring that costs across the BCEZ are claimed in line with the agreed priority order (Table 1)*.
- Undertaking monitoring and compliance procedures on projects within the BCEZ in accordance with the Assurance Framework, or any other Black Country approved governance processes.
- For the avoidance of doubt the SAB will be a formal consultee on reports submitted into the process, up to and including the BC Joint Committee as set out within the Assurance Framework, and be able to suggest amendments. All amendments will be agreed with the report author or other appropriate officer on their behalf. If there are significant disagreements about suggested amendments, this will be escalated to the Heads of Regeneration Working Group to resolve.

From 1 April 2025 (or 1 September 2025), the above responsibilities will be undertaken by each Local Authority.

5. **Financial Model**

- 5.1 The Financial Model is based on a set of financial assumptions, including level of provisions for business rates income and capital expenditure, borrowing assumptions and interest rates. The SAB will review the assumptions on a timely basis up to 31 March 2025 to consider if they are still appropriate as the BCEZ evolves over time. Other Local Authorities within the EZ will be consulted on proposed changes and model assumptions will only be updated if mutually agreed by all parties. From 1 April 2025, each Local Authority will manage their own financial model and be responsible for setting their own assumptions.
- 5.2 Each Local Authority is responsible for updating the model input tabs when (a) actual spend replaces forecasts and (b) forecast change, and returning these amended tabs to the SAB quarterly. This includes ensuring Business Rates income data is updated to reflect NNDR information.
- 5.3 As a result of Local Authorities owning and updating their own input tabs, each Local Authority will have their own version of the Financial Model for their own geographical area although the consolidated model will be shared regularly or on request up to 31 August 2025.

6. **Eligibility and priority order of costs**

- 6.1 The financial model assumes that prudential borrowing will be utilised to fund otherwise unfunded capital costs approved, which will be repaid using the future business rates uplifts within the BCEZ. Borrowing must only be undertaken for costs which meet International Financial Reporting Standards for capitalisation. All other costs will be considered to be Revenue Costs.
- 6.2 Such capital infrastructure may include, but is not limited to: Remediation; Site access (including third party acquisitions); Utilities; Land Assembly; Site preparation; On or off-site works that may be required by a Planning Permission; the Highways Agency; the Environment Agency; Canal and River Trust; and other utilities and statutory bodies or any other works reasonably required.
- 6.3 Revenue costs may be recovered from future business rates but not via borrowing. Such costs may include those incurred by LAs and the SAB to carry out their responsibilities in accordance with Section 3. This includes the LA five year development funding allocation of up to £250,000 per annum included in the financial model. Any revenue costs incurred by LAs will need to be cash-flowed by the entity in which they are incurred until there is sufficient Business Rates generated to repay them, in the priority order as set out in Table 1 (6.4).
- 6.4 The priority order of costs to be allocated to business rates up to 31 March 2025 is set out in Table 1 below:

Table 1: Priority order of costs		
#1	Borrowing costs surplus sites approved by the BC LEP before 30 April 2020. (CAPITAL)	LAs are already taking the risk on these sites and without these being delivered, EZ surpluses would not be generated. This category includes i54, Phoenix 10, Boxpool. Borrowing costs will be recovered over the life of the BCEZ, as set out in section 7. Note that these sites would not receive cross subsidy if they became deficit sites unless

		cross subsidy is approved by the BCJC. See point 8.9 below.
#2	Historic revenue costs up to 2019/20 where previous agreements are in place (REVENUE)	This is specifically Dudley historic revenue costs, which were included in the DY5 submission. Posts were appointed on this basis, hence basis for higher rank than other historic revenue costs. These costs are covered by DY5 business rates by 2020/21. <i>These costs have ceased.</i>
#3	Programme Management costs from 19/20 onwards (REVENUE)	SAB and PMO programme management costs, as there are no existing budgets to fund these costs. Also covered by recent MHCLG guidance on Assurance Framework. PMO costs will include costs associated with TUPE to the SAB to carry out BCEZ functions. <i>These costs will cease by 31 March 2025. After this date, Local Authorities will have to fund any programme management costs from their own surpluses when Enterprise Zones revert to original geographical areas.</i>
#4	Black Country Transport Director costs	Transport Director costs for 4 years from 2021/22, where no alternative funding has been identified. <i>These costs will cease by 31 March 2025.</i>
#5	Historic revenue costs to March 2020 (REVENUE)	Covers Wolverhampton Council and Walsall Council audited historic costs. <i>These historic costs are to be recovered over 10 years from 2020/21, and will cease by 31 March 2030 – see paragraph 11.9.</i>
#6	Future revenue costs from April 20 onwards (REVENUE)	Up to £250,000pa “Pipeline Development funding” per Local Authority for 5 years from 2020/21. See additional guidance in Section 10. <i>These costs will cease by 31 March 2025.</i>
#7	Borrowing costs on future LEP approved priority projects (CAPITAL)	Investment could be in EZ deficit sites or non-EZ sites, but must be integral named sites mapped as part of the BC pipeline. Projects will be considered and prioritised by the Heads of Regeneration or its appointed sub-group) which is represented by all Local Authorities, prior to being presented to the BCJC as the next project to be funded by the BCEZ. Once a project has been approved by the BCJC to be funded by the BCEZ, they will be given priority from the business rates surpluses in the order that they are approved (or in a specific priority order as advised by the BC Pipeline Group). Category 7 will then be sub-ranked according to projects. As at 31 March 2023 only Parallel 9-10 has been approved as a Category 7 site and is thus named priority order # 7A. The next approved project will be #7B and so on in descending priority order (or specific order set by the BCJC). Once a project has been approved or the order set, it cannot be amended without the prior approval of the Local Authority/Authorities that would be affected by a fall in priority ranking. Note that the descending priority only relates to the application of business rates surpluses – any business rates

