

Local Growth Deal Programme Roles and Responsibilities



The Programme Management Office (PMO)

A dedicated PMO has been established within Black Country Consortium (BCC) Ltd to support all aspects of Black Country Strategic Economic Plan (SEP) programme direction and management. The PMO is led by the PMO Manager with responsibility for the timely delivery of an integrated economic growth programme for the Black Country.

The **PMO** provides the decision support behind successful programme management. It is responsible for supporting the programme governance, project processes and day to day management of the Programme, informing the oversight and governance of the programme by the Joint Committee and its relevant sub-committees. It provides information to the Black Country (BC) LEP Board advising them of the progress of projects against plan, conflicting priorities and programme risks. It will scrutinise and challenge Project submissions against the SEP and recommend accordingly.

Objective

The PMO’s objective is to ensure that the Black Country LEP has a balanced Portfolio of activities - including the Local Growth Deal and Land and Property Investment Fund (LPIF) - which will support delivery of the SEP.

Responsibilities

- Management of the project evaluation process, ensuring that the relevant gates and assessments are in place during the project lifecycle.
- Ownership and management of the Project development processes, including the Project Management Methodology, ensuring they are fit for purpose, reusable, and auditable. This includes provision of Project documentation, templates, etc.
- Provision of a structure for selecting the right projects for the right BC LEP funding streams, ensuring alignment to the strategic growth objectives.
- Monitor progress of projects against key objectives and ensure ongoing successful delivery.
- Monitor major risks that may affect the delivery of the BC LEP Programme and escalate any major issues.
- Provision of management reporting as appropriate on all project related measurements.
- Updating the Accountable Body on changes and proposals to use Delegated Authority
- Proactively working with Project Managers to ensure that the right processes are followed, the right documents produced and decisions requested and accurate and timely reporting is provided to the BC LEP Board, Black Country Joint Committee (BCJC) and other appropriate stakeholders on the performance of in-flight projects and to inform decisions on new projects.

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The **PMO Analysts** will work within the PMO and will provide analysis, planning, reporting and support to the PMO Manager, SEP Delivery Consultant, BCC Chief Executive and the BC LEP Board and assist in the operation of the PMO through planning and coordination of the Local Growth Deal and Land And Property Investment Fund Programmes.

Responsibilities include:

- Day to day management of Verto, aiding the Project Managers and BCC staff with its usage;
- Ensuring the quality and timeliness of the source data within Verto, ensuring for each project tracked that it contains the relevant information, governance documents, risk profiles, financial information and status updates;
- Production of the monthly project progress management information required for the BC LEP Board and the BCJC and its sub-committees;
- Ensuring that reporting is available to enable the review of the ongoing performance of the BC LEP’s Growth Deal and LPIF Programmes against the SEP, and the production of ad hoc reports as requested;
- Providing Walsall and Wolverhampton Accountable Bodies with Performance Reporting data;
- Reviewing of project governance documentation to ensure that the content is accurate and provides all the necessary information required by the various governing bodies, including the BC LEP and the Black Country Executive Joint Committee.

The Project Lifecycle

The Business Case develops over time, in two distinct stages: Initial Proposal and Full Business Case, with more detail being provided at each stage. The Bidder will begin by completing an Initial Proposal which will be submitted to and evaluated by BCC Programme Office and their appointed Technical Advisors against published predefined criteria. Only if successful will the Bidder be invited to progress through the Full Business Case evaluation process. The full project lifecycle is explained below.

Initial Proposal

The purpose of the Initial Proposal is to provide a high-level overview of the project, and the opportunities it presents and the risks it entails. Applicants are required at this initial stage to specify which of the Black Country LEP (BC LEP) Growth Objectives and Measures of Success will be addressed and **how** the proposal will unlock the identified BC LEP Growth Objectives. Clear strategic alignment to the SEP is paramount in order for the proposal to be considered.

