



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

REPORT OF THE CHAIR OF THE CITY DEAL AND GROWTH DEAL WORKING GROUP

TO

BLACK COUNTRY EXECUTIVE JOINT COMMITTEE

ON

23 November 2016

DELEGATED AUTHORITY DECISION FOR NOTING

Black Country Local Growth Deal – Growing Priority Sectors Individual Project Decision,
Alucast Limited

Grant Agreement Approval for Noting

Key Decision:	Yes
Forward Plan:	No

1. PURPOSE OF REPORT

- 1.1 The Executive Director for Economy and Environment (Walsall Council) has been awarded Delegated Authority under the Local Growth Deal Programme in order to approve, contract and subsequently award grant agreements by the Accountable Body (Walsall Council) for a series of smaller schemes where the total LGF investment (per scheme) does not exceed £371k, and whereby delivery is to commence in the 2016/17 financial year. This will enable an agile response to exploiting Investment in Regeneration opportunities for a series of smaller, low risk schemes that have been identified and recommended to proceed by the Programme Office.
- 1.2 The delegation is subject to consultation with the Chief Executive of the Black Country Consortium, the Accountable Body's Section 151 Officer, the Chair of the Joint Committee and the appropriate Working Group Member. This report sets a scheme which has been approved by the Executive Director under his delegated authority.

2. RECOMMENDATIONS

- 2.1 That the Joint Committee notes that the Executive Director for Economy and Environment within Walsall Council in his role of Chair of the City Deal and Growth Deal Working Group has used his Delegated Authority to approve **Sandwell Council to award a Grant Agreement to Alucast Limited to the value of £259,600** as part of the Growing Priority Sectors programme funding of £6.5m. Approval of this project was achieved at the LEP Board meeting held on 13th June 2016.



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- 2.2 The need to use delegated authority was identified as the project was time critical and waiting for approval by the Black Country Joint Committee in September would have impacted on deliverability and was not suitable for approval using existing Special Urgency or General Exemption mechanisms.

3. REPORT DETAIL

- 3.1 The Joint Committee approved on the 17th June 2015 the delegation of authority to the Executive Director for Economy and Environment within Walsall Council in his role as Chair of the City Deal and Growth Deal Working Group. It was agreed that the delegation would be in consultation with the Chief Executive of the Black Country Consortium, the Section 151 officer from the Accountable Body, the Head of Regeneration for the appropriate geographical area/s and the Chair of the Joint Committee. The delegations approved were:

3.1.1 to deploy a Change Control process and

3.1.2 bring forward new smaller projects up to 10% total value of in year grant (i.e. £3.71m).

- 3.2 Provided below is a summary of the 'Alucast Limited' project following approval under delegated authority:

Growing Priority Sectors – Alucast Ltd £259,600 in 2016/17

This Delegated Authority request was for approval of £259,600 for a £1,298,000 project to allow the company to expand in to a new site in order to deliver recently confirmed orders from Aston Martin Lagonda.

- Leverage £1,038,400 of Private Sector Funding
- Create 36 new jobs by March 2022
- Project start date July 2016.

4. FINANCIAL IMPLICATIONS

- 4.1 The costs associated with this development work and the delivery of projects that form part of the LGF 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 The use of Delegated Authority by the Chair of the Working Group is designed to reduce potential underspend of LGF grant and provide an agile response to under-utilisation of grant.



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5. LEGAL IMPLICATIONS

5.1 The appropriate Grant Agreements are being prepared by the Accountable Body (Walsall Council) following the exercising of Delegated Authority and will include all conditions passed onto the LEP by Government, together with all terms, conditions, performance measures and sanctions as required by the approvals/conditions received from Government or approved by the LEP Board or the Joint Committee.

6. RISK MANAGEMENT

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

7. EQUALITY IMPLICATIONS

7.1 None at the time of drafting

8. CONSULTATION

8.1 The LEP Board have approved this project for LGF allocation.

8.2 The Chair of the BCJC, Chief Executive at the Consortium, the appropriate Working Group member and the Section 151 Officer at the Accountable Body have all been consulted in line with the agreed process for use of delegated authority.

Background Papers

Delegation of Authority to the Chair of the City Deal and Growth Deal Working Group – *Joint Committee Paper 17th June 2015*

The Black Country Strategic Economic Plan (SEP)

Attachments

Attachments 1& 1a – Request for Use of Delegated Authority by the Chair of the Working Group, Alucast Ltd

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