

Cabinet – 8 February 2017

Approval to widen the scope of the Black Country Joint Committee to include the West Midlands Combined Authority

Portfolio: Councillor Sean Coughlan, Leader of the Council

Related portfolios: Councillor Lee Jeavons, Deputy Leader and Portfolio Holder Regeneration

Service: Chief Executive

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 On the 7 September 2016 the Black Country Executive Joint Committee recommended to the Black Country Consortium Ltd and the Cabinets of; Walsall Council, Dudley Council, Sandwell Council and Wolverhampton City Council that changes are approved for inclusion through a Deed of Variation to the existing Black Country Executive Joint Committee City Deal & Growth Deal Collaboration Agreement.
- 1.2 If approved these changes will widen the scope of its work beyond its current remit of City Deal and Growth Deal Programmes to include the West Midlands Combined Authority. This report seeks approval to make these changes as set out below.
- 1.3 Robust project development, assessment and governance arrangements has now placed the Black Country into the top tier of Local Enterprise Partnership areas, resulting in greater flexibility, up front funding and higher than average grant applications received from Government. The Joint Committee and Walsall Council acting in its role as Accountable Body continue to play a key role in maintaining this status.

2. Recommendations

- 2.1 That Cabinet:
 - 2.1.1 Delegate to the Black Country Executive Joint Committee the power to make decisions relating to funding applications into and funding received through or from the West Midlands Combined Authority and that the Councils

representation on the Black Country Executive Joint Committee is the Leader of the Council with the Deputy Leader acting as substitute.

- 2.1.2 Approve the widening of the scope of the Black Country Executive Joint Committee Constitution by amending the current Annex A - Terms of Reference; Functions of Black Country Executive Joint Committee, as revised and included as **Appendix A** to this report.
- 2.1.3 Approve entering into the Black Country Executive Joint Committee Collaboration Agreements Deed of Variation, included as **Appendix B** and Delegate the Executive Director for the Economy & Environment authority to make any minor amendments prior to its sealing as a Deed.
- 2.1.4 Delegate authority to the Executive Director for the Economy & Environment in consultation with the portfolio holder to negotiate the conditions for and accept once agreed all future funding allocated by the West Midlands Combined Authority on behalf of Walsall Council acting in its role of Accountable Body on behalf of the Black Country Executive Joint Committee.
- 2.1.5 Approve the holding and ring fencing of all interest generated by the funding allocations received for use in supporting the delivery of the Accountable Body functions associated with this programme.
- 2.1.6 Note the successful development, delivery and governance of the Growth Deal programme so far, placing the Black Country into the top tier of LEP areas as assessed by Government and the benefits this brings.

3. Report detail

- 3.1 Cabinet approved entering into a Joint Executive Committee with the other Black Country Councils for the purposes of the City Deal and Growth Deal in September 2013, this approval included entering into a Collaboration Agreement with the four Black Country Authorities and the Black Country Consortium as secretariat to the LEP.
- 3.2 The original remit of the Joint Executive Committee was limited to City Deal and Growth Deal programmes of funding from the government. As part of the terms of that agreement, Walsall Council was appointed the Accountable Body for the purposes of managing the funding allocation given under City Deal and Growth Deal.
- 3.3 The Black Country Executive Joint Committee Collaboration Agreement was approved by the Joint Committee on the 7 May 2014 and set out the governance and operational arrangements for the City Deal and Growth Deal programmes, including the; collaboration, governance, project approval, management and audit and claw back arrangements.
- 3.4 The parties to this agreement have and continue to use the governance and operational arrangements set out within the Collaboration Agreement to

successfully deliver these programmes. With the formation of the Combined Authority in 2016, access to new funding opportunities have and will continue to be created.

- 3.5 To ensure that where appropriate the Black Country collectively is able to respond quickly to these opportunities and if successful accept the funding allocated / approved, its proposed to extend the remit of the current Collaboration Agreement for the: Black Country Executive Joint Committee City Deal & Growth Deal to include all funding administered or approved by the West Midlands Combined Authority to the Black Country. The proposed revised Collaboration Agreement is includes as **Appendix C** to this report.
- 3.6 This approach will allow the current governance arrangements administered by and through the Joint Committee to consider and approve applications to the Combined Authority and to accept/receive funding allocated or approved, and then for it to be administered through the appropriate appointed Accountable Body arrangements.
- 3.7 At its meeting on the 7 September 2016 the Joint Committee recommended to the members of the current Black Country Executive Joint Committee City Deal and Growth Deal Collaboration Agreement, that the four Black Country Council Cabinet's and the Black Country Consortium Limited considered and approved the following recommendations:
 - 3.7.1 That the Joint Committee recommends to the Black Country Consortium Limited and the Cabinets of Walsall Council, Dudley Council, Sandwell Council and Wolverhampton City Council that the following changes are approved for inclusion through a Deed of Variation to the existing Black Country Executive Joint Committee City Deal & Growth Deal Collaboration Agreement.
 - 3.7.2 That the Joint Committee be delegated further powers from each Councils Cabinet to enable it to make decisions relating to funding applications into and funding received through or from the West Midlands Combined Authority, and the scope of the Collaboration Agreement is widened to include this by amending the current Annex A - Terms of Reference; Functions of Black Country Executive Joint Committee, as revised and included as **Appendix A** to this report.
 - 3.7.3 That all references to the City Deal and Growth Deal throughout the Collaboration Agreement are amended to: City Deal, Growth Deal and Combined Authority.
 - 3.7.4 That the following description of the Combined Authority is added to section 1 (Definitions) part of the Collaboration Agreement as follows: Combined Authority means the West Midlands Combined Authority and its successors.
 - 3.7.5 That the Joint Committee grants approval for a Black Country application into the Combined Authority's Land Remediation Fund, based upon its current priority projects pipeline to be submitted at the earliest opportunity.