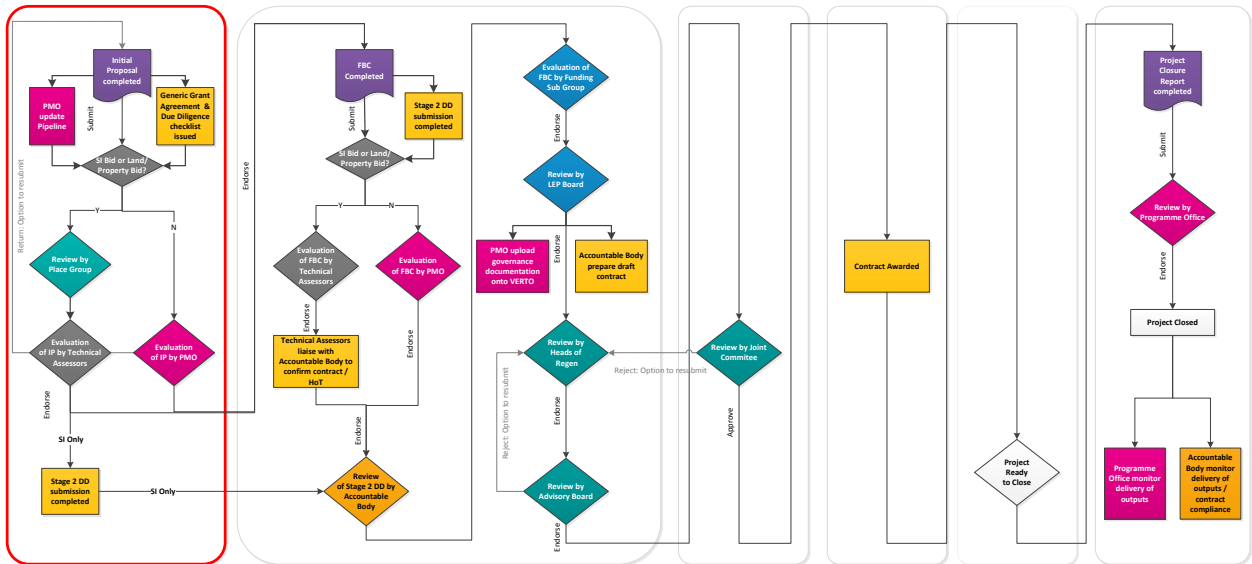
The Initial Proposal is a key document as it contains information which will be later expanded and used within the Full Business Case (FBC).

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Due Diligence

Once an Initial Proposal is approved in principle, the Programme Management Office instructs the Bidder to commence their due diligence submission and informs the Accountable Body they have done so, to enable the Accountable Body to provide the appropriate support and guidance from the earliest possible stage. It is made clear to Bidders by both the Programme Management Office and the Accountable Body that this does not equate to an endorsement of their project and all work done at this stage remains at the risk of the Bidder.

The workflow for this stage in the project lifecycle is outlined below (for full details see section 4.16.2 of the BC LEP Assurance Framework):



Activity	Owner
Initial Proposal submitted to BCC Ltd Programme Management Office (PMO).	Bidder
BCC Ltd Programme Management Office engage with Bidder to fully understand the bid in context of full project.	PMO
Initial Proposal evaluated by BCC Ltd PMO /Technical Advisers against pre-defined evaluation criteria.	PMO/ Technical Advisers
As part of evaluation process, Initial Proposal assessed by Technical Advisers to review state aid compliance and by Place Group to agree Strategic Fit.	Technical Advisers & BC Place Group

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Accountable Body’s Draft Grant Agreement, Due Diligence Checklist, Legal Charge requirements and State Aid guidance are shared with Bidder via BCC website.	PMO
Following submission of the Initial Proposal, the Bidder is instructed to commence their due diligence submission and collate supporting evidence and documentation, making contact with the Accountable Body.	PMO/Bidder
If successful, Bidder invited to complete Full Business Case (FBC) and the project is added to the pipeline and included in the Dashboard Reports to the LEP Board, Working Group and Advisory Board.	Bidder/PMO
If unsuccessful, BCC Programme Management Office provide Bidder with relevant feedback and justification, including basis for decision not to proceed.	PMO

Full Business Case

The Business Case follows the recommended standard set by HM Treasury and is based on the Five Case Model. The five different aspects which are interconnected but distinct include the Strategic Case, the Economic Case, the Commercial Case, the Financial Case and the Management Case.

The Full Business Case (FBC) is the detailed planning stage where the bidder will revisit and build on the information supplied in the Initial Proposal.

The content required in the FBC is outlined below:

