



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 – A4123 DEVELOPMENT WORKS – TRANSPORT SCHEME

Grant 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 A4123 Development Works transport scheme 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, endorsed by 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 for the Accountable Body for the Growth Deal (Walsall Council) to enter into a Grant Agreement with **City of Wolverhampton Council to transfer £150,000 of LGF/LTB funding** (originally allocated to the Aldridge Station scheme) to deliver the A4123 Development Works, transport scheme – with delivery to commence in the 2016/17 financial year.
- 2.2 That the Joint Committee approves that this development funding is underwritten by the City of Wolverhampton 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.

A4123 Development Works, Wolverhampton £150,000 in 2016/17

- 3.2 The A4123 is a key corridor of movement through the Black Country from M5 J2 into Wolverhampton City Centre. The corridor links a number of key housing and employment sites that will come forward over the next 5-10 years. The route is currently at capacity in a number of locations and not fit for the future purpose. The aim of this development funding is to begin development work of a major scheme business case for the A4123 with the aim of bidding at a wider Combined Authority or national level for funding to eventually construct the scheme. Similar work is currently underway on the A454 and A449.
- 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 £150,000 is allocated to Development works for the A4123 transport scheme.
- 3.5 Black Country Transport Director has confirmed all of 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 This development funding is capital but would need to be charged to the revenue account should a capital asset not be created following the development work. This risk will be underwritten by City of Wolverhampton Council.

5. LEGAL IMPLICATIONS

- 5.1 The appropriate Grant Agreements are in place and 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 As the funding is for development work, no public consultation has been undertaken. Senior politicians and decision makers for the City of Wolverhampton Council, including the Leader of the Council and Managing Director, have been consulted regarding the proposed development work.
- 8.2 Legal and financial services at Wolverhampton City Council have been consulted as part of the development of this report.

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