



# Cabinet (Resources) Panel

## 21 October 2014

<b>Report title</b>	External Funding Update	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Peter Bilson Economic Regeneration and Prosperity	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Tim Johnson, Education and Enterprise	
<b>Originating service</b>	Partnerships Economy and Culture	
<b>Accountable employee(s)</b>	Heather Clark Tel Email	Strategic Projects and Funding Manager/ 01902 555614 <a href="mailto:Heather.clark2@wolverhampton.gov.uk">Heather.clark2@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	N/A	

---

### Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Agree that the Council act as an accountable body for Growing Places Supporting Employment and Enterprise Development Project, sign the funding agreement and approve a grant to the named delivery partner Access to Business to deliver the project.
2. Delegate authority to the Cabinet Member for Economic Regeneration and Prosperity, in consultation with the Strategic Director Education and Enterprise and Assistant Director, Finance, to sign the service level agreement relating to the delivery of this project.
3. Agree to act as a partner with the University of Wolverhampton in the Environmental Management of Small and Medium Sized Enterprises (EMSME) project, in order to host a research placement for six months exploring barriers to green growth in small and medium sized enterprises.

4. Approve spending in relation to these externally funded projects and approve the establishment of separate budget codes for project revenue.

## **1. Purpose**

- 1.1. This report aims to provide an update on the Councils bidding activity and progress on externally funded projects and seek approvals required to deliver projects contributing to key strategic priorities.
  - Growing Places Supporting Employment and Enterprise Development (SEED) project
  - Environmental Management of Small and Medium Sized Enterprises (EMSME) project, funded by Marie Curie Research programme
  - Growing Priority Sectors, a Black Country Local Enterprise Partnership (LEP) programme of Regional Growth Fund (RGF)
  - Regional Growth Fund round six (national programme)
  - Green Bridge and Green Shoots (West Midlands RGF programmes)
  - Transformational Challenge Award (national funding for local authorities)

## **2. Background**

- 2.1. Attracting external resources is becoming increasingly important in order to implement the Council's strategic priorities. Wolverhampton City Council has led on a number of successful bids for external funding supporting its corporate objectives. An external funding update report to Cabinet (Resources) Panel on 29 July 2014 endorsed progress on a range of externally funded projects.

## **3. External Funding Update**

### **3.1. Enterprise and Business Priorities**

- 3.2. Funding priorities are focused around opportunities aligned with the following priorities:
  - Attracting new business;
  - Supporting businesses to develop and grow;
  - Supporting the Councils priority sectors to innovate and compete internationally;
  - Improving business infrastructure; and
  - Developing and growing a skilled workforce.

The Councils activities often support partners and businesses through the bidding process to attract maximum external funding into Wolverhampton. The Growth Hub, as the single gateway for business support, will support businesses to access these products and opportunities. Key activities and progress against last quarter span five funds, with total bids worth £2.25 million.

- 3.3 The **Supporting Employment and Enterprise Development (SEED)** project will fund specialist accredited business advisers to deliver bespoke support services to groups with additional needs, to enable them to start their own business or social enterprise.

Priority	Fund	Amount	Progress	Approval required
Supporting businesses to develop and grow  <b>Outputs:</b> 110 business assists, 26 start-ups; 26 jobs created and 27 employed	Growing Places Revenue	£50,000 as partial match for European Regional Development Fund (ERDF) for extension to Dec 2015 as successfully achieving targets.	Bid submitted by Wolverhampton City Council on behalf of named delivery partners Access to Business and Sandwell Women's Enterprise Development Agency (SWEDA) Ltd. The bid has been successful.	Wolverhampton City Council has been asked to act as accountable body and issue grant to Access to Business (who will sub contract elements to SWEDA)

- 3.4 **Growing Priority Sectors:** A Black Country Regional Growth Fund sub- programme

Priority	Fund	Amount	Progress	Approval required
Improving business infrastructure and developing and growing a skilled workforce.  <b>Outputs:</b> Lever £10.2 million private investment; create 233 new jobs and safeguard 306 jobs.	Growing Priority Sectors wave five	£1.2 million	Supported five local businesses to submit full applications by the deadline of 22 August, of which three were successful.  These businesses need to complete their growth plans by March 2015	Use of Council regeneration reserve to fund and organise state aid and due diligence reports for successful companies (a requirement of the fund)