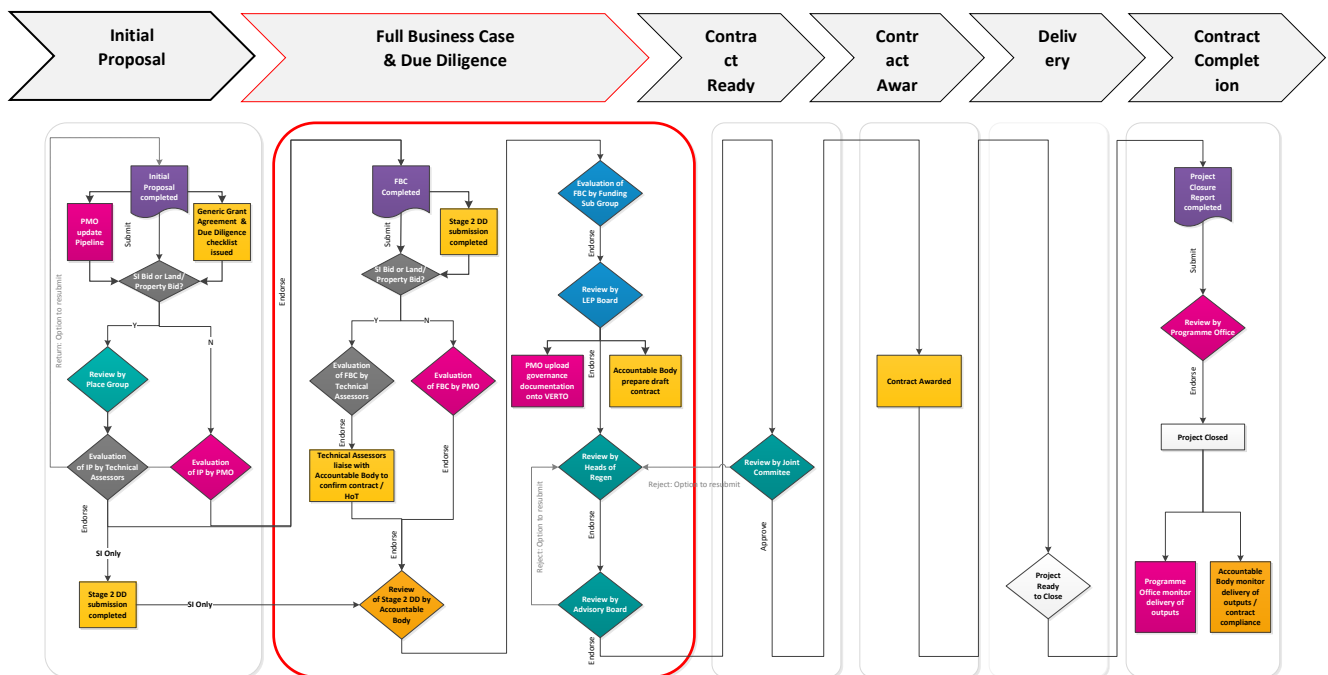
- 1. The Strategic Case** – demonstrates that the proposal is supported by a robust Case for Change and provides clear strategic fit. The bidder will detail how it fits in relation to national, regional and local policies, strategies and plans and furthers the required outcomes.
- 2. The Economic Case** – demonstrates that the proposal optimises public value. It involves arriving at a short list of options and subjecting them to CBA (Cost Benefit Analysis) to identify a preferred option. The bidder will need to justify the chosen option which will include providing evidence for market demand/interest that supports the investment.
- 3. The Commercial Case** – demonstrates that the preferred option is commercially viable. It will require the bidder to outline the procurement strategy and identify any statutory or other consents.
- 4. The Financial Case** – demonstrates that the preferred option will result in a fundable and affordable deal. It requires the bidder to set out the capital and revenue requirement for the investment as well as the sources of funding over the expected life span of the project. The bidder will be required to detail the strategy for securing match funding and provide evidence of stakeholder support.
- 5. The Management Case** – demonstrates that the preferred option is capable of being delivered successfully, in accordance with recognised best practice. Requires the bidder to demonstrate that the proposal is being implemented in accordance with a recognised Programme and Project Management (PPM) methodology and that there are robust arrangements in place for change management and contract management, the delivery of benefits and the management and mitigation of risk.

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Appendices required (if applicable) to be submitted with the Full Business Case include:

- Stakeholder Map;
- A Profile for each Output / Outcome;
- Detailed breakdown of Project Costs by month;
- Full Project Plan;
- Issue Register;
- Risk Register;
- Evidence of planning permission - Statement of planning strategy, approach, timescales, documentation for planning submission, and pre-application discussions with the local authority, evidence of planning permissions or a clear explanation of the timeframe for achieving this, evidence of discharge of key planning conditions or a strategy for undertaking these, evidence of discharge of any other consents required for the project delivery.