- 3.8 The Combined Authority has been granted access to Government Funding, including the £200 million Land Remediation Fund. The Black Country has an identified need for significant proportion of this funding to bring some of its existing employment and housing land back into use. Approving these changes will ensure that we do not miss out on this and any future funding allocations.
- 3.9 The appropriate recommendations have been included within section 2 of this report for consideration by Cabinet.
- 3.10 The Black Country Joint Committee is the body responsible for approving all expenditure associated with the Black Countries Growth Deal and City Deal programmes. This is within the governance arrangements set out within the Assurance Framework, following individual project assessments and spend recommendations by the Black Country Local Enterprise Partnership.
- 3.11 These robust project assessment and approval arrangements, together with our record of achievement of spend and outcome targets places the Black Country in the top tier of achieving LEP areas. This brings the benefits of delegated programme flexibility, the payment of grants up front to the Accountable Body (Walsall Council) at the beginning of each year and a bonus in terms of disproportionately higher than average Local Growth Fund allocations being made to us by government.
- 3.12 An example being the recent additional allocation made to the Black Country (reported to be around £55million) as part of Growth Deal round 3, and a possible additional bonus payment (yet to be stated / agreed) that could increase this figure to an additional £70million.
- 3.13 Walsall Council acting in its role of Accountable Body for the Black Country Growth Deal programme has, and continues to play a key role in ensuring that these large scale government allocations at around £200million are administered and accounted for efficiently and effectively.

4. Council priorities

- 4.1 The Council's Corporate Plan 2016-2020 seeks to serve the people and communities of Walsall, by representing and working with them to protect and improve the quality of life for all.

The priorities that will support this purpose are:

- Lifelong health, well being, and happiness
- Safe, resilient and prospering communities
- Sustainable change and improvement for all

- 4.2 The Marmot Review ('Fair Society, Healthy Lives') presented a national strategic review of health inequalities post 2010. It concluded that reducing inequalities will require action on six policy objectives, being:

1. Give every child the best start in life.
 2. Enable all children, young people and adults to maximise their capabilities and have control over their lives.
 3. Create fair employment and good work for all.
 4. Ensure a healthy standard of living for all.
 5. Create and develop healthy and sustainable communities.
 6. Strengthen the role and impact of ill-health prevention.
- 4.3 Approving the widening of the scope of the Joint Committee's role will assist Walsall Council in delivering its priorities and those of the Marmot Review.

5. Risk management

- 5.1 Risks associated with working with the WMCA are managed at both a local level through the Council's corporate risk register, and through programme management governance that supports the WMCA. The associated risk management activity is undertaken on a monthly basis and is management by the Council's existing governance arrangements including through the Corporate Management Team and the Corporate & Public Services Overview Scrutiny Committee. At WMCA level these risks are managed by the various workstream leads and overseen by the Programme Board formed of the Chief Executives and Executive Officers of the Constituent and Non-Constituent Members.
- 5.2 Risks associated with the management of funds received are mitigated by using the Accountable Body arrangements established within Walsall Council as part of the Programme Managements Service Area within the Economy & Environment Directorate.

6. Financial implications

- 6.1 There are no financial implications associated with this report at the time of drafting.

7. Legal implications

- 7.1 Under the Local Government Act 1972 and Local Government Act 2000 as amended by the Localism Act 2012 and regulations issued by the Secretary of State the Council's Executive has the power to setup a Joint Executive Committee.
- 7.2 An Executive Joint Committee is effectively an extension of Cabinet, making decisions on behalf of Cabinet where it has delegated Authority to do so. Delegation does not prevent Cabinet from choosing to excise the powers instead of the Joint Committee nor withdrawing at any time the delegation per a specific matter or item or in its entirety.

- 7.3 By Cabinet approving the Deed of Variation it will be extending the remit of the Black Country Joint Executive Committee to include making applications for funding to the West Midlands Combined Authority. In order to bring these changes into effect, the original signatories to the Collaboration Agreement being the four Black Country Councils and the Black Country Consortium Limited will need to enter into the Deed of Variation.

8. Property implications

- 8.1 There are currently no property implications arising directly from this report.

9. Health and wellbeing implications

- 9.1 There are currently no direct health and well being implications arising from this report.

10. Staffing implications

- 10.1 There are currently no staffing implications arising directly from this report, as any costs incurred will be recovered from the funding allocations received from the West Midlands Combined Authority or through interest generated by holding and grant funding allocated and received by Walsall Council.

11. Equality implications

- 11.1 There are currently no direct equality implications arising from this report.

12. Consultation

- 12.1 Legal and finance officers from all signatory organisations of the original agreement being; Dudley Council, Sandwell Council, Wolverhampton City Council and the Black Country Consortium have been consulted with.

Background papers

Black Country Executive Joint Committee Collaboration Agreement and Terms of Reference.

Attachments

Appendix A – Proposed revisions to the Terms of Reference

Appendix B - Proposed Deed of Variation

Appendix C – Proposed revised Collaboration Agreement

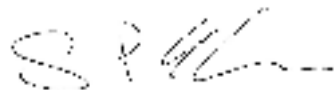
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Simon Neilson
Executive Director

30 January 2017



Councillor Sean Coughlan
Leader of the Council

30 January 2017