



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 – BLACK COUNTRY LIVING MUSEUM, DUDLEY, FORGING AHEAD

Grant Agreement Approval – Site Investigation/Desk Top Survey

Key Decision:	Yes
Forward Plan:	Yes

1. PURPOSE OF REPORT

- 1.1 To request that the Joint Committee approve for contracting and subsequent award of Grant Agreement for the Black Country Living Museum Site Investigation, from within the Local Growth Fund (LGF) Programme - with delivery to commence in the 2016/17 financial year.
- 1.2 This project was approved by the LEP Board at the 24th October 2016 Board meeting, endorsed by Working Group members via email on the 4th November 2016, and Advisory Board members via email on the 11th November 2016.

2. RECOMMENDATIONS

- 2.1 That the Joint Committee approves for the Accountable Body for the Growth Deal (Walsall Council) to proceed to a Grant Agreement with the **Black Country Living Museum for £27,000** to deliver the Local Growth Fund (LGF) funded elements of the Black Country Living Museum 'Forging Ahead' Site Investigation/Desk Top Survey – with delivery to commence in the 2016/17 financial year.
- 2.2 That the Joint Committee approves for Walsall MBC as Accountable Body to enter into a funding agreement with the applicant, subject to the following:
 - 1) Only Phase 1 Site Investigation/desk top investigations and Mining Risk Assessments to be funded,
 - 2) Up to a maximum grant sum of £27,000
 - 3) The applicant to obtain formal quotes in advance of any funding agreement being entered into, with the actual quoted sums included in the

agreement. Any extra costs identified in relation to the identified studies to be at the applicant's own risk.

3. REPORT DETAIL

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

Black Country Living Museum, Dudley bid £27,000 in 2016/17

The applicant is Black Country Living Museum, who have created a specific project steering group with a view to progressing the overall scheme, which consists of:

- Construction of a temporary visitor centre to cater for increased visitors to 500,000 pa;
- Construction of 470 sqm of new offices to accommodate 30 existing staff, 60 new staff and 29 apprenticeships;
- Extension of the Museum's tram service to provide a circular route and enhanced capacity;
- Further subsequent phases are being designed to deliver a new Industrial Quarter and Town.

Site investigation works form an initial identified phase within the applicant's programme. The applicant has significant experience in the delivery of onsite development through the delivery of the existing museum site and construction thereon.

A project team has been appointed including appropriately qualified internal staff, together with considerable input from Dudley MBC and specialist consultants as necessary, including: Business Planning Consultants - David Clarke Associates, Architectural Consultants - Gould Singleton, Quantity Surveyor - Walker Cotter Limited, Tax Advice - RSM UK, & Legal Advice - Gowling WLG.

The applicant has been highly successful in drawing in public sector funding from organisations including the Arts Council, ERDF and Heritage Lottery Fund in order to deliver projects.

The scheme is currently considered at an advanced feasibility stage (RIBA Stage 2). The applicant has not yet obtained formal quotes for the proposed works, however has detailed its procurement process and provided scoping briefs in relation to each element. Costs have been benchmarked against other similar schemes. The SI studies will provide a reasonable understanding as to ground conditions, coal mining risk and flood risk over the development areas at a total cost of circa £27,000.

The scheme does not deliver a very significant quantum of specific property related outputs. It does support the Greater Birmingham and Black Country Visitor Economy

Strategy (2014 - 20) through inclusion of unique spaces for corporate hire into the new historic zones and visitor centre and through providing a world class visitor attraction with anticipated increased numbers of local and international visitors.

It is recommended that approval be provided for Walsall MBC as Accountable Body to enter into a funding agreement with the applicant, subject to the following:

- 4) Only Phase 1 Site Investigation/desk top investigations and Mining Risk Assessments to be funded,
- 2) Up to a maximum grant sum of £27,000
- 3) The applicant to obtain formal quotes in advance of any funding agreement being entered into, with the actual quoted sums included in the agreement. Any extra costs identified in relation to the identified studies to be at the applicant's own risk.

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 The form of underwriting for this development project is to be confirmed with the applicant during the pre-contracting stage.

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 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 and the Joint Committee.

7. EQUALITY IMPLICATIONS

- 7.1 None at the time of drafting.

8. CONSULTATION

8.1 Legal and Financial services at Dudley MBC were consulted as part of the development of this report

Back Ground papers

None.

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