		<p>generated from the individual investment will be ring-fenced to that project.</p> <p>After 31 March 2025, Local Authorities may only make decisions in relation to their own Enterprise Zone locations, and that can only be funded from the surpluses generated within their own Enterprise Zone.</p>
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- 6.5 Up to 31 March 2025, BCEZ Surplus Sites yet to be approved can proceed outside of the prioritisation process, as these are forecast to be self-funding, plus will add a Business Rates Surplus to the BCEZ. Borrowing costs would only be recovered by the relevant LA in line with modelling of that site on a stand alone basis. There would be no further cross subsidies from the BCEZ i.e. if they became a deficit site (unless later approved by the BCJC in line with the prioritisation table above) and the risk of unrecovered borrowing or delayed recovery would sit with the sponsoring LA. These projects would also need oversight through the BC Pipeline group until that group ceases, or its equivalent group or forum. After 31 March 2025, Local Authorities would make their own decisions regarding Enterprise Zone Surplus Sites
- 6.6 This means that up to 31 March 2025 surpluses generated across the BCLEP area will be available to support BCEZ Deficit Sites or non-BCEZ sites, rather than being utilised to accelerate borrowing payments for surplus generating sites. For the avoidance of doubt, the implication of this is that up to 31 March 2025 LAs will only recover modelled and approved borrowing costs on an Equal Instalment of Principal (EIP) basis rather than a priority basis, meaning that there will be debt outstanding as surplus is accumulating and reinvested. After 31 March 2025, Local Authorities would be able to make their own decisions relating to how borrowing costs are claimed from their own BCEZ Surplus, except for clauses 11.8-11.10 relating to the Gasholder project.
- 6.7 The following conditions apply to any projects funded from the BCEZ up to 31 March 2025:
- Projects must in BC pipeline as a named key project, prior to seeking LEP approval.
 - EZ should be funding of last resort. It must be demonstrated that all reasonable effort has been made to secure external funding prior to utilising EZ funding. This is to ensure the funding available to the BC LEP is maximised.
 - Income generation on funded projects must be recycled back to the BCEZ or LEP funds. This will be agreed on a project by project basis, as advised by the SAB's professional technical advisors as part of the project's due diligence assessment.
- 6.8 Up to 31 March 2025, applicants seeking funding support for projects that sit outside of the BCEZ boundaries, resulting in the BC LEP not receiving any Business Rate income from their investment, will be asked to set out what Income Generation is expected, together with proposals for sharing this Income Generation with the BC LEP.

7. **Borrowing Principles**

- 7.1 The model has fixed borrowing assumptions which at the date of this report are as follows:
- Borrowing is repaid on an EIP basis
 - Interest rate forecast set at 4% as a long term rate

- Loan period commences in the year of investment and repayments are equally spread in half year instalments until the end date of either the WWEZ or DY5, depending on which location the investment is incurred.

The SAB may review the above assumptions in consultation with other LA as set out per paragraph 7.1. All site capital investments will be modelled based on the fixed borrowing assumptions for the purpose of seeking funding approval

- 7.2 Local Authorities will follow their own Treasury Management rules and processes to take the most efficient loan or other method of financing the capital costs. It is therefore understood that actual borrowing undertaken by a Local Authority may not necessarily match the modelled assumptions, but claimed amounts will be based on the financial model.
- 7.3 Up to 31 March 2025, the interest rate in the financial model will be updated annually to a blended average interest rate for that financial year agreed by all LAs, which is supported by published rates. This will be the rate used for claiming borrowing costs (section 8), so that modelled and claimed interest will match actual interest costs as closely as possible.
- 7.4 Claiming borrowing costs on a blended average rate is the simplest approach up to 31 March 2025 for Local Authorities recovering their borrowing costs on a consolidated Enterprise Model. After 31 March 2025, Local Authorities will set their own interest rates in the financial model.
- 7.5 In the event that interest rates significantly change which results in a material variance between actual interest rates and claimed interest rates, then the approach and policy as stated in 7.4 will be reviewed by all 4 LA finance representatives and the policy will be amended so that the gap becomes immaterial.
- 7.6 For the avoidance of doubt, due to
 - a) the complexities of identifying actual borrowing costs incurred at Local Authorities due to their Treasury departments using a blend of resources depending on their cash-flow at a particular point in time;
 - b) the complexities in managing and updating a financial model using different types of borrowing (i.e. EIP, priority repayment and annuity loans) for each individual item of capital expenditure
 - c) seeking to match the actual surplus being generated as close as possible to the forecast surplus the borrowing costs will be claimed back on the EIP basis and set interest rate as modelled, up until 31 March 2025.
- 7.7 The Local Authorities will be responsible for updating the Capital input template for actual capital costs, and this will be reviewed by the SAB up until 31 March 2025.
- 7.8 Borrowing costs of each LA may be claimed from Business Rates Uplift collected by each LA on the agreed priority order from Table 1 up to 31 March 2025, on the basis that the investment is within the same geographical area. This is set out in the Claims process (section 8). From 31 March 2025, borrowing costs from each Local Authority must be claimed from business rates collected from their own geographical area only, and will take their risk on unclaimed borrowing costs.