The workflow for this stage in the project lifecycle is outlined below (for full details see section 4.16.3 of the BC LEP Assurance Framework):



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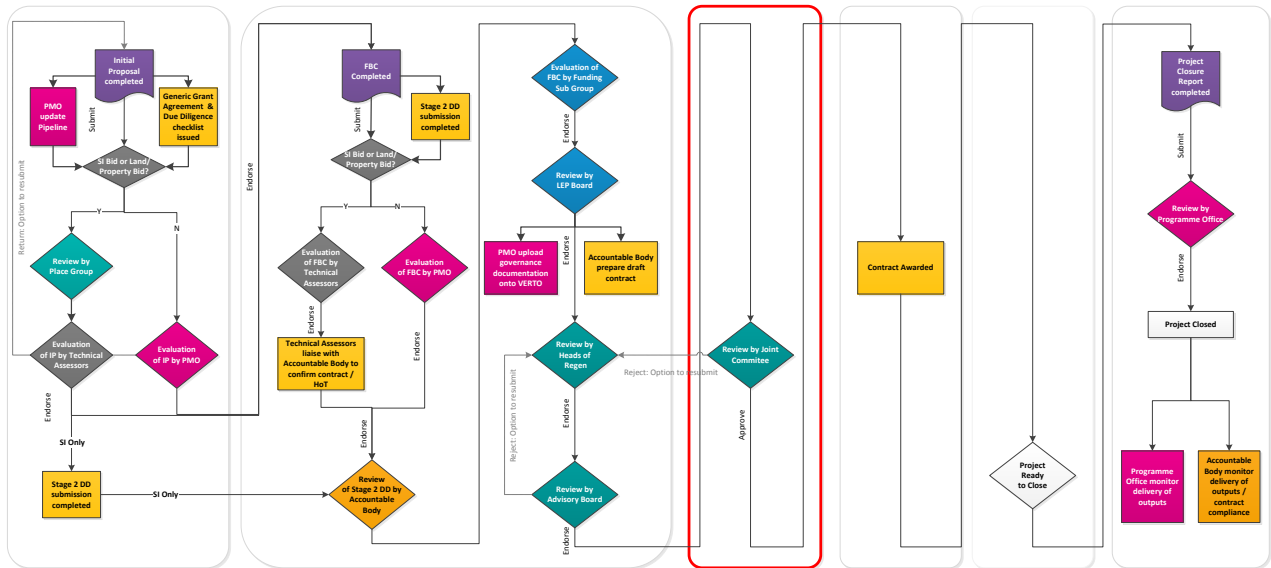
Due Diligence

During the FBC stage of the project lifecycle the bid will be subjected to legal and financial Due Diligence (DD) to be carried out by the appropriate Accountable Body. An FBC cannot be submitted for LEP Board and, subsequent, Joint Committee approval until DD is complete.

Activity	Owner
Accountable Body holds a pre-contracting workshop with Bidder to discuss due diligence where the Bidder is also asked to confirm the security against the Grant they will offer, via a Performance Bond, Legal Charge or other process for underwriting.	Accountable Body / Bidder
FBC submitted to PMO	Bidder
FBC evaluated by PMO/Technical Advisers against pre-defined evaluation criteria. To include validation of the content of the FBC which will later inform the Grant Agreement Schedules including Milestones and Outputs.	PMO/Technical Advisers
PMO Pre-Due Diligence Checklist is completed and sent to Accountable Body along with final approved FBC, to enable pre-contracting work to progress ahead of BC LEP Board approval.	PMO
If successful and once the due diligence process is completed the FBC will be submitted by the PMO to the LEP Board for approval.	PMO/ LEP Board
If unsuccessful, PMO returns FBC to Bidder providing relevant feedback and justification, including basis for decision not to proceed.	PMO

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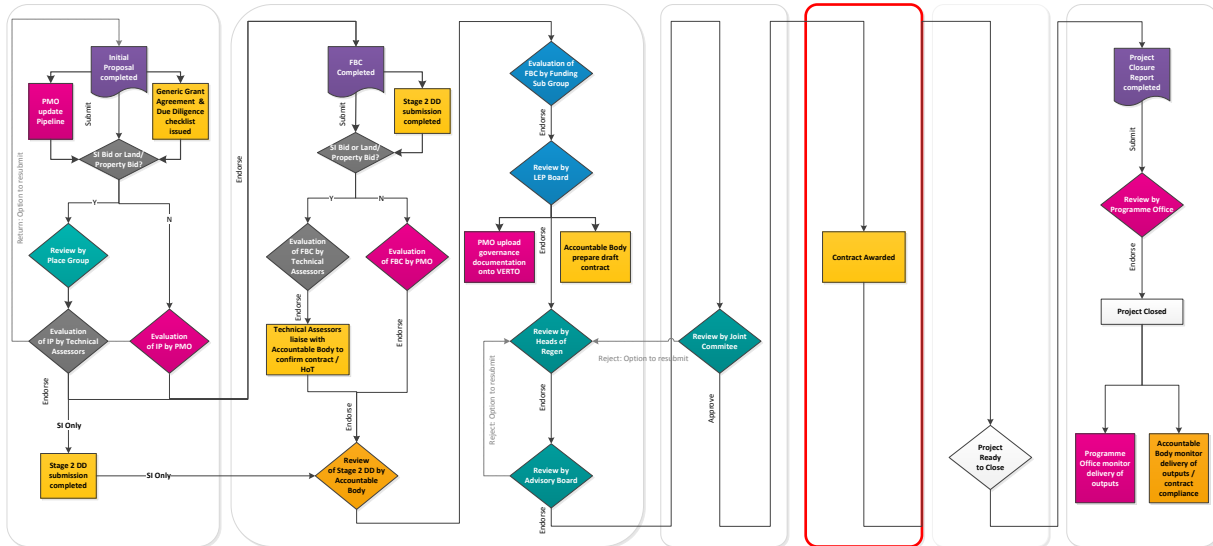
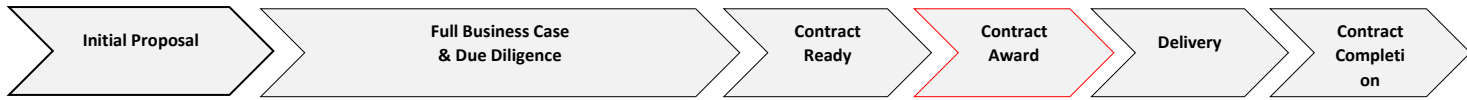
Contract Ready Stage



