

Meeting date: 7 November 2019

Report to: Full Cabinet



Subject/report title: Update on Applications to Funding Bodies that Support the Council's Priorities

Report from: Leader of the Council

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Wards affected:

All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood | Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle | Lyndon | Meriden | Olton | Shirley East | Shirley South | Shirley West | Silhill | Smith's Wood | St Alphege

Public/private report: Public

Exempt by virtue of paragraph:

1. Purpose of Report

1.1 To inform the Cabinet of the progress of external funding applications on behalf of the Council and agree the acceptance of external funding to support the delivery of the Council's priorities.

2. Decision(s) recommended

2.1 Full Cabinet notes that:

2.1.1 The submission of Expressions of Interest to the Ministry of Housing, Communities and Local Government (MHCLG) for extension to existing projects:

- (a) ERDF Greening the Grey (Wildlife Ways);
- (b) ERDF Enterprise and Development programme

2.1.2 The submission of an Expression of Interest to the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) for:

- (a) Funding to support the ERDF Enterprise and Development Programme.

2.1.3 The submission of Strategic Outline Case to the West Midlands Combined Authority (WMCA) for:

- (a) Local Strategic Network Resilience, Connectivity & Enhancements Programme

2.1.4 The submission of a bid to the HS2 community and Business Funds for:

- (a) Promoting local businesses during HS2 construction

2.1.5 The submission of an Expression of Interest to the Local Highways Maintenance Challenge Fund for:

- (a) Fillongley Road Bridge

2.2 That Full Cabinet approves:

2.2.1 Should the above application(s) be successful, agree to delegate authority to the relevant Director to sign any contractual arrangements associated with the above funding in conjunction with the relevant Cabinet Member.

3. What is the issue?

3.1 The Council has an ambitious growth agenda which cannot be entirely funded with the Council's own resources. Accessing external funding maximises the impact of the Council's Growth and Development Investment Plan.

3.2 This report is one of a series that seek approval for funding applications and/or accepting funding subsequently offered to the Council.

3.3 This report details the request to funding of £5.881m matched by £1.437m giving a total of £7.318m This figure represents the estimated costs at this point in time for the applications but is subject to more detailed appraisals being carried out so the figure may be subject to some variation.

3.4 Further information on the individual applications is contained within Appendices 1 and 2.

3.4.1 Project A: Greening the Grey (Wildlife Ways)

This application for £1.113m to MHCLG is building on the existing Greening the Grey programme which has, since April 2018, been delivering a wide range of habitat improvements across the urbanised area of Solihull.

The Greening the Grey programme has also enabled the delivery of a Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) wide grants programme to improve local habitats. This has proved to be a popular grants programme across the GBSLEP area. There is now the option to apply for an extension of the programme to 2023. Currently there is a healthy pipeline of grant funded projects and projects with the potential to be grant funded. This application is for more funding to meet the projected demand. To date, it is

estimated that, when complete, the programme will improve the ecology and habitat value of 171 Ha of publicly accessible land.

3.4.2 Project B: Enterprise Growth and Development Programme (Solihull for Success)

This application for a £0.844m extension to the Enterprise for Success Project will build upon the successful delivery of Phases 1&2, thus responding to the greater focus on and opportunities for scale-up in Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) area. The project extension will continue to provide a package of start-up and new business growth support coordinated through GBS Growth Hub giving entrepreneurs access to advice, support and networking, with specialist expertise, including young enterprise and business growth.

3.4.3 Project C: Local Strategic Network Resilience, Connectivity Enhancements Programme.

The submission of a Strategic Outline case to the West Midlands Combined Authority for circa £0.8m will allow for the design and feasibility development. This will be in the form of pilot projects, including new and 'future-proofed' procedures, using new technology solutions, to enable the Council to improve its procedures for assessing highway conditions and planning/managing road works to help maintain resilience of the network during the delivery of major infrastructure over the next few years.

The trials will help the Council to identify the new 'tools' and skills/training required improving our effectiveness and efficiency. The pilot projects, benefits and lessons learned will be shared across the Council and also with West Midlands Combined Authority

3.4.4 Project D: Promoting local businesses during HS2 construction 'Open for Business'

This application for £0.07m is to boost Solihull's tourism sector, which supports a large number of jobs. An application to the HS2 Business & Local Economy Fund, backed by the Solihull Tourism Forum, will be used to mitigate any impacts from HS2 works on these businesses and on their workforce, over the key delivery phase of the infrastructure works. This funding is to promote that Solihull businesses are 'open as usual' from a business and visitor perspective, including marketing and business support.

