



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 – Accessing Growth Programme Change Request for individual Projects

Approval to Amend the existing Grant Agreement 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. The delegation also allows the approval of changes of up to 10% of the in-year value of the Grant.
- 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 to 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 for the Accountable Body (Walsall Council) to proceed to amending the existing Agreement **with Wolverhampton City Council reducing individual project values within the Accessing Growth programme (to the value of £165,975)** to remain within the



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overall programme allocation of £6,811,829 in the 2016/17 financial year. Approval of this approach was achieved at LEP Board meeting in September 2016.

- 2.2 The need to use delegated authority was identified as the project was time critical and waiting for approval by the next Black Country Joint Committee in November 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 The Change Control process enables the management of project spend within the 10% tolerances agreed by the LEP Board as follows:

3.2.1 The ability to apply project flexibility through the approval of a plus or minus change of 10% of their individual projects total value, applying this in year as appropriate. For example if a projects total value (all years) is £2million, up to £200k of changes can be agreed in the financial year within which they have been requested.

3.2.2 Overall however the combined effect of these delegations must not exceed 10% of the in year total value approved. For example, if through the delegated authority 10 projects are amended in 2015/16 the combined effect of these changes cannot exceed 10% of the annual approved LGF value, which for 2016/17 is £37.1m x 10% = £3.71million.

- 3.3 Provided below is a summary of the 'Change Request for the Accessing Growth programme following approval under delegated authority:

Accessing Growth Programme Change Request – changes to individual projects in the overall allocation of £6.81m in 2016/17

The Joint Committee approval of Changes to the Growth Deal programme in June included an allocation for 2016/17 of £6,811,829 to the Accessing Growth Programme.



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The report in June asked for £1.01m of funding to be transferred from 2015/16 to 2016/17 due to slippage in the 2015/16 programme. This included the 3 projects identified below which, due to an underspend, are now seeking approval to have funding removed. This includes:

- The removal of £118,000 from the M6 J10 Resilience Package scheme
- The removal of £22,327 from the allocation for the Coach Station project
- The removal of £25,648 from the Compton Park project

As projects within the Accessing Growth programme have their individual allocations approved, changes to these allocations must be approved by the Joint Committee. The total 2016/17 allocation to the Accessing Growth Programme remains the same at £6,811,829.

A decision was required prior to next achievable Joint Committee meeting (23rd November) and to enable the Accountable Body for the Growth Deal (Walsall Council) to complete the outstanding grant agreements with the 2016/17 Accessing Growth projects.

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.

5. LEGAL IMPLICATIONS

- 5.1 The appropriate Grant Agreements have been amended by the Accountable Body (Walsall Council) following the exercising of Delegated Authority and included 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.



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7. EQUALITY IMPLICATIONS

7.1 None at the time of drafting

8. CONSULTATION

8.1 The LEP Board have approved these projects for individual 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 & 1b - Request for Approval of Change to Project by the Chair of the Working Group – Accessing Growth Programme

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