

Meeting of the Cabinet – 12th March 2014

Report of the Chief Executive

Black Country Joint Executive Committee – Collaboration Agreement

Purpose of Report

1. To seek Cabinet approval for the Council to enter into a Collaboration Agreement in relation to the Black Country Executive Joint Committee

Background

2. 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 Committee for the Black Country.
3. In brief, the key themes which form the basis of the City Deal Proposal are:
 - Creating a pool of readily developable investment sites across the Black Country to cater for indigenous growth and the capture of mobile investment and to ensure that short/medium term opportunities such as supply chain demand in sectors such as automotive and aerospace can be serviced. This element of the City Deal process comes with provision for a Black Country Land Development Fund, financed through a borrowing facility of up to £20m.
 - Addressing the skills gap highlighted by Black Country high value manufacturing businesses through the creation of 1,400 new high level/high value manufacturing apprenticeships, and the encouragement of more young people to take up STEM (Science, Technology, Engineering and Mathematics) subjects as the basis for future careers in the high value manufacturing sector.
 - The trialling of a new neighbourhood based support programme targeting some of those locations demonstrating high levels of unemployment through placement on sustainable career paths.

- The establishment of a “growth factory” to create a seamless business support and innovation service across the Black Country supporting over 700 high value manufacturing companies.
4. The Association of Black Country Authorities has agreed that each Council's Cabinet would seek to approve the creation of a 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. As a result, the Cabinet on the 30 October 2013 approved, via the annual review of the Constitution, the establishment of the Black Country Executive Joint Committee, and a number of other matters related to the functioning of this Committee.
 5. Cabinet subsequently approved on the 5 December 2013 that the Council become a joint signatory to the Black Country City Deal document and that the Cabinet will receive a further report detailing any agreed financial commitments by the Council arising from negotiations in relation to specific elements of the City Deal process and on the implementation stages of the Black Country City Deal priorities at a Borough level.
 6. It is the desire of Government to create a regional decision making entity that is both accountable and transparent and which also operates in a streamlined manner in order to support effective economic growth. At the same time decisions on the Council's financial and resource commitments will need to remain with the Cabinet. As a consequence the issue of timing of meetings of the Joint Committee and the Cabinet and effective communication through the Joint Committee's governance structure will need to be carefully managed in order to support project delivery.
 7. In summary, the Joint Committee's governance structure is as follows:
 - An Advisory Board to oversee the delivery of the programme and which makes key recommendations to the Joint Committee. It will act as a strategic advisory body; reviewing and recommending objectives for strategic investment across the Black Country in relation to the City Deal and Growth Deal
 - A Working Group to manage the Programme on a operational basis
 8. The proposed Constitution and Terms of Reference of the Advisory Board and the Working Group are shown in Appendix 1 to this report
 9. In order to capture and promote a spirit of mutual co-operation, to define roles and responsibilities and commit to resources, each of the Black Country Councils and the Black Country Consortium is being asked to enter into a Collaboration Agreement, for which the approval of Cabinet is required.

Finance

10. This report has no direct financial implications. The Black Country Executive Joint Committee terms of reference refer to the allocation of spending and capital expenditure programmes. The report to Cabinet on the 30 October 2013 made it clear that this should not be construed as overriding the powers that are properly reserved to this Council to make budget decisions in relation to this Council's revenue or capital expenditure. Similarly, the report on the 5 December 2013 noted that projects and initiatives coming forward under the City Deal programme would need to be considered on an individual basis. As a result, any revenue or capital commitments being considered by the Black Country Executive Joint Committee will still need to be approved by the Cabinet and full Council in the usual way.

Legal

11. Under the Local Government Act 1972 and Local Government Act 2000 as amended by the Localism Act 2011 and regulations issued by the Secretary of State, the Council's Cabinet has the power to set up a Joint Executive Committee

Equality Impact

12. The Black Country City Deal proposal aims to improve and maximise the economic and social benefits for all residents and is therefore in accordance with the Council's Policies in relation to equality and diversity.

Recommendations

13. It is recommended that:
 - The Council enter into a Collaboration Agreement with Walsall, Wolverhampton and Sandwell Councils and the Black Country Consortium.
 - The Directors of Corporate Resources and Urban Environment be authorised to negotiate the terms of the Collaboration Agreement and to renegotiate them as and when required.
 - The Cabinet Member for Regeneration represent the Council on the Black Country Executive Joint Committee's Advisory Board.
 - The Cabinet Member for Regeneration, in consultation with the Directors of the Urban Environment and Corporate Resources, be authorised to agree the procedures for the development of projects to be considered for approval by the Black Country Executive Joint Committee.

