



Individual Executive Decision Notice

Report title	Growth Deal funding agreements	
Decision designation	GREEN	
Cabinet member with lead responsibility	Councillor John Reynolds City Economy	
Wards affected	Bilston East; St Peter's	
Accountable Director	Julian Wain - Director of Regeneration	
Originating service	City Development	
Accountable employee	Simon Lucas	Development and Regeneration Surveyor/Officer
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Report to be/has been considered by	n/a	

Summary

Following a successful bid to the Site Investigation Fund (Growth Deal) for works on the proposed employment site of the wider Bilston Urban Village regeneration site, authority is now required to sign the grant agreement.

Following agreement with the Local Enterprise Partnership to reallocate Local Growth Fund (LGF) grant on account of the delays in the Civic Halls project, authority is now required to sign Deeds of Variation in respect of the existing grant agreements for Bilston Urban Village and the Civic Halls.

Recommendation for action:

That the Cabinet Member for City Economy, in consultation with the Director of Regeneration, sign the grant agreements with Walsall Metropolitan Borough Council, as accountable body for Growth Deal, and any other related legal documentation required to secure the grant.

Signature

Date:

Signature

Date:

1.0 Background

- 1.1 This report deals with three grant agreements with the Black Country Local Enterprise Partnership (LEP).
- 1.2 Grant Agreements were completed in 2015 between the Council and Walsall MBC for Local Growth Funding support for the Bilston Urban Village and Civic Halls projects. As a result of delays in the Civic Halls project, the Councils and the Local Enterprise Partnership agreed to reallocate grant funding between the projects so as to maintain the same level of grant spend during the financial years 2015/16 and 2016/17.
- 1.3 More recently, an application for funds to undertake a site investigation on land identified for future employment uses on the east of the Bilston Urban Village site has been approved.

2.0 Progress

- 2.1 The total LGF allocation for the Civic Halls project has been amended from £7m to £5.412m and the total LGF allocation for Bilston has been amended from £3.25m to £4.837m. The revised Deeds to be entered into will also include consequential amendments to intervention rates and profiling as well as updated milestones for both projects.
- 2.2 The Local Enterprise Partnership has set up a specific fund to assist with site investigation works on sites which present a range of challenging conditions. In the case of Bilston these will include former mine workings and previous contaminative uses, for example, the Brook Terrace Scrapyards and railway land.
- 2.3 The ability to apply for this grant funding complements the work on access and traffic options which is being funded through the Regeneration Reserve and which is being used as match funding for the site investigation grant. The results of the site investigation will provide the Council with full suite of data to inform the redevelopment proposals and will assist in drawing up costs for dealing with identified issues in the ground.

3.0 Evaluation of alternative options

- 3.1 In relation to the Bilston employment site and given the stated policy objectives here (i.e. to bring forward the site for employment uses) the alternative options to that set out in this report are a) to do nothing or b) to seek approval to use the Council's own resources to fully fund the proposed works. Doing nothing would leave a large part of the Bilston Urban Village site undevelopable and there would be an opportunity cost in not developing new employment floorspace, and failing to create and safeguard local jobs.

4.0 Reasons for decision

- 4.1 The reason for the decisions in this report is to maximise external grant funding to assist in bringing forward land for employment use and for other key

priority projects and to ensure that the full Local Growth Fund allocations to this Council are spent.

5.0 Financial implications

- 5.1 The total LGF allocation for the Civic Halls project has been amended from £7m to £5.412m and the total LGF allocation for Bilston has been amended from £3.25m to £4.837m. The current capital programme has taken account of the adjustments covered by 2015-2016 and 2016-2017 Deed of Variations and also includes adjustments for 2017-2018 as agreed by the Black Country LEP.
- 5.2 The site investigation grant funding (£69,059) was approved at the Black Country Executive Joint Committee on 24 January 2018 and was included in the report to Cabinet on 20 February 2018 Agenda Item 5: "Capital Programme 2017-2018 to 2021-2022 quarter three review and 2018-2019 to 2022-2023 budget strategy". Paragraph 4.5 of that report relates to approval of a budget increase of "some £69,000 (which) relates to Bilston Urban Village – Employment Land Site Investigation project mainly funded by grant."
[ES/30042018/V]

6.0 Legal implications

- 6.1 Appropriate legal advice on the terms of the agreements has been provided. The most significant grant condition relating to the Bilston project states that the City of Wolverhampton Council will repay the Grant within 28 days of Walsall Council's written request to do so if the development study:
- i) concludes that delivery stage of the Bilston Urban Village East Site Investigation (the 'scheme') will not proceed; or
 - (ii) does not result in a developed scheme or asset by the end of the Grant Period.

The end of the grant period is March 2021.

- 6.2 All match funding is secured prior to or by the signing of the grant agreement(s).
[LMC/18042018]

7.0 Equalities implications

- 7.1 This report has no equalities implications.

8.0 Environmental implications

- 8.1 The results of the site investigation on the proposed employment land will provide the Council with a good level of knowledge regarding those environmental issues to be addressed when bringing the site forward for development.

9.0 Human resources implications

9.1 None

10.0 Corporate Landlord implications

10.1 The completion of a site investigation is an important step in the proposed redevelopment of this Council owned site.

11.0 Schedule of background papers

11.1 Report to Cabinet on 20 February 2018. Agenda item 5; “Capital Programme 2017-18 to 2021-22 quarter three review and 2018-19 to 2022-23 budget strategy”.