

## Cabinet – 11 September 2013

### Black Country Executive Joint Committee

**Portfolio:** Councillor M Bird, Leader of the Council

**Related portfolios:** All

**Service:** Chief Executive

**Wards:** All

**Key decision:** No

**Forward plan:** No

#### 1. Summary

This report seeks to set up a Black Country Executive Joint Committee for the purpose of dealing with the Government's agenda for greater local decision making under City Deal and Growth Deal.

#### 2. Recommendations

- 2.1 That Cabinet approves the establishment of the Black Country Executive Joint Committee and amends the Councils Constitution accordingly.
- 2.2 That Cabinet approves the Constitution of the Joint Committee including Terms of Reference at **Appendix A** and delegates the functions and powers therein referred to the Executive Joint Committee.
- 2.3. That Councillor Bird, as Leader of the Council, is appointed as the Cabinet's representative on the Executive Joint committee together with Councillor A Andrew to act as substitute.
- 2.4 Cabinet note the proposals for the City Deal and Growth Deal Advisory Board as set out in the report and the proposed governance structure as set out at **Appendix C**.
- 2.5 That Cabinet approves Walsall Council act as Secretary to the Joint Committee and Advisory Board.

### 3. Report detail

- 3.1 City Deal and Growth Deal is a government initiative under which, certain powers, such as the ability to set and spend budgets, are devolved from central government to local authorities in a bid to increase economic growth. The Black Country sub-region has been successful in its application to be included in the City Deal and Growth Deal initiative, and whilst the details of how it will precisely work and its core elements are to be finalised with the Government, the Government wants to see a decision making entity that is both accountable and transparent. Discussions with the Government have resulted in the proposal for a Joint Executive Committee.
- 3.2 At a meeting of the Association of Black Country Authorities held on the 17<sup>th</sup> April 2013 it was agreed that each Councils' Cabinet would seek to set up an Executive Joint Committee, comprising of the Leaders of the four Black Country Councils, to be the lead decision making forum for City Deal and Growth Deal. Cabinet is referred to **Appendix B**, which is a detailed report explaining City Deal and Growth Deal prepared by the Black Country Consortium Ltd which has been assisting in negotiations with central Government.
- 3.3 The government expect as part of the City Deal and Growth Deal arrangement that the local business community, and in particular the Local Enterprise Partnership (LEP) take a key role in decision making as well as both shaping and influencing the outcomes of City Deal and Growth Deal. At the recent meeting of the Association of Black Country Authorities and the Chair of LEP it was agreed that the Joint Committee would have an Advisory Board which forms part of the recommendation and decision-making processes. **Appendix C** details the proposed overall governance structure for the Joint Committee City Deal and Growth Deal themes but that is subject to negotiations with the Government.
- 3.4 The Advisory Board will comprise of the Councils' four Cabinet members for economic development and regeneration (voting), four representatives from the LEP (voting), Executive Directors for economic development and regeneration of the four Councils in an advisory role (non-voting), representatives from central government as necessary in an advisory role (non-voting), and such other persons and or bodies as the Advisory Board feel will assist it in its decision making in an advisory role (non-voting). Largely, the precise details of how this will operate in practice will depend upon the approach to managing City Deal and Growth Deal agreed between Government and the sub-region
- 3.5 It has been agreed between the four Chief Executives that Walsall Council will act as Secretary to the Joint Committee and for the purposes of complying with the necessary legislation Walsall will publish the meeting dates, agenda, reports and take minutes. Finally, Walsall Council's constitution will apply to the decision making processes.

- 3.6 The Joint Committee can have further powers delegated to it at any time by each Councils Cabinet to deal with any other areas or matters that Cabinet considers expedient. The Joint Committee also has powers to setup sub committees and or Advisory Boards, as it considers necessary to aid it in carrying out its functions.

#### **4. Council priorities**

As expressed in the Corporate Plan 2011/12 – 2014/15, part of the Council's shared vision for the Borough is that Walsall will be a great place to live, work and invest, where "there are more and better jobs for local people" and where "there are a wide range of facilities for people to use and enjoy". Furthermore, one of the three priorities for the Council is the economy, and if Cabinet approves this step, it will help to deliver the shared vision for the Borough and underpin the Council's economic priority. Supporting business and jobs is the top priority within the Walsall Plan, the Borough's Sustainable Communities Strategy.