John Polychronakis

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Chief Executive

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List of Background Papers

- Meeting of the Cabinet – 30 October 2013; Report of the Director of Corporate Resources - Annual Review of the Constitution
- Meeting of the Cabinet – 5 December 2013; Report of the Chief Executive- Black Country City Deal
- Collaboration Agreement in relation to the Black Country Executive Joint Committee City Deal and Growth Deal – Walsall Council
- Black Country City Deal negotiation document submitted 13 May 2013
- Draft City Deal Agreement from the Cabinet Office dated November 2013

Constitution and Terms of Reference of Advisory board

The Black Country wide Advisory Board will oversee the delivery of the programme making key recommendations to the Joint Committee.

CONSTITUTION

1. The Advisory Board shall comprise of:
 - I. The Cabinet member for regeneration for four Black Country local authorities (voting members)
 - II. Four business community representatives of the Black Country LEP (voting members)
 - III. The Executive Directors of the Black Country local authorities with responsibility for regeneration (non-voting member)
 - IV. A Black Country Consortium Ltd representative (non-voting member)
 - V. Such government department representatives as the committee agrees to (non-voting member)
 - VI. Such representatives of the community, business and or other bodies as the committee agrees to (non-voting member)
 - VII. The Program Manager (non-voting member)
2. The Advisory Board shall at its Annual Meeting (held in line with the start of municipal year) elect a Chair and Vice-Chair from among its voting members. In the event of both being absent from the meeting, the Chair and Vice-Chair for whatever reason, the Advisory Board shall elect a chair from amongst the voting members present for that meeting. Only a voting member is entitled to be elected as Chair or Vice-Chair of the Committee.
3. Four voting members of the Advisory Board shall constitute a quorum.
4. 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.

5. The Advisory Board shall meet as agreed at AGM and set the forthcoming years timetable of meetings.
6. A meeting of the Advisory Board may also be convened by the Chair within 21 days of the receipt of a requisition of any two voting members of the Advisory Board addressed to the Secretary of the Advisory Board. All requisitions shall be in writing and no business other than that specified in the requisition shall be transacted at such a meeting. However in cases of genuine urgency a meeting of the Advisory Board may be convened at any time by the Chair, upon 5 working days notice to all members of the committee.
7. The Advisory Board shall from time to time appoint such sub- Advisory Boards to consider and deal with any of the functions of the Advisory Board as may be thought desirable. Membership of which is determined by the Advisory Board subject to a any Advisory Board must have a Councillor and LEP representative from the Advisory Board as members of the sub-Advisory Board.
8. The Advisory Board Secretary shall be Walsall Council, and all meetings of the Advisory Board shall take place at Walsall Council.
9. The role of the Secretary shall include:
 - i. the Secretary will be responsible for preparing the agenda and submitting reports prepared by either of the Councils or other bodies to the Advisory Board and minutes of the Advisory Board.
 - ii. The Secretary shall be responsible for making arrangements for recommendations from the Advisory Board , including supporting reports, to the Joint Committee will be sent to Walsall Metropolitan Borough Council secretary of the Joint Committee to enable compliance with the necessary legislative requirements for access to information
10. Members of the Advisory Board or sub- Advisory Board that are elected representatives appointed by a Black Country Council must comply with their own Councils code of conduct.
11. Non Councillor members of the Advisory Board or sub- Advisory Board with conflicts of interest must comply with the following rules:

- a. A conflict-of-interest arises where any decision potentially gives direct commercial or financial payment or benefits to:
 - a. you,
 - b. a close member of your family, a
 - c. an organisation that you are either:
 - i. are employed by or hold office with or
 - ii. in which you own more than 10% of the issued share capital
 - b. a conflict-of-interest as set out in situations above does not arise in relation to any business regarding allocation of funding streams or projects to be allocated to or benefit the area of any of the four Black Country Councils.
 - c. Upon a conflict-of-interest arising:
 - i. in the case of a voting member that member must declare an interest and not vote, but may remain in the room to make representations;
 - ii. in the case of non-voting members that member must declare an interest but may remain in the room to make representations.
12. Gifts and hospitality policy for elected members will be the same as that of their own local authority. For non elected voting members, they should declare any gifts or hospitality that has a value over £25 which may be seen as related to their role on the Advisory Board and or any specific scheme, project or funding stream.
13. Only the Joint Committee can make amendments or variations to this Constitution and Terms of reference.