### 3.5 Regional Growth Fund Round 6:

Priority	Fund	Amount	Progress	Approval required
<p>Improving business infrastructure and developing and growing a skilled workforce.</p> <p><b>Outputs:</b> Lever £10.5 million private investment, create 45 new jobs in Wolverhampton (1000 nationwide) and safeguard 200.</p>	Regional Growth Fund (RGF) Round six national programme	£1.1 million	<p>The Strategic Projects &amp; Funding team are working closely with a local strategic company to develop their submission.</p> <p>Deadline for submissions is 30 September 2014 for funded investments in 2015 - 2017</p>	Endorse activity and use of Council regeneration reserve (see above)

**3.6 Green Bridge:** this Black Country Regional Growth Fund sub-programme supports growth in priority sectors that will also lead to resource efficiency and carbon reduction.

Priority	Fund	Amount	Progress	Approval required
<p>Supporting the Councils priority sectors to innovate and compete internationally</p> <p><b>Outputs:</b> Reduced CO2, Creation of jobs, Private leverage.</p>	Green Bridge (West Midlands sub programme of RGF)	£260,000	The EPI team are working closely with two local companies to develop their submissions for the deadline of 26 September 2014 for activity before March 2015	Endorse activity and use of Council regeneration reserve to fund state aid and due diligence reports.

### 3.7 Environmental Management in Small and Medium Sized Enterprises (EMSME):

An 18-month research project delivered jointly with the University of Wolverhampton that will focus on green growth management in Small Medium Sized Enterprises (SMEs), with the researcher hosted by the Council for a period of six months.

Priority	Fund	Amount	Progress	Approval required
Improving business infrastructure and developing and growing a skilled workforce.  <b>Outputs:</b> survey 1,000 local SMEs, and publish 5 in-depth case studies as to local barriers to green growth	Marie Curie Research Programme (EU funding)	The Council to receive £1,000 per month to cover management costs of supervision	The Council is invited as a partner organisation with the University of Wolverhampton. Bid submitted for September deadline. Results expected in February 2015 for project start in mid-2015	Act as partner in project and set up expenditure profile for income stream

#### 4.0 Empowering People and Communities Priorities

4.1 Funding priorities are focused on opportunities that contribute to the Councils priorities for action:

- Undertaking early intervention and prevention
- Supporting financial inclusion
- Encouraging healthier lifestyles and independence,
- Support more people to be active within their communities and
- Encouraging the voluntary and community sectors.

Key activities and progress against last quarter include progress on two bids into different years of the Transformational Challenge Award (TCA), worth a total of £1 million. The Transformational Challenge Award is a Department for Communities and Local Government (DCLG) Fund aimed at funding the re-design of services to provide better outcomes.

4.2 **The 2014/15 Health Visitor and Children's Centre ICT project** aims to fund technology for health visitors to enable them to mobile work freeing up time to support families.

Priority	Fund	Amount	Progress	Approval required
Undertaking early intervention and prevention,  <b>Outputs:</b> Modernisation of service; revenue cost savings	TCA	£191,000	Application successful; funding secured for innovative activity	Financial permissions for expenditure and budget codes

- 4.3 **The 2015/16 Families r First project** aims to support the reduction of Looked After Children (LAC) by working in partnership to identify and work with families in stress intervening early to avoid their children being taken into care.

Priority	Fund	Amount	Progress	Approval required
Undertaking early intervention and prevention, Reducing the high number of Looked After Children  <b>Outputs:</b> Modernisation of service; revenue cost savings	TCA	£789,000	Application successful to expression of interest stage; invited to full application 1 October	Delegate authority for submission of application and approval to conduct project activity.