#### **5. Risk management**

There are no risks identifiable from this report.

#### **6. Financial implications**

- 6.1 There will be financial implications for the Council in terms of government funding streams being made available. However the details of those are yet to be finalised in negotiations with central government.
- 6.2 Dependent upon the level of activity of the Joint Committee there will be costs implications for the provision of Council officers, such as Democratic Support, Legal Officers and Finance Officers as well as other officers as and when required. Initially Walsall Councils Democratic, Legal Services and Financial support will be undertaken within existing resources, once the Joint Committee is established, the governments requirements set out, funding streams mechanism identified and its work pattern established a review will be undertaken.

#### **7. Legal implications**

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 Councils Executive has the power to setup a Joint Executive Committee.

## **8. Property implications**

None

## **9. Health and Wellbeing implications**

There are no direct on Health and Well Being arising for this report; however the economic regeneration potential that could be released in the future may have a beneficial impact upon health and Wellbeing.

## **10. Staffing implications**

The level of staff required to support the Joint Committee will be dependent upon the outcome of the negotiations with the government as well the amount of activity the Joint Committee undertakes. At this stage it is not possible to determine the level of support required, however initially Walsall Councils Democratic, Legal Services and Financial support will be undertaken within existing resources, once the Joint Committee is established, the governments requirements set out, funding stream mechanisms identified and its work pattern established a review will be undertaken.

## **11. Equality implications**

An Equality Impact Assessment has been carried out on the implications of this Cabinet report. This assessment concluded that there will not be any negative implications for the characteristics protected by the Equality Act 2010.

## **12. Consultation**

The wider business Community through the Local Enterprise Partnership.

## **Background papers**

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Paul Sheehan  
Chief Executive

3 September 2013



Councillor Mike Bird  
Leader

3 September 2013

## Appendix A

### Appendix A

#### BLACK COUNTRY JOINT COMMITTEE CONSTITUTION 2013

1. (i) Dudley MBC, Sandwell MBC, Walsall MBC and Wolverhampton City Council established an Executive Joint Committee known as the Black Country Joint Committee (“the Committee”) for the purpose of discharging the functions mentioned in Annex A. The Committee is a joint committee of the Executive for the purposes of Part VI of the Local Government Act 1972 and Part I Chapter 2 of the Local Government Act 2000 and the provisions of thereof that are applicable to Joint Committees of the Executive shall apply to the Committee.
  
2. (i) The Committee shall comprise four members, each Council being entitled to appoint one voting member who shall be a member of the Councils Cabinet making the appointment. In the event of a voting member of the Committee ceasing to be a member of the Council which appointed him/her, the Council shall forthwith appoint another voting member in his/her place. Only a voting member is entitled to be elected as Chair or Vice-Chair of the Committee.  
  
(ii) Each Council may appoint members of its Executive as substitute for the voting members appointed under (i) above to attend meetings of the Committee and its sub-committees in the absence for any reason of the voting members or observer members appointed under (i) above and in attended meetings of the Committee and its sub-committees the substitute voting members or observer members shall be treated in all respects if they were appointed under (i) above as the case may be. The Secretary for the Committee shall be informed prior to the commencement of the meeting of the names of the substitute members.  
  
(iii) The Chairman of the Black Country Local Enterprise Partnership shall be an ex officio member of the Committee on matters relating to City Deal and Growth Deal. Ex officio members may speak at meetings of the committee but not vote. The Chairman of the Black Country Local Enterprise Partnership shall present reports to the Joint Committee from the City Deal and Growth Deal Advisory Board.  
  
(iv) The Black Country Consortium Ltd will be responsible for writing reports to the Joint Committee from the City Deal and Growth Deal Advisory Board in the format provided for at Annex B. A representative of the Black Country Consortium Ltd can be in attendance at meetings of the Joint Committee on matters relating to City Deal and Growth Deal in an advisory role.