Activity	Owner
The PMO will undertake Pre-Due Diligence checks on all FBCs and confirm sign off to the Accountable Body post LEP Board approval of the project. This will support the Accountable Body in completing the Stage 2 due diligence.	PMO
During Stage 2 due diligence the Accountable Body will negotiate the drafting of the Grant Agreement with applicants, including the security or underwriting of the Grant via claw back provisions, or a Performance Bond, Legal Charge, or other process for underwriting performance by the Grantee, together also with the content of the Schedules and confirm the required outputs.	Accountable Body / Bidder
The Accountable Body will complete Stage 2 Due Diligence on all projects that have been approved by the LEP Board prior to submission to the BCJC.	Accountable Body
The FBC is submitted to the Black Country Executive Joint Committee for approval.	Black Country Executive Joint Committee

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Contract Award Stage



Activity	Owner
Once the Joint Committee have approved the bid, the Accountable Body will organise the Sealing or Signing of Grant Agreements.	Accountable Body / Bidder

Live / In-Flight Projects

Once a project has received approval from the LEP Board, the BCJC and has been awarded a signed Grant Agreement from the appropriate Accountable Body it is considered 'Live'. During this stage of the project lifecycle PMO will be responsible for all Monitoring and Performance Reporting for all Projects receiving BC LEP Support. The appointed Project Manager will report fortnightly updates to the Programme Management Office through completion of a Project Status Report.

The Project Status Report (PSR) will provide update on the following:

- Overall Health of the Project with supporting commentary, as well as an individual RAG scoring against Scope, Timeline, Cost, Cash flow and Outputs;
- Activity completed in the period;
- Planned activity in the following period;
- Milestones and progress to plan;
- Issues and Risks;
- Forecast and Committed Costs;

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➤ **Projected and Actual Cash Flow (i.e. scheduling of claims submitted to Accountable Body);**

The Programme Dashboards, which provide a visual representation and executive summary of this information, will be shared with the Joint Committee Support Team on a fortnightly basis, and with the LEP Board and Working Group monthly. In addition to fortnightly reporting, the Programme Management Office will undertake a detailed assessment of individual projects via quarterly performance monitoring reviews. Note, the Programme Management Office may require to undertake a detailed assessment and analysis of in-flight projects at any time. However, this is likely to be exercised by exception only, i.e. when a project is deviating from plan whereby significant issues are affecting progress. Should the need arise the Programme Management Office will also be responsible for handling all change requests. The Delegated Level of Authority will determine whether a change request can be approved using the approvals delegated to the Chair of the Working Group (LGF only), or whether a change will require LEP Board and, subsequent, BCJC approval. All changes approved under Delegated Authority (LGF only) will be reported to the BCJC for noting.

The Programme Management Office will regularly report progress of individual bids, which constitute the Black Country Project Pipeline, throughout the entire process, to Bidders and to the various in house Committees, including responsibility for providing performance information to the BCJC and its relevant sub-committees.

