

Decision of:	EXECUTIVE
Decision Number:	EX16/2015
Relevant Officer:	Alan Cavill, Director of Place
Relevant Cabinet Member	Councillor Simon Blackburn, Leader of the Council
Date of Decision:	9 th March 2015

GROWTH DEAL

1.0 Purpose of the report:

- 1.1 To consider an update on the Growth Deal for Lancashire as it affects Blackpool and forthcoming actions required.

2.0 Recommendation(s):

- 2.1 To note and accept the update and approve the actions that arise including: -

To delegate authority to the Chief Executive, after consultation with the relevant Cabinet Member, and subject to a published officer decision to submit Strategic Outline Business Cases for the Transport Projects within the Growth Deal

To delegate authority to the Chief Executive, after consultation with the relevant Cabinet Member, and subject to a published officer decision to seek or take up funding as and when it is offered including: -

Mental Health Pilot (up to £2m)

Transience Pilot (up to £2m)

Disadvantaged Learners Pilot (up to £1.2m)

Formal request for the discount on the Public Works Loan Board offer for the Housing Company work (40 point discount).

3.0 Reasons for recommendation(s):

- 3.1 In all the Growth Deal is worth more than £60 million to Blackpool over the next few years and it is necessary to keep this process moving over the next few months otherwise the Council may lose out on these funding opportunities.

- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

Not to participate in the Growth Deal.

4.0 Council Priority:

4.1 The relevant Council Priority is:

"Attract sustainable investment and create quality jobs"

5.0 Background Information

5.1 The Lancashire Growth Deal which was approved in July 2014 contains a section entitled "Supporting the Renewal and Growth of Blackpool". The Growth Deal is an agreement between Government and the Lancashire Enterprise Partnership that seeks to deliver economic growth in the area. In return for funding and other permissions and privileges that partners who form the Lancashire Enterprise Partnership (LEP) must commit to provide support in cash and kind to the initiatives contained in the deal.

5.2 Specifically the Blackpool element of the Growth Deal provides funding for Transport Projects, support to the Museum bid, support for the new Housing Company, support to help the Council to stabilise the transient population, support for helping to get people with mental health problems into work and support for disadvantaged learners.

5.3 The Council has now received notification of approval for the Mental Health and Transience Pilots and permission is now sought to move forward with full business plans to take up this funding.

5.4 It is proposed to submit the case for the Disadvantaged Learners Pilot for £1.2m and permission for this submission is sought.

5.5 The Council has to submit the Strategic Outline Business Case (SOBC) for the transport projects. This will not give approval to draw down funding but will allow the Council to move to full design stage for the Bridge Maintenance Works, the integrated Traffic Management Project, the Green Corridors and the Tramway Extension. There will be further stages of approval required before any of these projects can proceed on the ground. Permission is therefore sought to submit these cases to the Local Economic Partnership and through any appropriate sub groups.

5.6 Finally there a raft of proposals to assist with the housing issues that Blackpool faces. These include an agreement to help the Council pursue changes to the way housing benefit works and space standards in flats and homes that would require landlords to provide better accommodation. There was also an offer for the Council to be able to borrow money from the Public Works Loans Board (PWLB) which the Council already uses, at a discounted rate to support projects which improve the quality of the Houses in Multiple Occupation (HMOs) stock in the former holiday areas in the town. The housing benefit and space standards issues are still being negotiated. The Council does however need to inform Treasury that it would like to take up the discounted Public Works Loans Board rate offer and separately make arrangements to draw down any funding from this source. As this offers a better rate than much of the Council's existing long term borrowing this report seeks permission to progress with this and make the necessary applications and arrangements with the Treasury. Approval is sought at present only to apply for the relevant discounted rate offer and any requests for borrowing would in line with the Council's Treasury Management Strategy 2015/2016 still require a separate Executive approval.

5.7 Does the information submitted include any exempt information? No

5.8 **List of Appendices:**

None

6.0 **Legal considerations:**

6.1 Legal agreements will be required in respect of the funding drawn down for all aspects of the Growth Deal and advice will be sought on a case by case basis.

7.0 **Human Resources considerations:**

7.1 The pilot projects will result in the recruitment and retention of staff and this will go through our normal procedures. The setting up of the Housing Company has already been considered by full Council and will probably result in some staff being transferred to the new company. Due process will be followed and these decisions have been delegated to the Chief Executive. Many of the projects in the Growth Deal are designed to tackle the problems of people in disadvantaged communities - equalities issues will be considered on a project by project basis as they arise. For example the business plans for the pilot projects will include an equalities analysis.

8.0 **Equalities considerations:**

8.1 None

9.0 Financial considerations:

9.1 The drawing down of funding for each of these projects will require the Council's Director of Resources as Section 151 Officer to agree to the Council being the accountable body for the funding. This means that the Council would have liabilities if everything goes wrong. This is normal practice for all grant and loan funding supplied by the Government.

10.0 Risk management considerations:

10.1 The risk at this stage relate to the Council being the accountable body. Again there will be a risk register at project level. Scheme level risks are recorded and mitigated as part of the Growth Deal monitoring process noted above.

11.0 Ethical considerations:

11.1 The Growth Deal is covered by a performance management process that reports to the Lancashire Enterprise Partnership.

12.0 Internal/ External Consultation undertaken:

12.1 Cabinet members have been briefed on the Growth Deal

13.0 Background papers:

13.1 Lancashire Growth Deal

14.0 Key decision information:

14.1 Is this a key decision? No

14.2 If so, Forward Plan reference number:

14.3 If a key decision, is the decision required in less than five days? N/A

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A Date approved: N/A

17.0 Declarations of interest (if applicable):

17.1 None

18.0 Executive decision:

18.1 The Executive agreed the recommendation as outlined above namely:

To note and accept the update and approve the actions that arise including: -

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Formal request for the discount on the Public Works Loan Board offer for the Housing Company work (40 point discount).

18.2 Date of Decision:

9th March 2015

19.0 Reason(s) for decision:

In all the Growth Deal is worth more than £60 million to Blackpool over the next few years and it is necessary to keep this process moving over the next few months otherwise the Council may lose out on these funding opportunities.

19.1 Date Decision published:

9th March 2015

20.0 Executive Members in attendance:

20.1 Councillor F Jackson, in the Chair

Councillors Cain, Collett, Cross, Jones, Rowson, I Taylor and Wright

21.0 Call-in:

21.1

22.0 Notes:

22.1