Functions of the Advisory Board

- 1) To receive reports from the Working Group, Black Country councils, central government, the businesses community, Lead and or Accountable bodies under City Deal and Growth Deal and Growth Deal and such other persons or bodies as the Advisory Board deems appropriate.
- 2) To receive reports from any Sub Advisory Board of the Advisory Board.
- 3) To act as a strategic advisory body; reviewing and recommending objectives for strategic investment across the Black Country in relation to the City Deal and Growth Deal, including;

- a. Providing a coherent single position on the major strategic City Deal and Growth Deal issues;
 - b. Formulating proposals for allocation of spending;
 - c. Formulating proposals for major priorities;
 - d. Consider and agree recommendations made by Working Group;
 - e. Recommending Lead and or Accountable Body status for a body or organisation;
 - f. Referring final recommendations from the Working Group as to items a) to e) above to the Joint Committee for formal approval.
- 4) Receiving regular monitoring reports from the Working Group on the City Deal and Growth Deal program and/or funding streams and/or individual Projects upon the effectiveness and performance of delivery by the Lead and/or Accountable Body
 - 5) reporting regularly or upon request of the Joint Committee, and in any event at least once a year to the annual general meeting of the Joint Committee, to the Joint Committee upon the effectiveness and performance by the Lead and/or Accountable Body in delivering the City Deal and or growth Deal initiatives, programmes and or funding streams for which they are responsible
 - 6) influence and align government investment in order to boost economic growth;
 - 7) 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;
 - 8) Co-ordinate and align decision making on other areas of policy such as land use, transportation, economic development and wider regeneration with the LEPs ensuring that business views are taken on board and that LEP growth plans are reflected in strategic priorities;
 - 9) Advising the Joint Committee in relation to the City Deal and Growth Deal capital expenditure programmes and potential programs and ensuring policy and programmes are delivered effectively through partners;
 - 10) To report to the Joint Committee on such matter as it considers appropriate and relevant to City Deal and Growth Deal and the Programme.

Working Group

Manage the Programme on a operational basis.

To manage promotion of the programme.

To agree the timeline for delivery of the implementation of the Programme, monitor progress and ensure that the key milestones are achieved.

To undertake the initial appraisal of Project proposals and agree them being worked up in a Business Case

Approve Project Business Cases and provide recommendations to the Advisory Board in the form of the Business Case with recommendations.

To establish a Programme Register setting out Project details including, project Authority, Project Authority project Lead officer, Project Objectives, funding amount, Key dates, specific tasks/targets that need to be delivered to ensure project success, Project key risks and mitigation measures in place, any relevant cut of date for funding spend and latest Project position.

Executive Directors will ensure that the Programme Register is kept fully up-to-date by officers, in their respective authorities, who are responsible for Leading on the Projects for which their Authority is the Lead Authority.

To devise, oversee, manage and monitor the Programme and elements of it generally and specifically review and evaluate on a regular basis ongoing individual Projects progression and delivery against the Business Case for the project, including any key miles stones, financial spend and compliance with any central Government grant terms.

Receive from Lead Authorities detailed updates on Projects in accordance with the timescales set out in the Business case or otherwise as necessary, and Provide written updates along with appropriate recommendations to the Advisory Board on the progress of the specific Projects.

To identify and manage risk for the Programme and individual Projects

To ensure appropriate financial management is in place and complies with any government grant terms, EU and UK law, and accounting good practice.

The Programme Manager will be responsible for arranging the Working Groups meeting, its agenda and minuting decisions of the Working Group, and providing written updates and recommendations on behalf of the Working Group to the Advisory Board on the progress of the specific programme tasks and Projects.

The Programme Manager will be responsible maintaining the Project Register.

Make recommendations to the Advisory Board on the progress of the specific Projects.

Membership:**Decision making membership**

- Relevant Executive Directors (or their nominated proxy)

Adviser/support membership (none decisions making members)

- Programme Manager
- Regeneration Managers
- Project Managers
- Project Support Officers
- Other officers as appropriate