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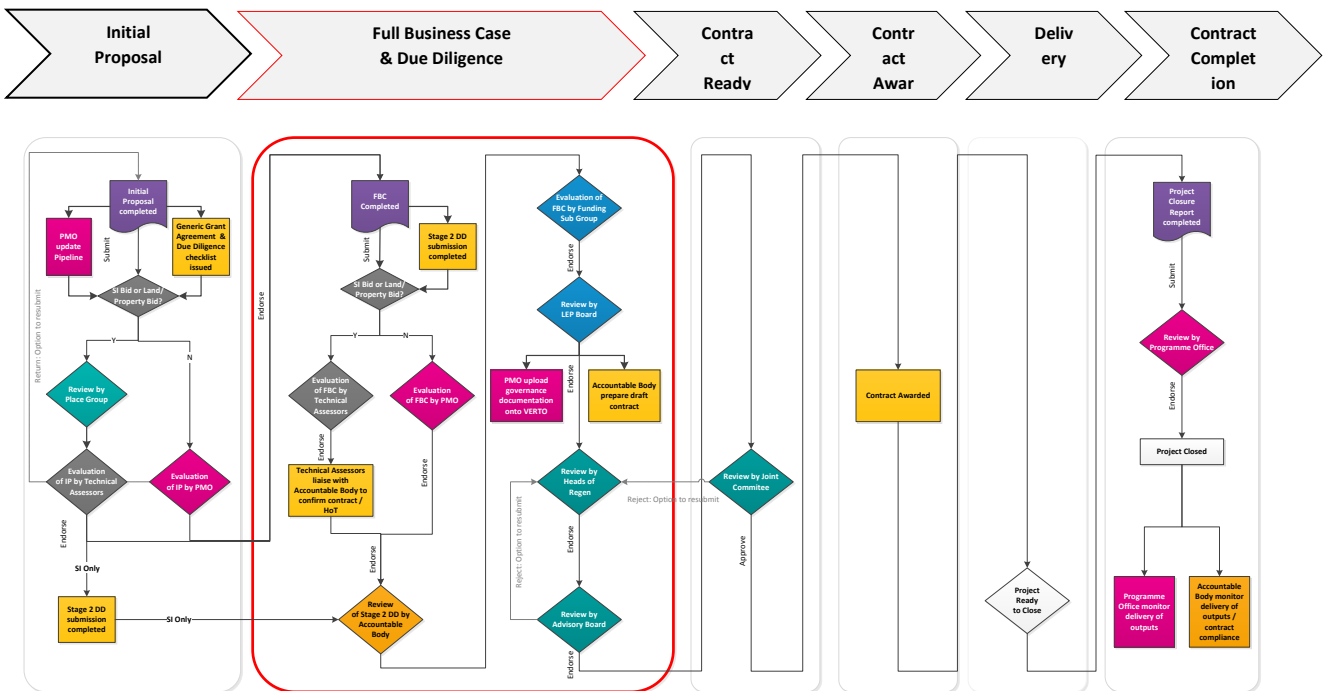
Walsall Council - Accountable Body for the Growth Deal

Walsall Council will be the Accountable Body for the Local Growth Fund and will:

- Manage the contractual relationship with the Growth Deal projects, ensuring they meet their contractual targets and that these remain current and up to date;
- Provide the Secretariat function for the Joint Committee, Advisory Board and Working Group and manage smooth running of these meetings;
- Account for Growth Deal fund, utilising its own internal audit, accountancy and treasury management systems in the delivery of its role.

The Accountable Body through its Joint Committee Support Team will undertake the following functions:

Pre Grant Award



- Implement the informal and formal Due Diligence process with Bidders;
- Assess Applicants Details provided against Due Diligence criteria;
- Accept or Reject the formal Due Diligence Application, and refer those rejected back to the Bidder, including basis for decision not to proceed;
- Leading contract negotiations with the Project and resolving legal issues through workshops with bidders – including ensuring the FBC and Outcomes are built into the Grant Agreement following

