

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 20 January 2014

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WARD(S): ALL

PORTFOLIO: Councillor Sohail Munawar (Commissioner for Economic and Social Inclusion)

PART I **KEY DECISION**

BERKSHIRE CITY DEAL

1 Purpose of Report

To receive an update on the proposed Berkshire City Deal and to agree the formation of a joint committee to oversee implementation of the Deal agreement.

2 Recommendation

The Cabinet is requested to resolve that:

- (a) The Thames Valley Berkshire City Deal, focused on increasing the participation of 16-24 year olds in education, training and work, to develop work-related skills and to streamline the pathway to employment for young people, was accepted by government and launched on 28 October 2013 with the signing of the deal document by all six unitary authorities and the Thames Valley Berkshire Local Enterprise Partnership (LEP).
- (b) A Joint Committee of the six Berkshire Unitary Authorities be appointed under Section 102 (2) and (5) of the Local Government Act 1972 for the purposes of managing and delivering the agreed outcomes of the City Deal initiative, and in this regard:
- The Leader of the Council be appointed to the Joint Committee as Slough Borough Council's representative;
 - Reading Borough Council be recognised as the Accountable Body for the purposes of the City Deal initiative;
 - Bracknell Forest Borough Council be appointed to the role of Secretariat to the Joint Committee on behalf of the six unitary authorities;
 - The Berkshire-wide officer group set up to steer the development of the City Deal Proposal continue in this role reporting to the Joint Committee, and be responsible for:
 - Updating the Joint Committee on progress with the City Deal

- Implementation and delivery of the City Deal on agreed priorities
- Appropriate advice and guidance to the Joint Committee on cross-boundary decisions on spending based on agreed priorities and criteria for dispersal of funding.

3 **The Slough Joint Wellbeing Strategy, the JSNA and the Corporate Plan**

The Slough Joint Wellbeing Strategy includes the priority of Economy and Skills. The Berkshire City Deal bid aims to secure flexibilities and freedoms with regards to infrastructure improvements and business support across the county area. The bid also supports the findings of the JSNA where access to good employment opportunities and raising of skills is one of the wider determinants of health. The Corporate Plan 2013/14 also states that the Council will ensure its policies contribute to promoting sustainable economic growth across all of the borough's businesses.

4 **Other Implications**

(a) Financial

There are no direct financial implications, but the City Deal aims to promote economic growth in Slough with the potential of increasing business rate revenue. The government will provide £2.4 million funding which will be matched by the Thames Valley Berkshire LEP (from European funding, not requiring a contribution from the Berkshire local authorities). It has not yet been agreed how the funding will be distributed across Berkshire. The Business Growth hub will attract additional funding via the government's Wave 2 Business Growth Programme.

(b) Risk Management

Risk	Mitigating action	Opportunities
Legal	See Legal implications	None
Property	None	None
Human Rights	None	None
Health and Safety	None	None
Employment Issues	None	None
Equalities Issues	None	None
Community Support	None	None
Communications	Possible reputational risk should the City Deal be approved but requirements not delivered. Close oversight via the Joint Committee to mitigate.	Successful outcome increases the reputation of the borough with business
Community Safety	None	None
Financial	None	Opportunities for economic growth
Timetable for delivery	None	None
Project Capacity	None	None
Other	-	-

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act implications.

Joint Committees

Local authorities may delegate the discharge of any of their functions to a joint committee. This may be done under Sections 101(2) and (5) of the Local Government Act 1972. The Local Authorities (Arrangements for the Discharge of Functions)(England) Regulations 2000 and 2012 also apply to authorities which operate executive arrangements.

Joint Committees are Committees of Councillors with equal voting rights. However, Co-opted Members may be appointed under Section 102(3) of the 1972 Act. Co-opted Members would not normally have voting rights. The Thames Valley LEP would not have voting rights on the City Deal joint committee and to enable this permission would need to be obtained from the Secretary of State.

(d) Equalities Impact Assessment

An Equalities Impact Assessment is not required at this stage but will need to be built into the programme of work.