3.4.5 Project E: Fillongley Road Bridge

This application for £4.49m is to support the replacing of the top deck of Fillongley Bridge. If bearings and beams on the bridge are not replaced in the future, there may be a need to close Fillongley Road which may have further impacts on the A45, including potential lane closures.

Whilst temporary measures in the form of safety barriers have been

introduced to enable the bridge to remain open, there are no lower-cost alternatives which would provide a lasting solution in the long-term.

4. What options have been considered and what is the evidence telling us about them?

4.1 The Cabinet could choose to approve none, some or all of the listed funding applications.

5. Reasons for recommending preferred option

5.1 Approval of the listed applications will support key priorities in the Council Plan.

5.2 This report builds on the vision articulated in the UK Central Strategic Masterplan in that the latent economic potential in UKC will only be realised through a comprehensive infrastructure and investment programme.

6. Implications and Considerations

6.1 Delivery of key themes in the Council Plan:

How will the options/proposals in this report contribute to the delivery of the key themes in the Council Plan?

Improve Health and Wellbeing

Managed Growth

Build Stronger Communities

Deliver Value

6.2 Implications for children and young people, vulnerable groups and particular communities:

6.2.1 By facilitating the promotion of Solihull businesses, these proposals will make some contribution to the provision of economic growth for families with children.

6.3 Consultation and Scrutiny:

6.3.1 Public consultation will be undertaken as a part of any successful application process as appropriate.

6.4 Financial implications:

6.4.1 As the Accountable Body, SMBC submits claims to external funding bodies and the funding is then paid directly to this Authority. The payment of grants to partners will only be made in arrears on the receipt of approved claims. Any match funding identified from external partners will only be included in

applications if it has followed the appropriate internal governance process and has the appropriate level of authorisation.

- 6.4.2 It is expected that as the individual applications move towards the full application and contracting stage, there will be questions on eligibility from the funding bodies which could affect the overall budget.
- 6.4.3 The Council's stated match funding in individual submissions will be identified within existing budgets and does not represent an additional budget pressure. Match funding can include the use of "in kind" contributions of existing staff as well as cash contributions from existing budgets and from other organisations.
- 6.4.4 SMBC, as the Accountable Body, is ultimately responsible for ensuring that there are appropriate monitoring and financial systems to ensure propriety and regularity in the use of external grant funding. Failure to meet grant conditions could result in the withdrawal of grant and subsequent additional costs falling on the Council. Similarly any expenditure incurred in excess of the awarded grant would have to be met from the Council's own budgets, if it cannot make good such shortfall from monies from other sources.
- 6.4.5 Should there be staffing implications associated with the funding, these costs will form part of the application
- 6.4.6 Spend internally will also be conducted in line with the treasury management strategy to ensure cash flow is available before claims are submitted.

6.5 **Legal implications**

- 6.5.1 If successful in securing grants, the Council will enter into a contractual relationship with the specific funding body.

6.6 **Risk implications:**

- 6.6.1 Each project has its own risk management assessment including defined mitigation measures to reduce individual risks. Generic project risks include: failure to achieve outputs, difficulty of recruitment, poor financial management, project delays etc. All projects will follow the corporate risk management process.
- 6.6.2 Risks will be minimised with strong project management systems. Each project will be managed by an individual project management team and a central monitoring team with a single system of reporting projects financial spend and outputs.
- 6.6.3 The Council will monitor the financial spend and outputs of each project before the associated claims are submitted to the Managing Authority. This monitoring will be supported by internal audit.

6.7 Statutory Equality Duty:

6.7.1 An equality analysis will be required in relation to individual projects and programmes in which the funds will be invested. On Council led projects we will use the Council's tool of Fair Treatment Assessment (FTA) to:

- Help identify the likely impacts on certain protected groups and whether such impacts disproportionately affect any protected group.
- Identify the actions we will take to address or militate against any negative impact identified from the assessments.

7. List of appendices referred to:

7.1 Appendix 1 – Details of each project.

7.2 Appendix 2 – Financial information

8. Background papers used to compile this report

8.1 None

9. List of other relevant documents

9.1 None