



# Cabinet (Resources) Panel

## 14 April 2015

<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>	Keren Jones	
<b>Originating service</b>	City Economy	
<b>Accountable employee(s)</b>	Heather Clark Tel Email	Service Development Manager 01902 555614 Heather.clark2@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>		

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

The Cabinet (Resources) Panel is recommended to:

1. Agree for Wolverhampton City Council to submit outline proposals for European Structural Funds for Wolverhampton and on behalf of the Black Country for strategically important areas and delegate authority to the Cabinet members for Economic Regeneration and Prosperity (SME competitiveness), Schools Skills and Learning (youth employment initiative) and City Services (low carbon) in consultation with the Cabinet member for Resources and Strategic Director for Place.
2. Agree to grant Public Health Replacement Funding to Citizen Advice Bureau (CAB) to run a pilot project around personal budgeting support in advance of the rollout of Universal Credit
3. Give permission to spend against the Broadband Voucher scheme and approval to build in the capital budget and to bid for Women and Broadband Challenge Fund.

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5. Agree to submit a bid to the Heritage Lottery Fund to cover restoration works to the Civic Halls organ and promote its heritage.
6. Approve a revenue budget of £107,390 for the Museum Resilience Fund that is fully funded through grant funding.

## 1.0 Purpose

- 1.1 The purpose of the report is to provide an update on external funding opportunities in particular European Structural funding, advise on strategically important bids that Wolverhampton City Council will lead on behalf of the Black Country and seek necessary approvals to enable the delivery of externally funded projects.

## 2.0 Background

- 2.1 Cabinet (Resources) Panel received a report on 20 January 2015 giving an update on bidding activity and progress on externally funded projects. The intention is to provide ongoing quarterly funding updates, rather than reporting separately on each individual external funding opportunity. This report provides an update for the fourth quarter of the 2014/5 financial year. The report is organised around the themes in the Council's new Corporate Plan Framework.

## 3.0 European Union Structural and Investment Funds

- 3.1 The Black Country European Structural and Investment Fund (ESIF) Strategy, developed on behalf of the Local Enterprise Partnership (LEP), outlines the Black Country's priorities for allocating European funding between 2014 and 2020. The launch of the programme was delayed by ongoing negotiations between the European Commission and Government. The national operational programmes were approved February 2015 enabling the first call for proposals for the following priorities from 20 March 2015:
  - Priority 1: Innovation
  - Priority 3: Small medium sized enterprises (SME) competitiveness
  - Priority 4: low carbon
  - Priority 1: Inclusive Labour Markets - Youth Employment Initiative (YEI)Further calls for ICT revenue and priority 6 environment will follow in a further call for proposals in June 2015.
- 3.2 The Black Country ESIF Strategy outlined a number of strategic intervention areas. Although the bidding process will be a competitive process, the Black Country have identified a number of strategically important projects for which a consortium of partners will be formed. The lead local authority partner for each of the proposed project is set out below. Delivery will be across the Black Country:

National Priority	Black Country Strategic Intervention Area	Strategic Projects	Lead
Priority 2: ICT	1.4 business support for growth and improved	Black Country Broadband Demand	Wolverhampton City Council

	productivity	Stimulation	
Priority 3: SME competitiveness	1.1 growth hub	Growth Hub	Wolverhampton City Council
	1.2 inward investment, international trade and exporting	Invest Black Country	Walsall MBC
	1.6 support for local growth clusters	<ul style="list-style-type: none"> <li>• Culture and creative</li> <li>• Visitor economy</li> <li>• Health and social care</li> <li>• Food and drink</li> </ul>	Wolverhampton City Council Dudley MBC Walsall MBC Sandwell MBC
1.2 youth employment initiative	4.2 young people and unemployment	Support for 15-18 year old young people not in employment education or training.	Walsall MBC

3.3 There are currently no plans for Black Country local authorities to lead bids for the following national priorities and strategic intervention areas, however Council officers are helping to promote these opportunities, be a delivery partner in local consortia and support other partners to bid, in order to maximise benefit for Wolverhampton and the Black Country.

National Priority	Black Country Strategic Intervention Area	Partner bidding opportunities
Priority 1: Innovation	2.1 increasing SME demand and capacity for innovation	The University of Wolverhampton is in discussion with other universities across the West Midlands and nationally to bid for opportunities.
	2.2 infrastructure for innovation	This funding is being looked at to fund eligible elements of Springfield Brewery. The bid will be led by the University of Wolverhampton.
Priority 3: SME competitiveness	1.2 inward investment, international trade and exporting	It is likely that local providers of UKTI will be for this funding opportunity. It will be presented as a product under the Black Country Growth Hub.
	1.3 SME access to finance report	The Black Country is part of a West Midlands cross-LEP project to set up a financial engineering instrument to benefit local businesses
	1.4 business support for growth and improved productivity	It is likely that local providers of manufacturing advice service and growth accelerator will bid for this funding opportunity.
	1.5 enterprise support for new business creation	The University of Wolverhampton is looking at a high growth/graduate start-up programme whilst local enterprise organisations are looking at a generic start up programme
Priority 2: skills	4.1 skills for growth	Walsall is leading the relationship with match

for growth		funder the Skills Funding Agency on behalf of the Black Country. The opportunity is being promoted through Wolverhampton Employability Partnership to encourage local providers to tender to deliver.
1.2 youth employment initiative	4.2 young people and unemployment	Discussions are underway with local partners working with young people not in employment, education and training who can provide clean match funding.
1.1 access to employment	4.3 employment support for over 25's	Wolverhampton is leading the relationship with match funder the Big Lottery on behalf of the Black Country. Black Country Consortium is co-ordinating the process to identify lead bidding organisations/consortia and delivery partnerships which can include statutory partners such as Adult Education and Economic Inclusion service.
1.3 active inclusion	4.4 Social Inclusion	Wolverhampton is leading the relationship with match funder the Big Lottery on behalf of the Black Country. Wolverhampton City Council could be part of the delivery partnership.