(v) The Committee shall at its Annual Meeting, elect a Chair and Vice-Chair from among its voting members or chose to adopt for that year to have a rolling Chair and Vice Chair being upon rotation. In the event of both being absent from the meeting, the Chair and Vice-Chair for whatever reason, the Committee shall elect a chair from amongst the voting members present for that meeting but shall not count for purposes of rotation.

(vi) Three voting members of the Committee shall constitute a quorum. Except as otherwise provided by statute, all questions shall be decided by a majority of the votes of the voting members present, the Chair having the casting vote in addition to his/her vote as a member of the Committee.

(vii) The Committee shall meet as agreed at its AGM. However a meeting of the Committee may be convened at any time by the Secretary in consultation with the Chair for the meeting that would be convened. A meeting of the Committee must also be convened by the Chair within 28 days of the receipt of a requisition of any two voting members of the Committee addressed to the Secretary of the Committee. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting.

(viii) The Committee shall from time to time to make such standing orders for the carrying on of the business of the Committee as the Committee shall deem necessary and or desirable.

(viii) For the avoidance of doubt and subject to there being no changes to the law on this issue, where a Council is operating executive arrangements pursuant to the Local Government Act 2000 (and any regulations made under it), it will be a matter for the Executive of the Council to appoint any voting member, or substitute member of the Committee as long as that member is a member of the appointing Councils Cabinet.

3. The Committee shall from time to time appoint such sub-committees and Advisory Boards to consider and deal with any of the functions of the Committee as may be thought desirable.
4. The Committee Secretary and such other officers as may be deemed necessary for the due conduct of the business of the Committee shall be Walsall Metropolitan Borough Council.
5. Meetings of the Joint Committee shall be held at Walsall Metropolitan Borough Council unless otherwise directed by the Joint Committee.
6. The Secretary shall:
  - i. Be responsible for preparing the agenda and submitting reports prepared by either of the Councils or other bodies to the Joint Committee and minutes of the Joint Committee.

- ii. Be responsible for making arrangements for the publishing in accordance with Access to Information requirements all meetings, agenda, agenda items and minutes as appropriate.
- 7. That the relevant Standing Orders for Black Country Joint Committee are those of Walsall Metropolitan Borough Council.



## **Annex A – Terms of Reference**

### **Functions of the Committee**

1. To receive reports from any Sub Committee of the Joint Committee or Advisory Board of the Joint Committee.
2. At any time review and agree proposed changes to the Functions of the Committee, and seek approval of the same from the four Council Executives of the Black Country authorities.
3. To agree and approve any proposed governance and or reporting structure that the committee sees fit.
4. In relation to the City Deal and Growth Deal:
  - 4.1 To act as a strategic body; setting and reviewing objectives for strategic investment across the Black Country, including;
    - a. Providing a coherent single position on the major strategic City Deal and Growth Deal issues;
    - b. Agreeing allocation of spending;
    - c. Agreeing major priorities;
    - d. Consider and agree recommendations made by any Sub Committee of the Joint Committee or Advisory Board of the Joint Committee;
    - e. Refer recommendations received back to any Sub Committee of the Joint Committee or Advisory Board of the Joint Committee for further consideration as and when minded in the first instance to not follow recommendations at all or to materially change the substance of the decision except in the case of genuine urgency requiring a decision to be made at that time;
  - 4.2 Agreeing Lead and or Accountable Body status for a body or organisation;
  - 4.3 Agree, review and amend options at any time for City Deal and Growth Deal governance which is fit for purpose;
  - 4.4 influence and align government investment in order to boost economic growth;
  - 4.5 have regard to the duty to cooperate and Joint Committee's overall function as set out above;

- 4.6 to ensure alignment between decision making on City Deal and Growth Deal and decisions on other areas of policy such as land use, transportation, economic development and wider regeneration;
- 4.7 Co-ordinate and align decision making on transport with the LEPs ensuring that business views are taken on board and that LEP growth plans are reflected in strategic priorities;
- 4.8 Deciding on capital expenditure programmes and ensuring policy and programmes are delivered effectively through partners;