5 Supporting Information

- 5.1 The Cabinet received a report at the June 2013 meeting about the Berkshire City Deal. Work led by Reading Borough Council over the summer and early autumn developed the Deal, in consultation with the Cabinet Office, including setting up an Employment and Skills Gateway to create skills and employment opportunities for 16-24 year olds directly linked to labour market intelligence and business needs. This will operate on a 'hub and spoke' model (under the auspices of the LEP(including an innovative mobile website platform 'ElevateMe' as a virtual gateway across Berkshire, a shared Labour Market Intelligence (LMI) Service, and Professional Development Network. All direct delivery will be via spokes in each of the unitary authorities linked to existing and emerging delivery partnerships and infrastructure. In Slough the 'spoke' will be Slough Aspire.
- 5.2 The City Deal will also encompass a Thames Valley Business Growth Hub. Thames Valley Berkshire LEP is developing its Growth Strategy building on the sub-region's knowledge-based assets focusing in: new enterprises formation; the growth of existing SMEs; and inward/re-investment by established firms. A particular imperative is to grow more knowledge-based businesses with the aspiration and capacity for growth through innovation, exporting, building capacity, skills, leadership and gaining access to finance. The hub will deliver this through extending reach and better connecting Government business support services to local business investment opportunities. The hub will work across Berkshire utilising existing infrastructure for delivery in each of the local authorities. The arrangements in Slough have yet to be agreed.
- 5.3 The Cabinet Office has been driving the process with frequently tight timescales for documentation. The Deal document was signed and formally launched on 28th October. It was agreed that the document would provide a high level overview of the proposals and the detail of operation in each of the Berkshire unitary areas

would be finalised during the implementation stage. The Deal will run for three years from 1 April 2014.

5.4 The deal aims to address the skills gaps and unemployment and underemployment of the 16-24 year old population. It aims to:

- Achieve 50% reduction in youth unemployment within 3 years;
- Secure £1.5 million of private sector investment to support employment and up skilling of young people;
- Generate 1,300 new employment opportunities for young people including helping 800 sustain work for at least six months;
- Develop new approaches to help more young people into sustainable employment ensuring 900 young people do not make a repeat claim within 9 months of their last, and increasing the earnings of 450 young people;
- Deliver improvements in existing schemes including 1,500 new work experience placements; create 300 additional Apprenticeships and 800 new Youth Contract Wage Incentives.

City Deal Governance

5.5 It is necessary to establish a joint committee of all Berkshire unitary authorities to oversee implementation of the City Deal. Reading Borough Council will be the accountable body for the City Deal and Bracknell Forest Council will provide the secretariat for the joint committee. The LEP will be the operational body to oversee the implementation of the City Deal.

5.6 It is acknowledged that the Government sees the role and responsibilities of LEPs increasing over time and that the proposed approach may require a review of the structure articulated in this report in the future.

5.7 Therefore it is proposed that the City Deal Joint Committee be made up of the Councillors (one from each unitary authority) appointed by each Unitary Authority to sit on the LEP Forum. (Slough Borough Council is required to appoint a councillor as our representative is currently the Chief Executive.). The Sub-Committee may meet at the rising of the LEP Board.

5.8 It is also proposed that Reading Borough Council be designated as the “Accountable Body” for the purposes of the City Deal, with Bracknell Forest Borough Council fulfilling the role of “Secretariat” to this Committee. This division of responsibilities is important for the purposes of accountability.

5.9 A Berkshire-wide officer group has been set up to steer the development of the City Deal Proposal and it is proposed that this group will continue, it will report to the Joint Committee and will be responsible for:

- (i) Updating the Joint Committee on progress with the City Deal
- (ii) Implementation and delivery of the City Deal on agreed priorities

(iii) Appropriate advice and guidance to the Joint Committee on cross boundary decisions on spending based on agreed priorities and criteria for dispersal of funding.

6 **Conclusion**

The City Deal bid provides an opportunity for Slough with the other Berkshire unitaries to improve the infrastructure of the county area and promote economic growth. The Cabinet is requested to agree to the formation of a joint committee to over see the City Deal implementation and to nominate a Member to the joint committee.

7 **Appendices Attached**

None

8 **Background Papers**

Berkshire City Deal document