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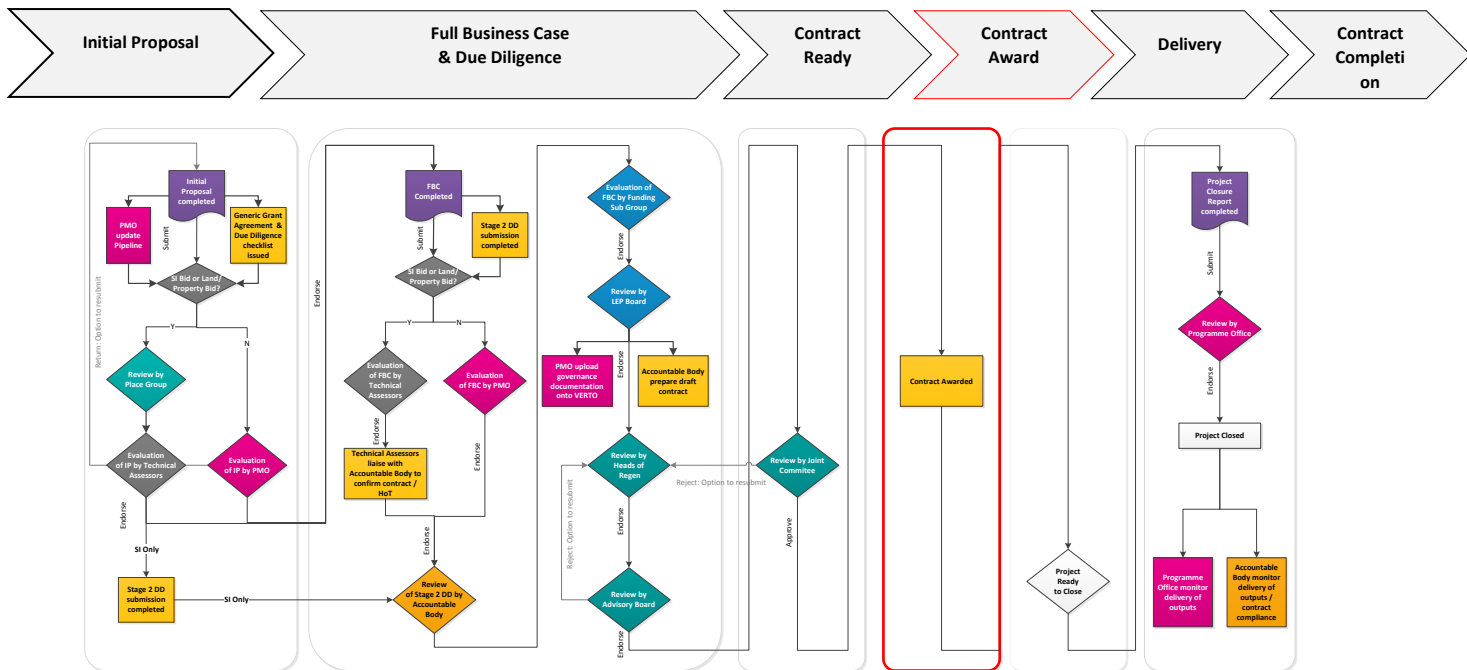
receipt of the completed and signed Pre-Contracting Checklist from the Programme Management Office;

- Hold workshops with Bidders to clarify details of their bid for incorporation into the Grant Agreement Schedules – including the negotiation of the security or underwriting of the Grant via a Legal Charge, performance Bond or other process for underwriting;
- Ensure that reporting to the BCJC and Advisory Board on Growth Deal progress is timely and in line with forward planning processes, and ensure that all decisions taken under Delegated Authority are reported to the Joint Committee for noting;
- The Programme Compliance Officer at the Accountable Body will provide assurance on the compliance with programme requirements for those areas for which Walsall is Accountable Body. This will include assurance on the compliance of individual projects with a range of documents including the LEP Assurance Framework, Monitoring Compliance and Audit Framework, Grant Agreements. The Programme Compliance Officer will also offer advice and guidance to compliance officers at other Accountable Bodies.
- Provide the Secretariat to the Working Group, Advisory Board and Joint Committee. The Joint Committee Programme Manager, with support from the Joint Committee Programme Management Officer(s) will:
 - Ensure the effective scheduling and calling of the meetings within the BCJC Committee structures – including the Working Group, Advisory Board and BCJC Programme Management meetings;
 - Coordinate the Accountable Body’s Working Group, which includes the Section 151 officer and legal, finance and audit leads;
 - Hold the Local Growth Fund, Housing Jobs and Prosperity and BC LEP Core and Strategic funding and make payments in accordance with the decisions made by the BC LEP and ratified by the BCJC;
 - Monitor the agreed arrangements for the management of risks associated with the project activity and ensure that projects are appropriately managing the risks through the mechanisms within their Grant Agreement, assessing evidence where appropriate through agreed mechanisms;
 - Maintain the official record of Growth Deal decisions and proceedings as undertaken by the BCJC, and the audit trail for all projects;
 - Ensure that their agendas are set and that the meetings are accurately recorded, with minutes and decisions published where appropriate;
 - Ensure that the resultant action plans are produced and progress monitored;
 - Work with the BCJC’s to ensure that all appropriate meeting schedules are both aligned and timely;
 - Ensure that project/report sponsors are informed and offered guidance with the preparation and submission of their reports.

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Grant Award

Contract Award Stage



- Finalise the details of the Grant Agreement with Bidders, including the security or underwriting of the Grant via a Performance Bond, Legal Charge or other process for underwriting;
- Finalise the content of the Schedules, including Outcomes;
- Organise the Sealing or Signing of Grant Agreements.