7.9 Repayment of borrowing costs are based on the financial model but Local Authorities must understand and accept that this is only a forecasting tool. Actual Business Rate Surpluses may differ to modelled surpluses meaning that Local Authorities may not recover their borrowing costs in line with the model forecast at the time of the funding decision. Therefore, borrowing costs being recovered over a longer period than forecast and potentially not completely is a risk that will sit with each Local Authority borrowing for investment in their geographical area.

7.10 On this basis:

- Local Authorities will carry the risk on borrowing being repaid over a longer period than forecast for surplus sites within their geographical area, or not completely if it turns into a deficit site. This will be somewhat mitigated by robust modelling and prudent assumptions being included for investment decisions, meaning LAs will be fully aware of the risks at the point of investment.
- Non EZ sites and EZ deficit sites will be reliant on surpluses forecast on other sites being realised, after minimum borrowing costs being recovered for approved surplus sites. Options include waiting until surplus is sufficient to fund the next priority investment before incurring spend, or a LA would be required to borrow at risk against a future forecast surplus.

8. Claims process – up to and including the year ended 31 March 2025

- 8.1** Each LA will be required to submit a Claim form to the SAB every 6 month by 28 February and 31 August. This return will set out capital and revenue expenditure charged to the BCEZ, Borrowing costs claimed, Business rates Uplift and Business Rates Surplus.
- 8.2** The first return included historic information as required per 8.1 from the start of the Enterprise Zone up to the date of the first claim.
- 8.3** The audited NNDR 3 should be submitted with the August claim and agree or reconcile to the August claim. Local Authorities will be responsible for setting their own provisions per their NNDRs although details on material provision assumptions included against Enterprise Zone business rates in the NNDR will need to be provided as part of this return.
- 8.4** The SAB will then complete a consolidated summary of income and costs to date, based on LA bi-annual returns, and will allocate income to costs in the agreed priority order (Table 1). Any shortfall falling in a cost category will be prorated across the 4 Local Authorities (shortfall as % of total requirement), and will be recouped on the next claim if there is sufficient funds.
- 8.5** If a shortfall is identified on the consolidated summary, the business rates on the next claim (“new period”) will first be applied to Category #1 in Table 1 (Borrowing costs surplus sites approved by the BC LEP as at 30 April 2020), in that same new period. The next priority will be backdating shortfalls for cost categories on the previous claim/period in the same priority order. Once shortfalls have been met from the previous period, the rates income will then be applied to cost categories #2 to #7 in the usual way. In the event of a shortfall, the SAB will reassess the financial model to confirm if this is a

temporary in-year issue that will correct the following financial year, or if the costs are becoming unaffordable or need rephasing. If it is the latter, then this issue will be raised at the earliest opportunity through the BC Pipeline Group (until this group exists or its equivalent), and Heads of Regeneration, to consider collectively if revenue cost allocations need to be re-assessed, either short term or long term. However, with regular (minimum quarterly) updates to the financial model by LAs and review on a consolidated basis by the SAB, forecast deficits should be flagged and early warnings triggered in advance.

- 8.6** For Category 7, when there are multiple projects within this category, shortfalls will be applied to projects within this Category on the ordered basis as set out in Table 1, unless agreed otherwise through Heads of Regeneration. This will then require approval by the BCJC.
- 8.7** The consolidated summary and reconciliation will be completed prior to any surplus being paid to the SAB. The SAB will then confirm cash transactions between LAs required to settle the order.
- 8.8** Where there is cross-subsidy of projects across different geographical areas (i.e. for sites that generate a net Business Rate deficit), the SAB can only pay across a surplus it holds where there is actual business rate surplus collected in real cash terms, and only in accordance with the priority order. The SAB will not be using its own Council revenue resources to pay for another Local Authority borrowing costs. This surplus will be paid across to Local Authorities in the priority order as set out in Table 1
- 8.9** For sites that were forecast to generate a surplus at the time of an investment decision that turn into a deficit generating site, the non-recoverable costs will be borne by the Local Authority unless the BCJC approve the additional costs should funding be available. These additional costs will need to be assessed and prioritised against other projects in the BC Pipeline under Category 7. Likewise, for sites that were deficit sites at the time of an investment decision, and that deficit subsequently increases, any additional funding required for the deficit increase would need prioritising against the BC Pipeline and approving by the BCJC. As noted elsewhere in this report, at the time of the original decision the borrowing Local Authority will be taking a risk on the deficit increasing.
- 8.10** The Local Authority will provide transaction lists supporting the Capital and Revenue Expenditure lines in the Claim form. A sample of charged expenditure will be selected by the SAB, for which the relevant LA will be required to submit supporting evidence. The sample size will increase if errors are identified or there is insufficient evidence supporting the costs.
- 8.11** Each Local Authority shall be liable for any cost implications or irregularities or errors attributable primarily to it and identified. Any changes required will need to be processed through the Change Control process within the Assurance Framework.
- 8.12** The SAB will maintain a running balance of the total Business Rate Uplift collected and transferred by and between the Parties and the total Borrowing position.
- 8.13** Evidence for Capital Expenditure should be third party evidence where available i.e. invoices, contractor certificates. No evidence for defrayal is required unless only internally generated evidence can be provided for capital expenditure. Internal staff costs charged to capital should be on the basis that the staff time is clearly attributable to the site and meets Capital rules. Therefore, time recorded

should be supported to timesheets. Third party evidence will also be required to support revenue costs. See Section 10 for further guidance on the £250,000 pipeline development grant.