## **Annex B - Report Format**

**BLACK COUNTRY JOINT COMMITTEE – XX<sup>TH</sup> XXXXX 20XX**  
**REPORT OF THE SECRETARY**  
**[insert title of report]**  
**BLACK COUNTRY JOINT COMMITTEE**

### **1. PURPOSE OF REPORT**

Details of what is being sought in summary

### **2. RECOMMENDATIONS**

Specific decision to be made by the Committee

### **3. REPORT DETAIL**

All relevant and pertinent information so as to enable a fully informed decision to be made by the Joint Committee

### **4. FINANCIAL IMPLICATIONS**

All relevant financial implications

### **5. LEGAL IMPLICATIONS**

All relevant Legal implications

### **6. RISK MANAGEMENT**

Key risk identified and explanations as to how they will be managed are to be inserted.

### **7. EQUALITY IMPLICATIONS**

An equality impact assessment to be done and equality implications set out in the report as well as how they will be managed.

## **Back Ground papers**

Authors name and contact details

## Appendix B

City Deal and Growth Deal report prepared by Sarah Middleton, Black Country Consortium Ltd

### 1.0 GOVERNMENT'S OBJECTIVES FOR CITY DEALS

- 1.1 Government is negotiating "City Deals," as part of their efforts to promote local economic growth by devolving more freedoms and responsibilities for expenditure to local enterprise partnerships and their local authority partners. Government strongly wishes to encourage local authorities to work together across functional economic areas (e.g. the Black Country) and has stressed the importance of coherent and visible governance arrangements being part of the deal
- 1.2 The government is not offering additional grant as part of a City Deal but offering local authorities greater local control over existing resources. The "first wave" prospectus issued to the core cities emphasised that proposals should feature innovative and imaginative approaches to overcoming barriers to economic growth. The wave two city deal invitation was extended to 19 LEP areas including the Black Country.
- 1.3 The Black Country has a strong track record in collaborative working, and as such made a strong City Deal submission focussed on support to advanced manufacturing under a supply chain development theme of "**Built in the Black Country: Sold Around the World**". The Black Country is striving and working hard to attract investment in High Value Manufacturing (HVM) as a catalyst for the wider economic growth of the area building on the success of securing JLR investment onto the Black Country Enterprise Zone. The Black Country was the first of the wave 2 cities to present to the Ad-hoc Ministerial Group (20th May 2013).

### 2.0 CITY DEALS, LORD HESTLETINE REVIEW and GROWTH DEALS

- 2.1 Government guidelines for City Deals referenced the need for visible and accountable political leadership, a clear mandate for an ambitious agenda, a means of facilitating cross-boundary working and the need for the existence of visible public and private sector leadership.
- 2.2 The Government Response to the Heseltine Review published by the Treasury in advance of the March 2013 and in anticipation of the summer Comprehensive Spending Review, accepted 81 of Lord Heseltine's recommendations on promotion of local growth (in whole or part). This included the acceptance of Heseltine's core proposal for a Single Local Growth Fund of un-ring-fenced monies which is set to include elements of national skills, housing and transport budgets. The outcome of these announcements is the positioning of the business-led LEPs the power to make the choices that are right for their local economies.

### 2.3 The Government has:

- created a **Single Local Growth Fund**, which will be allocated through a process of negotiation and using competitive tension to strengthen incentives on LEPs and their partners to generate growth;
  - Single Local Growth Fund will be operational from April 2015.
- asking **LEPs to develop new strategic multi-year plans for local growth**, which will be the basis on which the Government negotiates deals with each LEP for levers, resources and the flexibility over them – **A Local Growth Deal**;
- asking LAs to *'prioritise growth alongside service delivery'* supporting LEPs, including *'pool strategic economic development spend and functions, and support LEPs in securing match funding for EU SI Funds'*;
- asking LAs to *'manage and account for the localised funds through binding and long-lived decision making bodies such as joint leaders as a minimum, or combined authority (preferable) or other similar arrangement'*. and
- strength of plans for effective pooling of economic development spend and functions across the LEP area, including the degree to which these funds will be revolving, what private sector leverage has also been secured and whether there is a co-ordinated approach to strategic spatial planning;
- **streamlining the management of the EU Structural and Investment Funds** in England and aligning priorities on the basis of the plans led by LEPs.