## 5 Confident Capable Council Priorities

- 5.1 Funding priorities focus on opportunities that enhance the Councils capacity to attract external funding into Wolverhampton, by improving the quality of our bids and thus increase our success rate for submissions. Key activities and progress against last quarter focus on a series of capacity building Initiatives in support of strategic project leads across the Council. These include:

- External training courses in October 2014 on “Green Book Business Case Appraisals” (frequently used as Government standard for project development) for 80 project leads from across the Council;
- In-house training and roll out of Grantfinder database for 20 licensees; and
- Availability of funding for state aid and due diligence reports for successful bidders.

## 5.2 Capacity Building Support for Strategic Bids:

Priority	Fund	Amount	Progress	Approval required
Capable Council  Output: 80 places on Green Book training; 20 Grantfinder licensees trained and registered 20 local companies funded for state aid and due diligence reports	Education & Enterprise feasibility reserve	£30,000	Bid into reserve successful; grantfinder rolled out; Green Book training booked and recruited – demand identified for a third and fourth course of applicants later in the year (total 80 employees).	Education & Enterprise feasibility reserve expenditure approvals. Formal approval is delegated to councillor Johnson, with final decision integrated as part of quarter two monitoring report.

## 6 Future external funding opportunities

- 6.1 Wolverhampton City Council has led the process on behalf of the Black Country Local Enterprise Partnership to produce the **Black Country European Structural and Investment Strategy** outlining Black Country priorities for allocating European Structural fund resources between 2014 and 2020. The Department for Communities and Local Government (DCLG) has requested the production of an implementation plan outlining spend and outputs against priorities in 2018 and 2023 to inform ongoing discussions with the European Commission.
- 6.2 Wolverhampton City Council and partners are working together to develop a project pipeline to draw down funding from Europe and the local growth fund. Wolverhampton will host a specialist pipeline project development officer in the green growth / low carbon priority area of work from 2015 for 12 months.

## 7 Financial implications

- 7.1 All these applications for external funding aim to boost Council resources and inward investment into Wolverhampton in times of budgetary constraints.
- 7.2 Wolverhampton City Council, as accountable body for SEED, will be responsible for £50,000 Growing Places funding to match £50,000 ERDF funds previously secured by Access to Business and Sandwell Women's Enterprise Development Agency (SWEDA) Ltd. This report also seeks approval for the payment of this grant to Access to Business who will sub contract elements to Sandwell Women's Enterprise Development Agency (SWEDA).

- 7.3 If the bid is successful for EMSME, Wolverhampton City Council will receive up to £1,000 per month towards management costs.
- 7.4 Wolverhampton City Council will support businesses to bid for resources using existing revenue resources. This includes budgets allocated from the Regeneration Reserve subject to formal approval as part of the quarter 2 budget monitoring report.  
[MF/06102014/W]

## **8 Legal implications**

- 8.1 Wolverhampton City Council will enter into a service level agreement with Access to Business and Sandwell Women's Enterprise Development Agency Ltd to deliver the Growing Places funded SEED project. [RB/29092014/D]

## **9 Equalities implications**

- 9.1 Externally funded projects must demonstrate how equality and diversity issues are taken into account. The SEED project is providing bespoke specialist support to people with mental and physical disabilities, people from BAME communities, women, long-term unemployed and those facing redundancy. The transformation challenge fund bids will support some of our most vulnerable residents. Therefore these projects will have a positive impact on equalities.

## **10 Environmental implications**

- 10.1 Externally funded projects must demonstrate how sustainability issues and opportunities are taken into account. Green Bridge will support growth in priority sectors that will also lead to resource efficiency and carbon reduction.

## **11 Human resources implications**

- 11.1 Staffing costs have been built in where required to the transformational challenge bid. There are no human resources implications to the other projects.

## **12 Corporate landlord implications**

- 12.1 There are no corporate landlord implications.

## **13 Schedule of background papers**

- Cabinet (Resources) panel 29 July 2014 External Funding Update
- Cabinet (Resources) panel 26 November 2013: External Funding Update: Regional Growth Fund and European Regional Development Fund
- Cabinet (Resources) panel 29 January 2013: External Funding Update: ERDF and RGF Projects



This report is PUBLIC  
[NOT PROTECTIVELY MARKED]