9. Grant Agreements

- 9.1 Local Authorities will be required to borrow for projects in their Geographical area.
- 9.2 Local Authority projects: As the Collaboration Agreement is in place, there will be no requirement for additional funding agreements between LAs to cover revenue costs or borrowing undertaken for a project. Funds will be managed through the claims process in section 8, although if there are project specific terms and conditions that fall outside of this BCEZ Collaboration Agreement up to 31 March 2025, including but not limited to such overage or profit share then individual legal agreements and undertakings will be put into place.
- 9.3 Non - Local Authority projects: Individual LAs will enter into grant agreements with third party applicants in their geographical area where borrowing is required to fund the grant. Because LAs will be taking the risk on the non-recovery of the borrowing which funded the grant, they will need to control some of this risk through their own grant agreements with applicants. This will enable them to set their own grant conditions in addition to those set out in 9.4 below.
- 9.4 The grant agreements must:
- a) comply with the BCAF up to 31 March 2025, including all monitoring and compliance arrangements that will be carried out by the SAB. Post 31 March 2025 grant agreements will need to comply with the BCEZ Memorandum of Understanding.
 - b) comply with the Collaboration Agreement, hence the contents of this Governance Principles paper.
 - c) capture any conditions as set out in the Technical Appraisal of Business Cases.
 - d) where possible, and where LAs consider necessary to manage their risk of non-recovery of borrowing costs, specifically ensure that there is onus on the applicants to deliver on the business rates payable, which is ultimately funding the scheme.
 - e) ensure that the necessary security arrangements are in place to manage local authority risk, proportionate to the value of the grant.
- 9.5 Prior to entering into a grant agreement the Local Authorities must carry out the appropriate due diligence and obtain evidence of any other match funding.
- 9.6 Although the Local Authorities will be responsible for issuing the grant to third parties in their geographical area, up to 31 March 2025 the SAB would be able to support the drafting and development of the grant agreements should Local Authorities wish to purchase this service.
- 9.7 If however a project (either Local Authority or non Local Authority) is awarded a grant from the business rates surplus and borrowing is not required, then a grant agreement will be put in place by the SAB if that decision was taken prior to 31 March 2025.

10. Guidance and eligibility of the £250,000 Pipeline Development grant

- 10.1 This grant is for development of named projects in the BC Pipeline and/or development of BCEZ sites including marketing. It must also cover EZ monitoring and compliance costs. If unused, it may be permitted to roll these budgets forward but only if it is considered critical to bringing key BC schemes forward. Allocations, variations and slippage will be approved by the BCJC.
- 10.2 The main eligibility criteria is that this is for unfunded projects / sites, to support them coming forward when they otherwise wouldn't. If projects have secured other development or delivery funding, only unfunded development costs can be funded by the Pipeline Development Grant – duplicate funding is not permitted. In the case of Dudley this includes previously agreed employee revenue costs listed within the signed Memorandum of Understanding (MOU) dated 13th November 2017, although capped at the value of the grant.
- 10.3 Staff costs (internal and/or consultants) should as a priority include operational regeneration officers undertaking the development work. Only officers below director level are considered eligible.
- 10.4 Back-office support (i.e. finance and legal) should be capped at 10%, and can include financial model updates and support, or project specific support.
- 10.5 Payroll evidence will be required to support internal staff costs but the options for evidence to support the time claimed are:
- a) Job descriptions linked to operational activity, which sets out the % FTE of activities chargeable (and hence claimed) to projects or schemes; OR
 - b) Timesheets (preferable to option 3) OR:
 - c) Monthly estimates – if these are used instead then a minimum of 2 months of sampled officers will be selected at random to provide supporting evidence
- 10.6 Invoices will be required for consultants, external costs etc showing work undertaken.

11. BCEZ Consolidated BCEZ Close Down process

- 11.1 Although the administration and decision making of Enterprise Zones will revert back to the Local Authority of geographical origin as at 31 March 2025, there will need to be a close down period to cover the review of final claims up to that date, a reconciliation of consolidated and Local Authority surpluses, and final settlement. This will follow the existing claims process period, with the final claims expected to be settled and the consolidated model closed by 31 August 2025. However, this depends on the timely receipt by Local Authorities to the SAB – closure of the consolidated model may need to be extended if not all information is received.
- 11.2 During August 2025, the claims process set out in Section 8 will be followed, and the SAB will produce a final consolidated claim against the BCEZ surpluses. A summary of the actual audited consolidated surplus to date will be produced, split by Local Authority area.
- 11.3 Before the Enterprise Zone surpluses can be reallocated back to its original Local Authority, existing commitments and approvals need to be offset first, including shared costs (see paragraph 11.4) and the cash-flow of Walsall deficits to date (see paragraph 11.7)
- 11.4 Shared costs are those that were generated outside of BCEZ projects and geographical areas as follows:

