



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

REPORT OF THE CITY DEAL AND GROWTH DEAL ADVISORY BOARD

TO

BLACK COUNTRY EXECUTIVE JOINT COMMITTEE

ON

23 NOVEMBER 2016

Black Country Local Growth Deal – MILL LANE BRIDGE GRIP 3 STUDY & ALDRIDGE LINE AQUEDUCT GRIP 3 STUDY

Internal Agreement Approval

Key Decision:	Yes
Forward Plan:	Yes

1. PURPOSE OF REPORT

- 1.1 To request that the Joint Committee approves for contracting and subsequent award of Grant Agreement for the Mill Lane Bridge GRIP 3 Study & Aldridge Line Aqueduct GRIP 3 Study from within the Local Growth Fund (LGF) Programme – with delivery to commence in the 2016/17 financial year.
- 1.2 This scheme was approved by the LEP Board at the 18th July 2016 Board meeting, the Working Group on 7th October 2016 and Advisory Board via email on 11th November 2016.

2. RECOMMENDATIONS

- 2.1 That the Joint Committee approves the Accountable Body for the Growth Deal (Walsall Council) to proceed to an appropriate form of **internal Agreement to allow £120,000 of LGF/LTB funding** (originally allocated to the Aldridge Station scheme) to be claimed (in line with standard procedures), to support the delivery of the Mill Lane Bridge GRIP 3 Study and Aldridge Line Aqueduct GRIP 3 Study – with delivery to commence in the 2016/17 financial year.
- 2.2 That the Joint Committee approves this development funding be underwritten by Walsall Council.

3. REPORT DETAIL

- 3.1 A summary of the request for approval, contracting and subsequent award of Grant Agreement by the Accountable Body for the Growth Deal (Walsall Council) is outlined below.

Mill Lane Bridge GRIP 3 Study & Aldridge Line Aqueduct GRIP 3 Study £120,000 in 2016/17

- 3.2 This funding is to support the development of the GRIP 3 study application process to Network Rail which will consider and recommend the options for the two structures (Mill Lane Bridge and Aldridge Line Aqueduct) in relation to the changes required to facilitate the electrification of the line.
- 3.3 The underspends in 2015/16 against LTB/LGF funds were taken up by transferring over LGF scheme costs to cover the gap. This was approved in advance by BIS, as acceptable.
- 3.4 This year Aldridge station scheme has funding allocated under LTB/LGF of £4.1m which is unlikely to be spent in total on that scheme. Black Country Transport Director has requested £1.1m be transferred into scheme development funding, of which £120,000 is allocated to Mill Lane Bridge GRIP 3 Study & Aldridge Line Aqueduct GRIP 3 Study.
- 3.5 Black Country Transport Director has confirmed all of this Development funding can be spent within 2016/17.

4. FINANCIAL IMPLICATIONS

- 4.1 All the costs associated with this proposal form part of the LGF programme and will be covered by allocations from government associated with this programme. This includes the use of any interest accrued by the Accountable Body to cover costs associated with the delivery of Accountable Body functions, as approved by its (Walsall Council) Cabinet on the 29th October 2014.
- 4.2 As this grant is for development work and is potentially abortive if the project does not go ahead, there is a risk that this expenditure may not meet the conditions for capitalisation under International Accounting Standard 16 and therefore becomes ineligible for Local Growth Fund. Walsall Council, as the grant applicant, has identified a revenue budget to underwrite this cost in the event that this expenditure becomes abortive.

5. LEGAL IMPLICATIONS

- 5.1 The LGF conditions of grant which are contained within the standard form of Grant Agreement will be utilised by the Accountable Body (Walsall Council), and include all

conditions passed onto the LEP by Government, together with all terms, conditions, performance measures and sanctions as required by the approvals/conditions received from Government or approved by the LEP Board or the Joint Committee.

6. RISK MANAGEMENT

- 6.1 Risk is being managed through the on-going monitoring of individual projects by BCC Programme Office and their ability to deliver the required spend profiles and outputs for the programme as agreed with LEP Board and the Joint Committee.

7. EQUALITY IMPLICATIONS

- 7.1 None at the time of drafting.

8. CONSULTATION

- 8.1 Consultation has taken place with Legal and Financial Services at Walsall MBC, and officers have been given the opportunity to review report contents. The Section 151 Officer at Walsall MBC has agreed that this £120,000 development project will be underwritten by an appropriate revenue budget at Walsall Council.

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