

REPORT OF THE CHAIR OF THE CITY DEAL AND GROWTH DEAL WORKING GROUP**TO****BLACK COUNTRY EXECUTIVE JOINT COMMITTEE****ON****16th September 2015****Delegated Authority Decision for Noting****Black Country Local Growth Deal - Project Approval - InComm Phase 2**

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 Local Growth Fund (LGF) investment (per scheme) does not exceed £240k, and whereby delivery is to commence in the 2015/16 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 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 as Chair of the City Deal and Growth Deal Working Group has used his Delegated Authority to approve the Accountable Body (Walsall Council) to proceed to a Grant Agreement with InComm Training to the value of £76,000 to deliver the Local Growth Fund (LGF) elements of the 'InComm Phase 2' project - with delivery to commence in the 2015/16 financial year. Endorsement of this approach was achieved at the July 2015 LEP Board meeting.
- 2.2 The need to use delegated authority was identified as the project was time critical as purchase of equipment to be completed in time for the August 2015 intake (i.e. approval by the Joint Committee in August would have impacted on deliverability) and

was not suitable for approval using existing Special Urgency or General Exception 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. £2.4m).

3.2 Provided below is a summary of the 'InComm Phase 2' project following approval under delegated authority:

Project Description: Extension to initial project; providing capital investment in high tech equipment increasing InComm Training's capacity to deliver high value manufacturing training that meets the skills needs of local businesses. Specifically this funding will enable InComm to replace old CNC/Milling machines with modern industry standard machines. The initial project supported the replacement of 30% of the machines, enabling only 30% of the apprentice intake to benefit. Replacement of the remaining machines will enable all InComm Training apprentices to benefit from training on new industry standard machines.

Start date: Purchase of equipment to be completed in time for the August 2015 intake.

Headline Outputs Include: 1 Job Created, 50 apprenticeships per annum (300 apprenticeships started during LGF Programme)

Funding Profile: Total Project Investment - £102k, LGF requested - £76k, Match Funding - £26k applicants own funds. Please note, this profile may need to change if the exchange rate between the £ and EUR changes to ensure that the beneficiary remains within the 'de minimus' threshold set by the EU.

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 2015/16 LGF grant and provide an agile response to under-utilisation of grant.

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 endorsed this project for LGF allocation.
- 8.2 The Chair of the Black Country Executive Joint Committee, the Chief Executive of the Black Country 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

InComm Phase 2 - Business Case

Request for Use of Delegated Authority – InComm Phase 2



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