- £250,000pa Sandwell Council pipeline grants
- SAB costs
- PMO costs (including those costs associated with a TUPE to the SAB as a result of Enterprise Zone Functions.
- Black Country Transport Director costs

- 11.5 These costs, forecast at £1.9m in total as at November 2022, will be claimed and verified in line with Section 8, then shared equally between the three Local Authorities that have an Enterprise Zone (Wolverhampton Council, Walsall Council, Dudley Council).
- 11.6 SAB will be permitted to carry-forward unused amounts from their £100,000 2025/26 allocation to cover costs incurred in association with the BCEZ Consolidated close down process up until 31 August 2025. An estimated cost, to be agreed with Dudley Council and Wolverhampton Council, will be deducted from the final settlement ("D" per paragraph 11.8 below).
- 11.7 As at November 2022, the Walsall Enterprise Zone area forecasts a deficit of £3.5m at 31 March 2025, which is forecast to peak at £4.3m in 2025/26 and will need to be cash-flowed from other Local Authority surpluses to honour previous commitments and decisions made. On the final consolidated BCEZ claim, Walsall Council will be entitled to claim the value of the actual deficit to date from the Wolverhampton surplus if there is availability following investment proposed in paragraph 11.10. These will still be payable back to Wolverhampton Council on 31 March 2026, even if sufficient business rate surpluses have not been generated.
- 11.8 By 31 August 2025, subject to all information being received and no delays being incurred, the final consolidated financial summary as per Table 2 will be produced.

Table 2: Final consolidated financial summary:

	Walsall Council £	Dudley Council £	Wolverhampton Council £	Shared costs £	Consolidated surplus as at 31 March 2025 £
Gross surpluses	- A	B	C	- D	= B + C - A - D
Less: Shared costs	-D/3	-D/3	-D/3	D	= B + C - A - D
Less: Walsall Deficit claim	+ (A – D/3)	0	- (A – D/3)	n/a	£net nil
Amount payable to each LA	£0	B-(D/3)	C-(D/3)- (A – D/3)	n/a	= B + C - A - D

Local Authorities will not be required to make a payment in relation to the final net surplus due for the year ended 31 March 2025. Instead, the SAB will calculate a final settlement, taking into account the net amount payable from Table 2 on a cumulative basis, less amounts owed for the final financial year 2024/25. This final settlement will be circulated to all Local Authorities for review prior to them raising invoices.

- 11.9 Wolverhampton Council and Walsall Council historic revenue costs are the only pre-committed revenue costs that will exist beyond March 2025 (item #5 on Table 1: Priority order of costs). These costs will cease by 31 March 2030. From 1 April 2025, Wolverhampton Council and Walsall Council will take the risk that their own costs will not be recovered from business rates generated in their respective areas, or they could choose not to continue to recover these costs and re-invest elsewhere.
- 11.10 As part of the WWEZ settlement, it was agreed that prior to Wolverhampton and Walsall EZs reverting to their geographical local authority, that the following investments would be prioritised for funding from the forecast Wolverhampton surpluses (£7.463m surpluses at 31 March 2025 based on forecasts as at the date of this agreement*):

(b) £5.0m Wolverhampton “project investment”

(c) Up to £14.898m contribution to Walsall Council’s Gasholder project

The £5.0m Wolverhampton investment will be subject to a business case and follow the BC LEP Assurance Framework if funding is required by 31 March 2025 (or follow Wolverhampton Council’s own protocols and governance if from 1 April 2025 in line with this Collaboration Agreement).

**note for context, the consolidated surpluses forecast at the date of this Collaboration Agreement are £62.8m to the end of the BCEZ (to March 2042), which includes £46.7m for the North EZ (Wolverhampton –Walsall EZ to 31 March 2038)*

- 11.11 Subject to a business case for the Gasholder project being completed and approved by BCJC, Walsall Council will claim annually from Wolverhampton Council for a £14.898m contribution to the funding gap for the Gasholder project. This will be funded from Wolverhampton EZ Business Rate Surpluses. The claim will be against a pre-defined profile, to be agreed between both parties, as it is acknowledged that the actual viability gap of Gasholders will be greater than £14.898m but the contribution agreed between the parties in settlement for the North BCEZ was capped. Walsall Council will provide evidence of eligible expenditure to support the claim, in line with Section 8 above. The pre-defined profile will be assessed and agreed between both parties on an annual basis to confirm that it is still appropriate.
- 11.12 Whilst investment and allocation of the business rates of the Wolverhampton EZ will be decided by Wolverhampton from 1 April 2025, the principles of the prioritisation as set out in Table 1 (section 6) and agreements made in settlement of the North BCEZ between both parties should be honoured. Whilst it is acknowledged that i54 as Category #1 would be prioritised by Wolverhampton, as well as recovery of historic revenue costs (Category #5), in the event of a business rate shortfall, £14.898m funding of the Gasholder site will rank ahead of future investments approved by Wolverhampton (*but will rank below the £5.0m Wolverhampton “project investment”*). *If the Gasholder project is not contractually committed by 31 March 2028, then updated forecasts will be provided to assess if the £5.0m priority ranked investment should increase at this point – however both parties must keep each other regularly informed on progress and intentions in relation to this issue.*

