

Individual Executive Decision Notice

Report title	Towns Fund Grant Funding Agreement - 5prinG Application Accelerator	
Decision designation	GREEN	
Cabinet member with lead responsibility	Deputy Leader: Inclusive City Economy Inclusive City Economy	
Wards affected	Bushbury South and Low Hill;	
Accountable Director	Richard Lawrence, Director of Regeneration	
Originating service	External Funding and Digital Projects	
Accountable employee	Heather Clark	Head of External Funding and Digital Projects
	Tel	01902 555614
	Email	Heather.Clark2@wolverhampton.gov.uk
Report to be/has been considered by	Regeneration Leadership Team	11 January 2022

Summary

To approve entering into a Grant Funding Agreement with WM5G in respect of a Towns Fund grant for the 5prinG Application Accelerator

Recommendation(s) for action or decision:

That the Cabinet Members for City Economy, City Environment and Resources in consultation with the Directors for Regeneration, City Environment, and Finance.

1. Approve the Council entering into legal grant funding agreements with delivery partners.

Signature

Councillor Ian Brookfield
Name of Cabinet Member

Date: 25 January 2022

Signature

Claire Nye
Director of Finance

Date: 25 January 2022

Signature

Councillor Steve Evans

Cabinet Member for City Environment
and Climate Change

Date: 25 January 2022

Signature

Ross Cook

Director of City Housing and Environment

Date: 25 January 2022

Signature

Councillor Stephen Simkins

Name of Cabinet Member

Date: 26 January 2022

Signature

Richard Lawrence

Director of Regeneration

Date: 26 January 2022

1.0 Background

- 1.1 The Towns Fund is a £3.6 billion competitive Government programme first announced in 2019 with the aim of driving long term economic and productivity growth through investment in connectivity, land use, economic assets including cultural assets, skills and enterprise infrastructure. On 03 March 2021 the Department for Levelling Up, Housing and Communities (DLUHC) announced the outcome of the Towns Fund (TF) bidding process which resulted in Wolverhampton being awarded an in-principle funding offer of £25.0 million for the Towns Funds projects submitted as part of the Wolverhampton Investment Plan.
- 1.2 This grant award will allow the Council to implement and fully fund multiple projects which together will positively impact local employment, skills, digital connectivity, carbon reduction priorities, in addition to the implementation of regeneration projects across the three principle centres (Bilston, Wednesfield and City). The projects are wide ranging and together will lead to large-scale transformation and improvements across all wards. The Towns Fund programme will enhance activity, footfall, land values, and bring about significant wider economic, social, and environmental benefits through improved resident, visitor, and worker experience.
- 1.3 The original Towns Fund bid submitted was £48.3 million, and in common with all other Towns Fund national bids there was a scaling back process applied by central government, as a result the Wolverhampton bid translated into a £25.0 million award. As a consequence, the Towns Fund board (comprised of public and private sector members) undertook a private vote based on the national reprioritisation model which was then ratified at the Towns Fund board meeting on 14 May 2021.
- 1.4 Cabinet Panel on 9 December 2020 delegated authority to the Cabinet Members for City Economy, City Environment and Resources in consultation with the Directors for Regeneration, City Environment, and Finance to agree to the Council acting as accountable body and entering into any necessary agreements to enable the distribution of grant funding to third parties.

2.0 5G Application Accelerator

- 2.1 WM5G's 5prinG Application Accelerator is the UK's first commercial 5G accelerator centre, enabling Small Medium Sized Enterprises (SME's) to learn about 5G Technologies to grow and develop new products/services with suitable technical and business support. The Towns Fund board agreed a Towns Fund allocation of £0.5 million towards the project.

Table 1; Towns Fund grant funding allocations

Projects	Description	Revenue (£ million)	Capital (£ million)	Total (£ million)
WM5G (*)	Accelerate the take-up and benefits from 5G technologies/5G Test bed	-	0.5	0.5

2.2 WM5G has been brought forward into a tranche 1 and was submitted through the government gateway date (15 October 2021).

3.0 Evaluation of alternative options

3.1 Do nothing: failure to enter into a Grant Funding Agreement would increase risk to the Council as Accountable Body in relation to non-compliance to grant conditions by the Delivery Partner WM5G.

3.2 Back-to-back Grant Funding Agreement protects the Council as accountable body by passing the requirements of the bid to the delivery partner reducing risk.

4.0 Reasons for decision

4.1 Back-to-back Grant Funding Agreements enables the Council to pass the risk of compliance to funding rules and regulations to delivery partners reducing the risk to the Council.

5.0 Financial implications

5.1 The Council entered into a grant agreement with DLUHC for the Towns Fund allocation holding the grant funding on behalf of lead organisations responsible for delivering projects as set out within the bid. The Council as accountable body will endeavour to ensure that risk is minimised and will look to passport risks via back-to-back agreements with grant recipients who will manage their project risk accordingly.

5.2 WM5G 5G Application Accelerator scheme requires a capital allocation of £0.5 million Towns Fund grant to contribute to total project costs of £5.0 million with match already allocated from Combined Authority/DCMS grant and ERDF grant. This allocation will be also be top-sliced for a contribution to Transformation Management Office as per previous IEDN approvals and Table 2 below. This report seeks approval to enter into a Grant Funding Agreement with WM5G for a grant of £0.5 million for delivery of the scheme.

Table 2: Transformation Office Recharges to Towns Fund schemes

Projects	2021-2022 Grant To Be Paid to WM5G £000	2021-2022 TMO Recharge amount £000	Total Towns Fund Grant Allocation £000
WM5G (capital)	493	7	500

[ES/18012022/J]

6.0 Legal implications

- 6.1 Where Wolverhampton City Council act as Lead Authority for externally funded projects, in order to secure the funding, it will be required to enter into a funding agreement with the Funder which, sets out the terms, conditions and obligations between the parties.
- 6.2 Where partners are involved in the project's delivery, the Council in its role as Lead Authority will enter into all appropriate legal agreements with the delivery partners to ensure proper discharge of its obligations to the Funder and also secures compliance from delivery partners to use the funding for the purpose for which it was given.

AS/16122021/A

7.0 Equalities implications

- 7.1 WM5G's 5prinG Application Accelerator will have positive equalities implications by supporting SMEs to develop products that enhance quality of life for people with disabilities. For example, the current Smart City challenge includes the development of a product using Artificial Intelligence and connected technologies to make the world accessible for all, online and offline and a Smart Cane for the visually impaired.

8.0 All other Implications

- 8.1 5G can have positive implications on health and wellbeing through for example use of Smart Internet of Things (IoT) to prevent and manage health conditions and enable independent living.
- 8.2 5G can have positive implications on environmental services and transport through for example use of 5G to improve transportation management with positive implications on climate change.

9.0 Schedule of background papers

- 9.1 Cabinet - 09 December 2020 – Towns Fund update report
- 9.2 IEDN - Towns Fund Grant Funding Agreement - 5prinG Application Accelerator

10.0 Appendices

10.1 None