

**Meeting date:** 7 February 2019

**Report to:** Full Cabinet



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

**Report from:** Deputy Leader and the Cabinet Member for Managed Growth

**Report author/lead contact officer:** Liz Grove, Group Manager, Funding and Commercialisation, [lgrove@solihull.gov.uk](mailto:lgrove@solihull.gov.uk)

---

**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 on the progress of external funding applications 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:
- 2.2 The submission of a Strategic Outline Case (SOC), to the West Midlands Combined Authority (WMCA) relating to A45 Damson Parkway Junction Improvements.
- 2.3 The submission of an Expression of Interest to the Greater Birmingham and Solihull Local Enterprise Partnership's (GBSLEP's) Strategic Economic Plan (SEP) Enabling Fund - Expression of Interest for Towns and Local Centres Revenue Funding relating to Shirley Town Centre.
- 2.4 The submission of an application to the Ministry of Housing, Communities and Local Government (MHCLG) for an extension to the existing Small Habitats Grant programme.
- 2.5 The submission of an Expression of Interest to MHCLG's recently announced Future High Street Fund relating to improvements at Chelmsley Wood Town Centre.

2.6 Full Cabinet approves:

2.7 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 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 funders for a total of £1.53m with £600k match funding, with a project total value of £2.13m.

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

a. West Midlands Combined Authority (WMCA) - Project A., A45 Damson Parkway Junction Improvements

b. The Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) – Project B, Shirley Town Centre

c. The Ministry of Housing, Communities and Local Government (MHCLG) –  
Projects C, Small Habitats Grants Programme and  
Project D, Chelmsley Wood Town Centre (CWTC) Redevelopment

#### **Project A: A45 Damson Parkway Junction Improvements**

This application is for £0.980m, through submission of a Strategic Outline Case to the WMCA to allow design, feasibility assessment, transport modelling, consultation and Business Case development. The project will significantly enhance transport provision in the area and improve connectivity with key growth drivers including JLR, Airport, NEC, Birmingham Business Park and developments around the HS2 Interchange. The proposal are in line with the plans of, and supported by, the UKC Urban Growth Company

#### **Project B: Shirley Town Centre**

This application for £0.05m is to carry out early stage assessment work which will include option appraisals and feasibility studies focusing on potential physical improvements to infrastructure and the built environment. This work will complement the A34 Stratford Road Enhancements Study which has received funding from the WMCA and the decisions laid out in the report to the Economic Development & Managed Growth Scrutiny Board on the 18 November 2018, including a refresh of the Shirley Economic Plan.

### **Project C: Small Habitats Grants Programme**

This application for £1.1m will increase the budget of the existing ERDF Small Habitats Grant Programme from £2.2m to £3.3m, allowing the GBSLEP-wide grants programme to deliver improved habitats to enhance biodiversity of open and publically accessible land.

### **Project D: Chelmsley Wood Town Centre (CWTC) Redevelopment**

The submission of an Expression of Interest to the MHCLG's Future High Streets Fund will seek financial support for the redevelopment of Chelmsley Wood Town Centre. The application will build upon the recent masterplanning and feasibility work already funded through the WMCA. No financial information has been requested as part of this Expression of Interest.

## **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. The creation and enhancement of green infrastructure is a critical element of this approach.
- 5.3 Good quality infrastructure and transport that allows movement across the Borough is a key priority of the Council's Growth and Development Investment Plan: the long-term programme of new housing, redevelopment, commercial and environmental projects, which will unlock the growth potential of UK Central, the HS2 interchange and provide resilience to the Borough's highway network and associated infrastructure, are relevant to all of the Council's 2019/20 priorities.

## **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 None as a result of this report.

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 See Appendix 2 for a summary of the proposed funding arrangements.

6.4.2 As the Accountable Body, claims will be submitted by SMBC and the funding paid directly to the 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.

6.4.3 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.

6.4.4 The Council's stated match funding will be identified within existing budgets and is not 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.

6.4.5 The Local Authority, as 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 grant would have to be met from the Council's own budgets.

6.4.6 Should there be staffing implications arising from the funding, these costs will form part of the application

6.4.7 Spend internally will also be conducted in line with the treasury management strategy to ensure cash flow is available before claims are submitted.

6.4.8 As the Accountable Body, claims to the WMCA will be submitted by SMBC and the funding 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.

- 6.4.9 It should be noted that the financial table details the project application giving delegated approval for the appropriate Council officer to sign any contractual arrangements.
- 6.5 Legal implications
- 6.6 Each project is expected to move towards a full business case application. If it is successful after this stage, the Council will enter into a contractual relationship with the specific funding body.
- 6.7 Each project will report on its progress, following the External Funding Regulations that form part of the Council's Financial Regulations.
- 6.8 Risk implications:
- 6.8.1 Each project will have its own risk management assessment including defined mitigation measures to reduce risk. Generic project risks include: failure to achieve outputs, difficulty of recruitment, poor financial management etc. All projects will follow the corporate risk management process.
- 6.8.2 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. The progress of the individual projects will be reported monthly to, and reviewed by, the Growth and Development Project Board.
- 6.8.3 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.
- 6.9 Statutory Equality Duty:
- 6.9.1 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:
- 6.9.2 Help identify the likely impacts on certain protected groups and whether such impacts disproportionately affect any protected group.
- 6.9.3 Identify the actions we will take to address or mitigate 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 Summary of External Funding Proposals

## **8. Background papers used to compile this report**

- 8.1 None

**9. List of other relevant documents**

9.1 None