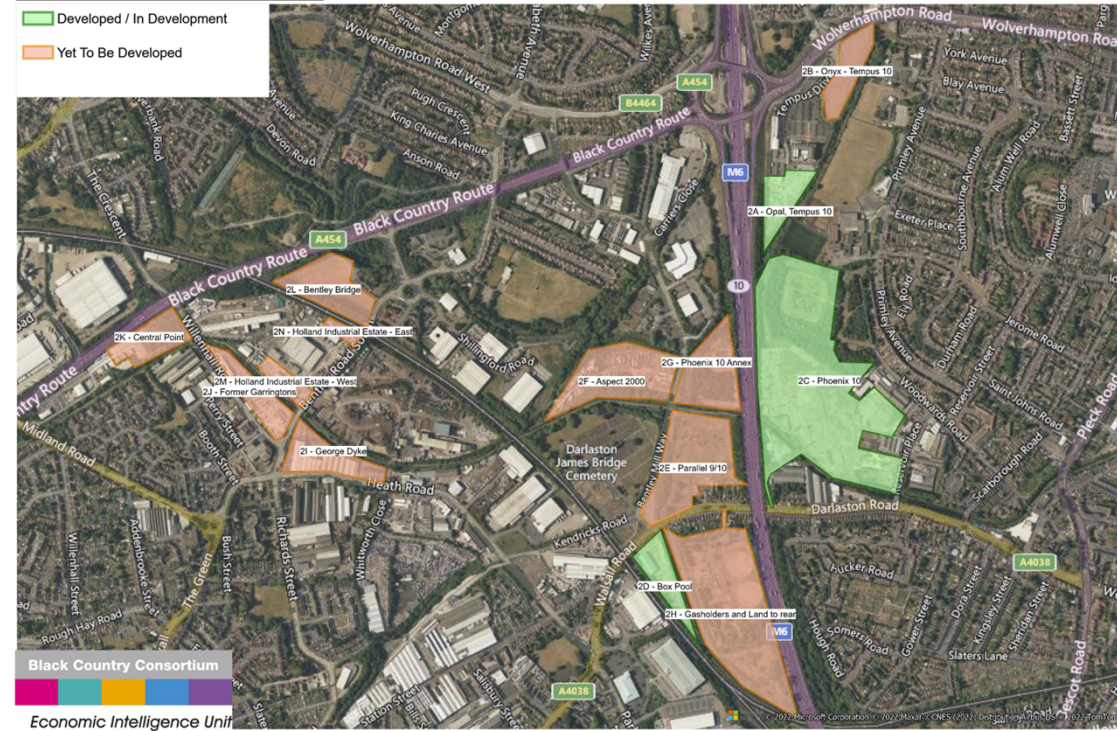
SCHEDULE 7

Enterprise Zone Maps

154 - WOLVERHAMPTON ENTERPRISE ZONE



DARLSTON ENTERPRISE ZONE



**REPORT OF THE HEADS OF REGENERATION WORKING GROUP
TO
BLACK COUNTRY EXECUTIVE JOINT COMMITTEE
ON
21 JUNE 2023**

**LAND AND PROPERTY INVESTMENT FUND PROGRAMME
APPROVAL OF THE 2022/23 PROGRAMME POSITION**

Key Decision:	Yes
Forward Plan:	Yes

1. PURPOSE OF REPORT

- 1.1 To request that the Black Country Joint Committee (BCJC) approve the re-profiled expenditure for the Land and Property Investment Fund (LPIF) projects based on actual spend to date (2022/23 year-end project claims) and change requests for re-profiling of future years expenditure.
- 1.2 The Land and Property Investment Fund (LPIF) programme position of the 2022/23 was endorsed by the Heads of Regeneration Working Group on 8th June 2023.

2. RECOMMENDATIONS

That the Black Country Joint Committee:

- 2.1 Approve of the 2022/23 actual spend position of the Land and Property Investment Fund Projects, reflecting all changes to the Land and Property Investment Fund Programme.
- 2.2 Approve the individual change requests for projects (detailed in paragraph 3.6) that have exceeded the 10% threshold as set out in the Black Country Assurance Framework and for the Accountable Body for the Land and Property Investment Fund (Walsall Council) to proceed to amending the funding profile within the Grant Agreements for:
 - 2.2.1 Globe Asset Management Limited, to deliver the Globe House, Walsall project with drawdown of grant to start in the 2023/24 financial year.
 - 2.2.2 GreenSquareAccord Limited, to deliver the Swan Lane, West Bromwich project with drawdown of grant to start in the 2023/24 financial year.
 - 2.2.3 Wolverhampton City Council, to deliver the Wolverhampton Stowheath Redevelopment for Housing with drawdown of grant to start in the 2023/24 financial year.

- 2.2.4 KMN Investments Ltd, to deliver the Spring Road Wolverhampton project with drawdown of grant to continue in the 2023/24 financial year.
- 2.2.5 Sandwell Council, to deliver the Sandwell Housing Gap Funding project with drawdown of grant to continue in the 2023/24 financial year.