Post Grant Award

The Joint Committee Programme Management Team (JCST) support programme governance by undertaking the following functions:

- Coordination of the Accountable Body Working Group, which includes the Section 151 officer and legal, finance and audit leads;
- Hold the Local Growth Fund monies and make payments in accordance with the decisions made by the LEP and ratified by the Joint Committee;
- Monitor the agreed arrangements for the management of risks associated with the project activity and ensure that projects are appropriately managing the risks through the mechanisms within their Grant Agreement, assessing evidence where appropriate through agreed mechanisms;
- Maintain the official record of Growth Deal decisions and proceedings as undertaken by the Joint Committee, and the audit trail for all projects;

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- Establishing and maintaining the required Accountable Body structures and arrangements as directed by the Joint Committee;
- Maintaining the Accountable Body project register and audit files. Working with the PMO in the delivery of project outcomes and compliance with instructions, tasks and improvements.
 - In consultation with the PMO Manager, calling and chairing Programme Management Meetings;
 - Contractual monitoring, evidence verification and project audit – and the sharing of this information with the Programme Management Office through the Growth Deal Monitoring Database;
 - Updating Grant Agreement schedules for multi-year projects, to incorporate approved changes as necessary.

Projects commence their formal due diligence submission at risk at Initial Proposal stage. The appropriate Accountable Body will commence the review and verification of this due diligence submission and the legal contracting process once a Full Business Case has been submitted. Pre-approval due diligence and legal proceedings will be completed **within 15 working days** before the Full Business Case is submitted to the LEP Board and, subsequently, the BCJC for approval. Post-approval due diligence will be completed prior to LEP Board approval.

As part of the legal contracting processes Draft Grant Agreements will be agreed and signed with the applicants and will remain subject to all applicants underwriting the grant sums payable against either land, assets or funds placed into a bond or secure account. The Accountable Body will ensure that the generic Grant Agreement and Due Diligence documents on the BCC website are up to date.

For the Growth Deal programme, Walsall Accountable Body request the following information from the Grantee with which to conduct Accountable Body due diligence. The Grantee acknowledges that all requested information that is available will be provided.

Due Diligence Process

1. Corporate Structure
<ul style="list-style-type: none"> ➤ Company registration / VAT number / VAT exemption, ➤ Confirmation that registered with Companies House, ➤ Organogram or description of organisational structure.
2. Financial Status - assessment of the financial status, viability, and capacity to manage the grant
<ul style="list-style-type: none"> ➤ Audited Financial Statements from last three years, ➤ Credit Report, ➤ Management Accounts to latest available date, Business Plan and company Cash flow Forecasts for the project and organisation to project completion date, ➤ Information about previous contracting history, ➤ Evidence of compliance with Health and Safety legislation, ➤ Any evidence of previous secured public funds,

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<ul style="list-style-type: none"> ➤ Confirmation of underwriting/security proposal.
<p>3. Employer Legislation</p>
<ul style="list-style-type: none"> ➤ Evidence of commitment to equality and diversity, and people development, ➤ Evidence of compliance with Health and Safety legislation, ➤ Evidence of appropriate insurances.
<p>4. State Aid</p>
<ul style="list-style-type: none"> ➤ A statement to confirm how the applicant will ensure they are in compliance with the rules of state aid, and are in a position to accept this grant without being in contravention of state aid legislation.
<p>5. Match Funding</p>
<p>Evidence of both the intention and ability of the applicant to provide match funding as follows:</p> <ul style="list-style-type: none"> ➤ (a) intention: approval of all funding for project delivery, including board report/committee minutes; ➤ (b) ability: if match funding is direct from applicant via its working capital, then this will be picked up as part of the financial review. For all other match funding elements please provide evidence (i.e. grant agreements, facility letters from lenders, evidence of award from any other grant giving organisation).
<p>6. Land Title / Interests</p>
<p>Evidence of control over all land/property or asset interests required for project delivery:</p> <ul style="list-style-type: none"> ➤ For land or assets in your ownership, please submit original or certified copies of Land Registry title documents, lease or license agreements, option agreements, documents of ownership and any other rights or encumbrances over the land or asset which that affect the title. ➤ For unregistered interests in land the Council will require evidence of title for at least the past 12 years.
<p>7. Procurement</p>
<ul style="list-style-type: none"> ➤ Evidence of tendered prices, ➤ Evidence of compliance with EU procurement rules and any internal procurement/contractual requirements (please provide copies of financial regulations and contractual procedures).
<p>8. Approvals</p>
<ul style="list-style-type: none"> ➤ Written statements to confirm adherence to LEP Assurance Framework, evaluation framework, monitoring process, audit and document retention requirements, evidence requirements for the supporting of a grant claim.

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