Appropriate accountability structures at local and national levels must first be in place to deliver this latest step change with local areas determining which governance structure is right for them. The Government is:

- supporting local authorities that wish to create a combined authority or implement other forms of collaboration including conurbation mayors;
- has assigned a senior Whitehall sponsor to each LEP to carry out high level engagement, offer strategic challenge to LEPs, and act as champion for the LEP across Whitehall; and
- as part of this, enhancing the arrangements in place for cross-departmental working through the creation of Local Growth Teams, so that senior Whitehall sponsors can deploy these resources more effectively in co-ordinated support of LEPs.

### 2.4 Local Growth Deal – emerging guidance

- 'Growth Deals' with all LEPs: an opportunity for local business and civic leaders to set out their vision and priorities for local growth in their areas
- Builds on city deals process
- Growth Deal = a Local Growth Fund allocation AND a wider offer of additional levers and influence
- ...and local areas will need to show they are committed to this agenda by bringing their own resources to the table as well
- 'Growth Deals' are about more than funding.
- The level of national funding is shown in the table below. The Black Country Transport Majors allocation has been set at - £18.4m.

AREA	FUNDING STREAMS	15/16
TRANSPORT	<i>Local Authority Transport Majors</i>	819
	<i>Local Sustainable Transport Fund</i>	100
	<i>Integrated Transport Block</i>	200
	<b>SUB-TOTAL</b>	<b>1,119</b>
SKILLS	<i>Further Education capital</i>	330
	<i>ESF skills match funding</i>	170
	<b>SUB-TOTAL</b>	<b>500</b>
HOUSING	<i>New Homes Bonus</i>	400
	<b>SUB-TOTAL</b>	<b>400</b>
<b>TOTAL</b>		<b>2,019</b>

### 3.0 BLACK COUNTRY CITY DEAL – Example Themes

#### 3.1 SITES - *The Black Country deal ambition*

*“Creating 6 viable sites to meet the supply chain demand expected from the automotive and aerospace sectors highlighted by Jaguar Land Rover’s decision to grow by from £2bn to £2.75bn by 2014 and the company’s interest in sourcing more of their contracts in the UK (currently only 43% of Jaguar F-type contracts are sourced in the UK with the potential for an estimated 80% to be sourced here). These sites will offer companies that locate near to JLR’s Black Country headquarters the strongest advantage over their European competitors. We will do this by creating a Black Country Investment Fund, dominated by the local contribution”.*

#### 3.2 SKILLS- *The Black Country deal ambition*

*To address the skills gaps experienced by Black Country HVM businesses by:*

- I) up skilling the HVM workforce (5,000 employees) and creating 1,400 new high level HVM apprenticeships, based on employers rapidly increasing their current investment in skills and apprenticeships and supporting currently reluctant employees to invest in their learning*
- II) encouraging more young people to take up STEM subjects and to choose HVM courses and careers with careers advice backed by the private sector and a new employer engagement programme with schools*

#### 3.3 WELFARE - *The Black Country deal ambition*

To trial a new neighbourhood-based support programme, already successfully tested in the US, targeting 900 long term unemployed to gain sustainable employment and reduce their reliance on in-work benefit payments. The model has three key pillars, which have been adapted and strengthened from the US model.

**Employment support services** Covering issues from literacy, numeracy skills, “job ready” and soft-skills provision, industry-required technical training modules, interview and work-day induction support and progression, incorporating volunteer / apprentice placements and professional mentoring

and buddying as appropriate in a complete “wrap-around” service using and adding to the principles of some of the pre-apprenticeship and Intermediate Labour Market programmes. Whilst this will major on jobs within the HVM sector, the project will nevertheless be inclusive of the five priority sectors as identified in the Black Country Economic Assessment as well as supporting the plans in enabling and facilitating growth in fields such as social care.

**Community Support** To tackle some of the social and cultural barriers to work, through both the practical application of the place-based approach targeting residents from the same household / family / peer-group to all engage with the pilot together and lead to a culture of in-group & intergenerational support & mentoring to help overcome peer pressure and social isolation, with the formal development of a network of Community Champions - residents who will work side by side with other residents to give work-focused encouragement – as well as the introduction of a local skills “bartering” scheme to both support those starting work in HVM but also provide skills and experience to others within the community – and to include child-care provision, cleaning and domestic chores, DIY, catering and shopping.