3. REPORT DETAIL

- 3.1 In 2017, the West Midlands Combined Authority (WMCA) Board agreed to allocate £53.04 million from the overall £200 million Land Remediation Fund to the Black Country Local Enterprise Partnership (BC LEP) to deliver a set of specific agreed outputs as follows:
- 1,800 new jobs;
 - 1,150 new homes;
 - 126,000 sq. m. commercial floor space;
 - 46 hectares of land remediated.
- 3.2 Delegated authority was awarded to the BC LEP to manage the £53.04 million fund using an established governance process, in accordance with the BC LEP's Assurance Framework, which is derived from and is compliant with the Government's National Assurance Framework.
- 3.3 In January 2021, the WMCA Board approved the extension of the LPIF programme from March 2021 until March 2025, to allow the projects to carry on delivering through to completion. In addition, the WMCA Board approved that the Single Accountable Body (SAB) could continue to monitor the programme and report/evidence the outputs for a further year to March 2026.
- 3.4 From 1 April 2023, due to the abolition of the BC LEP and voluntary winding down of Black Country Consortium Ltd (BCC Ltd), the continued management and monitoring of BC LEP legacy Funds, including LPIF, became the responsibility of the Black Country Local Authorities (BC LAs). It was agreed that these will be continued to be managed locally by Walsall Council, as the BC LEP's SAB. Notwithstanding that BC LEP ceased to exist after 31 March 2023, the Assurance Framework shall continue to apply to define and regulate the respective roles and responsibilities in so far as it remains applicable. The Black Country Joint Committee Collaboration Agreement, the legal agreement which sets out Black Country ways of working, has also been updated to reflect the management of legacy funds for these new arrangements.
- 3.5 The 2022/23 financial year saw encouraging progress made on several projects within the programme:
- Phoenix 10: an official rebrand to SPARK took place on 7 March 2023 to signify the transition from remediation of the site to the forthcoming development phase. The remediation works are currently on target to complete in July 2024. Works to locate and treat the significant number of mineshafts is substantially complete and current work comprises of installation of shaft caps, excavation and processing of made ground and concrete breakout. It is understood that there is already some initial interest from potential occupiers. It is expected that a reserved matters planning application will be submitted later in 2023 for development of the site following the previous outline planning application approval. At this stage it is anticipated that construction works should start in the latter part of 2024.

- i54 Western Extension: the project has now entered into the i54 Western Extension Plot 1 site maintenance period. The Plot 2 Contractor started development on site on 20 March 2023. The project has now claimed the full grant award as contracted.
- Sandwell Housing Gap Funding: the construction of 5 houses on the King Street site was completed on 27 January 2023, final handover of all properties is expected in May/June 2023. Currently 3 of the houses are occupied and last 2 will be occupied after the Health Centre completion, which is expected in June 2023. Construction works on the Stanhope Road site were planned to resume in April 2023, however, works have now been suspended due to site investigations identifying additional ground contamination related to water aquifer. Findings of the Lab report have been referred to the Environment Agency. The project is expecting the report to ascertain the level of contamination, the extent of work and when they can return on site.
- Spring Road, Wolverhampton: 1.76 Hectares (4.34 acres) of land remediation was completed on 28 April 2023. The project has also created 71 temporary construction jobs, which exceeds contractual target, although are yet to be verified by the SAB.
- The Resonance (Music Institute): the completed facility based at the Waterfront, Brierley Hill continues to enrol new learners. However, as COVID caused various knock-on effects and affected the ability to enrol more learners, the project is currently in discussion with the SAB on the pathways to achieve remaining contracted outputs targets.

3.6 Following the closure of the 2022/23 financial year, several changes have been submitted for BCJC approval and this report details the final position of all LPIF projects at 31 March 2023. All changes to the programme that have not previously been approved by the BCJC are shown in Attachment 1 in green. In addition, this report covers projects that require individual approval due to changes exceeding the 10% or >£300,000 threshold as set out in the BC LEP's Assurance Framework. Where this is the case projects have submitted change requests to the SAB, which have been reviewed and are listed in the table below.

Project Name	Reason for Slippage
Globe House, Walsall	Due to the timescales taken to obtain planning permission (granted subject to further conditions on 20 March 2023), agreement of contractual and grant underwriting obligations, the project start date was delayed. Subject to reaching a separate funding agreement with the West Midlands Combined Authority (for match funding), project delivery will now commence in 2023/24. The spend profile has been revised to reflect this with grant spend allocated in 2023/24 and 2024/25, as captured in Attachment 1.
Swan Lane, West Bromwich	The land has been purchased and site remediation is progressing. The Grant Agreement has been agreed between parties but not yet signed (expected in June 2023). Therefore, at present the project is spending at risk. The grant is now forecast to be drawn down in full in 2023/24 and the in-year spend profile has been revised to reflect this.
Wolverhampton Stowheath Redevelopment for Housing	The Grant Agreement negotiations are on-going and there are some forecast delays on the planned project's activities, with a £335,951 underspend in 2023/24 to be spent in 2024/25 financial year, as captured in Attachment 1.
Spring Road Wolverhampton	The project is progressing well, but release of grant payment is subject to completion of 1.76 hectares (4.34 acres) of land remediation as part of the grant underwriting/security arrangement. Remediation is now complete and payments for works will be released and drawn down in full in 2023/24, as captured in Attachment 1.
Sandwell Housing Gap Funding	Due to various unforeseen circumstances, as outlined in the paragraph 3.5 of this report, the 2022/23 underspend of £453,063 is requested to be carried forward to 2023/24, which increases 2023/24 grant spend forecast to £1,114,048, and is captured in Attachment 1.

