



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

## **REPORT OF THE CITY DEAL AND GROWTH DEAL ADVISORY BOARD**

**TO**

**BLACK COUNTRY JOINT COMMITTEE – 20<sup>th</sup> June 2014**

### **CITY DEAL UPDATE**

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**Key Decision:           No**  
**Forward Plan:           No**

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#### **1.    PURPOSE OF REPORT**

- 1.1 To provide the background and an introduction to the City Deal and its contents, to further set out the current arrangements for Lead / Accountable body status and to request approval to take a report to the Joint Committee to appoint Walsall Council as Accountable body for the: Housing Jobs and Prosperity pilot.

#### **2.    RECOMMENDATIONS**

##### **That Joint Committee Members:**

- 2.1 Note the background and contents of the City Deal agreement included in this report as Attachment A.
- 2.2 Note the agreement by Walsall Councils Cabinet for it to act in the role of Accountable Body for the: Housing Jobs and Prosperity pilot, approving Walsall Council to Act in the role of Accountable Body for the: Housing Jobs and Prosperity pilot.

#### **3.    REPORT DETAIL**

##### **Background / Introduction to City Deal**

- 3.1 The Government has now entered into a City Deal with the Black Country, as set out within the signed document included as Attachment A. This sets out the nature and contents of the agreement, which over its lifetime the Black Country Local Enterprise Partnership predict the City Deal, will deliver:

- 80 hectares of brownfield land brought into manufacturing use within 4 years, with a further thirty sites for future development over ten years;
  - The creation of 5,800 new manufacturing jobs within the first four years of the City Deal;
  - An estimated £120m of private sector investment in high value manufacturing sites in the Black Country;
  - At least 1,500 additional high value manufacturing apprenticeships and an investment of £18m from HVM employers in apprenticeships.
  - The realisation of up to £13m of private sector investment in business support in the Black Country, creating or safeguarding up to 700 jobs;
  - Intensive working with 2,800 long term unemployed social housing tenants, aiming to move at least 900 into employment, reducing welfare benefit costs by £1.1m and increasing wages by £19m.
- 3.2 At the heart of the Black Country City Deal is an ambitious proposal to maximise the growth of high value manufacturing by opening up key supply chain manufacturing sites across the Black Country. To deliver this flagship proposal City Deal partners will:
- 3.2.1 Create the **Black Country Investment Fund** to stimulate the local commercial land market through the provision of finance to developers of key industrial sites. This fund will be created through the agreement of a £20m Public Works Loan Board (PWLB) project rate loan facility, with agreed flexibilities, and an investment of £10m from the four Black Country Local Authorities.
- 3.3 The Black Country Investment Fund (BCIF) will be complemented by skills, business support and welfare dependency reduction proposals. These proposals are designed to support high value manufacturers through increasing the supply of skilled young people taking up careers in engineering, improve the support to local businesses and encourage local unemployed people to move into manufacturing employment. To deliver this City Deal partners will:
- 3.3.1 Agree to deliver at least 1,500 additional high value manufacturing apprenticeships over five years. Local partners will work to increase the number of young people taking up apprenticeships in key engineering skills and support businesses to employ apprentices.
- 3.3.2 Create a Black Country business support programme that will: improve co-ordination of business support services across the Black Country; increase access and take up of national business support programmes; provide bespoke support to local businesses and act as a focal point for inward investment.
- 3.3.2 Set up a demonstration project to reduce welfare dependency and increase employment in two areas of high unemployment. This project learns from successful programmes in the USA and aligns with the Troubled Families and Help to Work programmes. It contains three core areas of work: providing intensive employment support services and repayable financial incentives to overcome costs associated with starting work.

### **Lead Authority / Accountable Body Status**

- 3.4 Each of the above four delivery strands of City Deal will require a Lead Body / Accountably Body to take on the role to ensure both delivery and accountability. Future reports will set out the appropriate recommendations for these roles, this report focuses on the demonstration project to reduce welfare dependency and increase employment through a: Housing Jobs and Prosperity pilot.
- 3.5 Walsall Council gained approval from its Cabinet in March 2014 to act in the role of Accountable Body for the above pilot as follows:
- 3.5.1 "It is proposed that Walsall Council acts in the role of Accountable Body for the demonstrator project on behalf of the Joint Committee for the Black Country, receiving and administering the £2.8million of funding from Government in line with all approvals, and in accordance with the Collaboration Agreement for the Joint Committee. Delivery will be achieved through a lead partner (Accord Housing), who will co-ordinate and call on the services of a number of key partners and agencies as required".
- 3.5.2 "Its therefore requested that subject to the approval of the Collaboration Agreement by the Joint Committee, that Walsall Council acts in the role of accountable body for: The Housing Jobs and Prosperity pilot, setting into place the required contact administration, audit and on-going monitoring arrangement, will be closely monitored and if found necessary will be funded through the allocated resources, prior to their release to the lead partner, Accord Housing".
- 3.6 In line with the above Walsall Cabinet requirement, it is requested that approval is granted by the Advisory Board to take a report to the Joint Committee, requesting approval for Walsall Council to Act in the above role of Accountable Body.

### **Reporting Arrangements**

- 3.7 As previously reported as part of agenda item 5, the role of Programme Manager and Officer were created. These officers will work on establishing with all subsequent Lead / Accountable bodies the appropriate reporting arrangements to feed into the: Working Group and the Advisory Board, to facilitate reports onto the Joint Committee.
- 3.8 Future reports to the Advisory Board will set out these arrangements once the appropriate Lead / Accountable bodies have been appointed and the arrangements developed.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 None arising from this report

## **5. LEGAL IMPLICATIONS**

- 5.1 The None arising from this report

**6. RISK MANAGEMENT**

6.1 None arising from this report

**7. EQUALITY IMPLICATIONS**

7.1 None arising from this report

**Back Ground papers**

Advisory Board Constitution

**Attachments**

**Attachment A** – City Deal Agreement

**Contact Officer/s**

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