

Report to Cabinet

13 April 2022

Subject:	Black Country Local Enterprise Partnership Capacity Funding – Sandwell Allocation
Cabinet Member:	Leader of the Council Councillor Kerrie Carmichael
Director:	Director of Regeneration & Growth Tony McGovern
Key Decision:	Yes
Contact Officer:	Jenna Langford jenna_langford@sandwell.gov.uk

1 Recommendations

- 1.1 That the Director of Regeneration & Growth, in consultation with the Cabinet Member for Regeneration & Growth, be authorised to submit Sandwell’s capacity fund spend proposal, for financial year 22/23 to the Black Country Local Enterprise Partnership Board.
- 1.2 That the Director of Regeneration & Growth, in consultation with the Cabinet Member for Regeneration & Growth, be authorised to make any necessary amends to the spend proposal to ensure the full allocation is spent within financial year 22/23.
- 1.3 That the Director of Regeneration & Growth and the Director of Finance, in consultation with the Cabinet Member for Regeneration & Growth, be authorised to undertake the necessary procurement processes and award contracts associated with the Black Country Local Enterprise Partnership Capacity Fund.
- 1.4 That the Director of Regeneration & Growth, in consultation with the Director of Law and Governance and Monitoring Officer, be authorised to



enter into necessary legal agreements and execute under seal where required, to ensure the full allocation is spent within financial year 22/23.

2 Reasons for Recommendations

- 2.1 The Black Country Local Enterprise Partnership (BCLEP) Board is the approver of the BCLEP Capacity Fund allocations to Local Authorities, and proposals put forward by Local Authorities are to be approved by Cabinet. The total value of the proposal from Sandwell MBC is circa £500k.
- 2.2 The nature of the proposals may require changes to be made throughout the financial year. Should this become necessary, it will be critical that the council can act swiftly to ensure it meets its spend allocation by close of financial year 22/23. Procurement processes will need to be undertaken swiftly to secure specialist support to develop Sandwell's regeneration projects within financial year 22/23. There may also be a requirement for the council to enter into legal agreements to deliver against the proposals.

3 How does this deliver objectives of the Corporate Plan?

	<p>Strong resilient communities <i>The proposal will seek funding for regeneration project development to support the creation of strong and resilient communities.</i></p>
	<p>Quality homes in thriving neighbourhoods <i>The proposal will seek funding for regeneration project development to support the construction of quality homes in thriving neighbourhoods.</i></p>
	<p>A strong and inclusive economy <i>The proposal will seek funding for regeneration project development and in so doing will support the leverage of investment in to Sandwell.</i></p>
	<p>A connected and accessible Sandwell <i>The proposal will seek funding for regeneration project development to support a connected and accessible Sandwell.</i></p>



4 Context and Key Issues

- 4.1 Cabinet resolved to enter into the Supplemental Deed of Variation to the Collaboration Agreement on the 18 November 2020. In so doing, an allocation of £250k per annum of business rates surpluses, generated across the Black Country Enterprise Zones (BCEZ) are made available to Sandwell, for 5 years from 2020-21 to 2024-25, to support the development of projects in the Black Country pipeline, known as the Capacity and Development Fund. The annual allocation of £250,000 is referenced in 3.5 of the 18 November 2020 Cabinet Report and 6.4 of the Governance Principles appended to that report.
- 4.2 As the Collaboration Agreement is now in place, there is no requirement for additional funding agreements between Sandwell MBC and the Accountable Body for the fund (Walsall Council). Projects/sites seeking investment via the BCEZ Capacity Fund are to submit a proposal for spend to the BCLEP Funding Sub Group (FSG) & BCLEP Board for approval.
- 4.3 The BCLEP Funding Sub Group on the 7 April 2022, will consider a proposal from Sandwell as to how it is proposed to utilise our 2022/23 allocation and its underspend from 21/22 allocation – totalling circa £500k. The proposal is to be considered by the BCLEP Funding Sub Group on the basis that it is subject to Cabinet Decision on the 13 April 2022. Should Cabinet approve the proposal, it will then go forward for final consideration of the BCLEP Board in May 2022.
- 4.4 Cabinet Decision is required in that the funding allocation for each financial year is £250k. We were unable to secure spend against our allocation for financial year 21/22 due to resource and recruitment issues, meaning we have an unspent allocation of circa £250k.



4.5 Cabinet will consider Sandwell’s Regeneration Strategy and project pipeline on the 23 March 2022. If approved, we will be able to align the projects within the pipeline to our spend allocation from the BCLEP Capacity and Development Funding, thus providing justification for Sandwell to be granted a carry-forward from financial year 21/22 into 22/23 funding allocation. Appendix A of this report outlines Sandwell’s proposal to the BCLEP Funding Sub Group.

5 Alternative Options

5.1 No alternative options considered, given this is the process outlined within the Collaboration Agreement.

5.2 Projects identified within the proposal have been selected on the basis they meet the BCLEP funding criteria.

6 Implications

Resources:	There are no financial or resource implications for Sandwell MBC.
Legal and Governance:	Any Recruitment and Contracting will take place in compliance with the council contract procedure rules.
Risk:	The allocation of £250k per year relies on collection of business rates from the EZ’s so there is a small risk in later years that the full £250k may not be allocated to each local authority. Walsall Council as the Accountable Body, have confirmed with Strategic Finance that this risk is very low in the medium term.
Equality:	There are no EqIA implications.
Health and Wellbeing:	There are no Health & Wellbeing implications.
Social Value	Procurement activities will take Social Value into account.



7. Appendices

Appendix A – Sandwell Proposal

8. Background Papers

N/A