3.7 The year-end financial position for LPIF is tabled below:

2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	TOTAL
£83,701	£7,111,293	£6,927,433	£397,972	£2,165,727	£11,123,194	£22,059,477	£3,111,205	£60,000	£53,040,000

4. **BENEFITS COST RATIO (VALUE FOR MONEY)**

All projects within the LPIF programme have previously undergone a Benefit-Cost Ratio (BCRs) assessment. The proposed amendments to profiles in this report have no impact on the individual project's BCR calculation.

5. FINANCIAL IMPLICATIONS

The costs associated with this monitoring activity and the delivery of projects that form part of the Land and Property Investment Fund are covered by allocations from government associated with this programme.

6. LEGAL IMPLICATIONS

- 6.1 For projects where grant agreements are signed, these will be varied by the SAB to capture changes as set out in this report, as necessary.
- 6.2 For projects where grant agreements are yet to be signed, they will reflect the changes in this report together with all terms, conditions, performance measures and sanctions as required by the approvals/conditions received from Government or approved by the BCJC.

7. RISK MANAGEMENT

Risk will be managed through the on-going monitoring of individual projects and their ability to deliver the required spending profiles and outputs and outcomes for the programme, as required or agreed with Government and set into place by the Joint Committee.

8. EQUALITY IMPLICATIONS

None at the time of drafting.

9. CONSULTATION

Legal and Finance officers at City of Wolverhampton Council, Dudley Council, Sandwell Council and Walsall Council have been consulted as part of the development of this report.

Background papers

- Individual Project Change Requests.

Attachments

Attachment 1 – Revised LPIF Project Grant Allocations 2023

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Attachment 1 – Revised LPIF Project Grant Allocations

LPIF PROJECTS		Expenditure									
Projects		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	TOTAL
LPIF											
Music Institute	Reported	0	3,862,750	3,296,801	0	0	0	0	0	0	7,159,551
Goscote Lane Residential	Reported	0	2,758,488	831,852	0	0	0	0	0	0	3,590,340
Tibbington Open Space (The Cracker) Site Investigation	Reported	0	0	22,371	0	0	0	0	0	0	22,371
Dudley Brownfield Land Phase 2	Reported	0	0	2,586,166	124,981	0	0	0	0	0	2,711,147
Narrowboat Way Site Investigation	Reported	0	0	0	0	0	0	0	0	0	0
Phoenix 10	Reported	0	0	0	121,263	1,141,798	11,145,565	14,352,372	0	0	26,760,998
	Change	0	0	0	121,263	1,141,798	10,543,565	14,954,372	0	0	26,760,998
i54 Western Extension	Reported	0	0	0	0	635,975	86,965	0	0	0	722,940
Sandwell Housing GAP Funding	Reported	0	0	0	0	221,590	797,718	660,985	0	0	1,680,294
	Change	0	0	0	0	221,590	344,656	1,114,048	0	0	1,680,294
Globe House	Reported	0	0	0	0	0	422,500	205,019	0	0	627,519
	Change	0	0	0	0	0	0	500,000	127,519	0	627,519
Spring Road	Reported	0	0	0	0	0	1,029,378	0	0	0	1,029,378
	Change	0	0	0	0	0	0	1,029,378	0	0	1,029,378
Swan Lane	Reported	0	0	0	0	0	1,787,567	1,387,567	0	0	3,175,134
	Change	0	0	0	0	0	0	3,175,134	0	0	3,175,134
Dudley Brownfields Land Programme	Reported	0	0	0	0	0	0	520,000	520,000	0	1,040,000
Stowheath	Reported	0	0	0	0	0	0	1,000,000	0	0	1,000,000
	Change	0	0	0	0	0	0	664,049	335,951		1,000,000
Willenhall	Reported	0	0	0	0	0	0	0	2,033,415	0	2,033,415
CAPITALISATION OF RESOURCE											
BCC PMgt	Reported	38,000	191,000	110,000	55,111	57,968	47,980	47,980	47,980	47,980	644,000
	Change	38,000	191,000	110,000	55,111	57,968	27,709	0	0	0	479,788
WCC PMgt	Reported	45,701	299,054	37,466	1,000	0	0	0	0	0	383,221
WMBC PMgt	Reported			42,777	95,617	108,396	87,520	87,520	87,520	87,520	596,869
	Change			42,777	95,617	108,396	120,298	102,496	94,319	60,000	623,903
TOTAL	Reported	£83,701	£7,111,293	£6,927,433	£397,972	£2,165,727	£15,405,193	£18,261,443	£2,688,915	£135,500	£53,177,177
	Change	£83,701	£7,111,293	£6,927,433	£397,972	£2,165,727	£11,123,194	£22,059,477	£3,111,204	£60,000	£53,040,000

KEY

Reported = Position Reported to the BCJC

Change = Requires BCJC approval