**Financial incentives** Will be a combination of a flexible support “bursary” and up-front wages to cover the costs associated with starting work, child-care, uniforms, transport costs, which will be repayable over time once a set salary has been achieved, coupled with rent freezes from housing providers and flexibilities (to be negotiated) in relation to Universal Credit rules for those signed up to “The Journey”. In addition to this financial support for tenant participants, there will be performance-related payments for the staff and Community Champions delivering the pilot, to incentivise the meeting of well-defined targets for job attainment and sustainment. A financial model which will quantify the cash benefits to the Treasury of this approach and agree a “sharing” mechanism between HMT and the pilot area.

### **3.4 GROWTH HUB - *The Black Country deal ambition***

The goal of this proposition is to equip the Black Country’s manufacturing SMEs with the tools and support they need to compete, innovate and take advantage of the supply chain opportunities on offer to them.

The Growth Factory will transform the performance of Black Country manufacturing businesses by helping them to:

- **Find links to new supply chains and export opportunities** – through meet the buyer and procurement events with new manufacturers, specialised trade advice through UKTI and being part of the Black Country’s International Trade Campaigns
- **Adopt the latest processes and management practices** – by sending specialist teams into businesses, enhancing the work of MAS and TSB and drawing on expertise from the University of Wolverhampton
- **Keep up to speed with the latest technologies** – by demonstrating new technologies to firms, providing innovation grants or access to collaborative R&D facilities to selected SMEs and supporting the work of Manufacturing Catapult Centres at the Manufacturing Technology Centre and Warwick Manufacturing Group.

The Growth Factory will coordinate business support activity from its key partners - UKTI, Chamber of Commerce, Manufacturing Advisory Service (MAS), University of Wolverhampton, Technology Strategy Board (TSB) and the 4 local authorities of Wolverhampton, Walsall, Sandwell and Dudley. These bodies will pool resources to help increase the critical mass of the Growth Factory.

The Growth Factory will perform four roles:

- **Act as a growth hub for all businesses in the Black Country** – the Growth Factory will coordinate all business support services in the Black Country, make it easier for businesses to access these services and increase the uptake of local and national schemes. It will do this by providing a point of contact for businesses, referring them to appropriate services and increasing awareness through marketing campaigns.
- **Get to know Black Country manufacturing businesses** – the Growth Factory will develop relationships with manufacturing SMEs in the Black Country, through diagnostic teams which will go into businesses and understand their needs. In addition, the Growth Factory will run targeted networking events, technology demonstrations and supply chain events to encourage manufacturing SMEs to invest and grow, and to build connections with the university and with other local businesses.
- **Provide customised support to manufacturing firms** – businesses working with the Growth Factory will also be able to draw on a pot of resources which can be customised to meet specific needs. These resources may be used in a variety of ways, including for enhanced access to national programmes (such as MAS or Growth Accelerator) or locally provided services, or potentially for specific innovation grants. The Black Country will work with BIS and partners to establish a suitable model for providing such support
- **Act as a focal point for inward investment** – the Growth Factory will act as a focal point for inward investment in the Black Country, helping to roll out the red carpet to international firms looking to invest in the UK. We will work with UKTI both locally and nationally to carry out this role. This work will complement our proposals on sites.

The hub will be funded by a combination of local resources and BIS funding, delivering an improved service for businesses by tailoring them to meet local needs. The hub will build on existing business relationships and offer bespoke advice, making the most of the assets already in the Black Country and making them more accessible to SMEs. It will also use its close engagement with business to plug any gaps with new offers and provide a forum for organisations such as MAS to inform what new programmes TSB are developing in a way which reflects the needs of the Black Country. The hub will, for example, channel the expertise MAS has to challenge the current delivery of support to HVM businesses.



## Appendix C

### BLACK COUNTRY EXECUTIVE JOINT COMMITTEE STRUCTURE

Black Country City/Growth Deal Governance Model – (Advisory Board)