3.4 The City of Wolverhampton Council is responsible for the management of a dedicated officer to develop the low carbon and environment pipeline:

Priority 4: Low carbon	3.3 supporting energy efficiency and the green economy	A dedicated officer has been appointed to develop the low carbon pipeline across the Black Country. Projects that can be funded include those that support enterprises and households to reduce energy consumption and reduce energy consumption of public buildings and promote renewal energy.
Priority 6: Environment	3.1 sustainable urban centres and employment sites	Discussions the European Commission are under way to identify opportunities to fund derelict land that fall within the eligibility criteria.
	3.2 improving and exploiting our green and blue infrastructure	A dedicated officer has been appointed to develop the environment pipeline across the Black Country. Projects that can be funded include those that support habitats to attain better conservation status so could support projects such as Bradley Arm canal.

#### 4.0 Update on other External Funding Sources

4.1 Wolverhampton City Council is working both internally and with external partners to support the development of a strong project pipeline to maximise resources secured from European structural funds.

#### 4.2 Place – Stronger Economy

The following external funding bids have been supported by the City Council under the “Place” corporate priority:

Funding source	Description of Project(s) to be funded	Funding	Approval Required
Broadband Delivery UK	<b>Broadband Vouchers:</b> as agreed by Cabinet Resources Panel on 3 March 2015, Wolverhampton City Council will administer on behalf of the Black Country the Broadband Voucher scheme offering grants of up to £3,000 to businesses to connect to superfast broadband. Up to £40 million is available nationally on a first come first service basis <b>Outcome:</b> Wolverhampton businesses connected to superfast broadband	10% of vouchers issued can be retained for project management and demand stimulation	Permission to capitalise and spend against budget
Government Equalities Officer	<b>Women and Broadband Challenge Fund:</b> help women boost their economic well-being by taking full advantage of superfast broadband to either start a business or work from home. Bid deadline 29 May 2015. Decision: 29 June 2015. <b>Outcome:</b> women supported to start-up businesses	Up to £75,000 (no match funding required)	Permission to submit a bid
Museum Resilience Fund	To develop a business plan to further develop joint working with the University of Wolverhampton as part of the long term future of Wolverhampton Art Gallery looking at different models of delivery. <b>Outcome:</b> sustainability of Wolverhampton Art Gallery	£107,390 secured	
Heritage Lottery	<b>Civic Hall and Heritage:</b> in addition to the funding secured from Local Growth Fund, a bid is being developed to fund necessary repairs to the Civic Hall Organ. A recent meeting with the National Archives Organisation recommended that this bid should be widened to include the display of	Circa. £1million	Permission to submit a bid to the Heritage Lottery

	<p>Civic Halls and archive material once the refurbishment period is complete. This could also include a temporary exhibition during the Civic Halls refurbishment period itself.</p> <p><b>Outcome:</b> refurbishment of civic hall organ and increased visitor numbers.</p> <p>European Regional Development Fund is also being explored under support for local growth clusters creative and cultural.</p>		
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### 4.3 People - Stronger Communities

The following external funding bids have been supported by the City Council under the “People – Stronger Communities” corporate priority:

Funding source	Description of Project(s) to be funded	Funding	Approval Required
Public Health Replacement Fund	<p>In view of the strong link between debt and mental health, resources have been secured from the public health replacement fund to fund a project around personal budgeting support to pilot an approach in advance of the rollout of Universal Credit which will require claimants to receive their benefits monthly and pay their rent direct.</p> <p><b>Outcome:</b> better budgeting skills and reduced demand on council services.</p>	£41,000	Agreement to allocate a grant to CAB to deliver the pilot

### 5.0 Financial implications

- 5.1 The Black Country LEP has been indicatively allocated €177m of EU Structural and Investment Fund monies (including ERDF and ESF funds) to deliver interventions over the period 2014-20. All outline bids submitted are allocated on a competitive basis and Councillors will be updated with progress should these be developed further.
- 5.2 The Broadband Voucher scheme is a demand led scheme. At this stage, the Council are aiming to issue vouchers to 350 Black Country SME’s (one percent of Black Country SME’s in line with national average). This would amount to £1,050,000 vouchers issued based on maximum voucher value or £700,000 based on an average voucher issued £2,000. Wolverhampton City Council can also claim a further 10% of the Broadband Vouchers issued to cover the cost of project management. Wolverhampton submit claims to BDUK on a quarterly basis to claim back vouchers issued and submit a claim for 10% of vouchers issued towards the cost of project management. This report seeks approval to establish a capital budget for the Broadband Voucher Scheme. It is recommended, based on national averages, that this budget should be £770,000 (£700,000 grants and £70,000 project management) and should be reviewed quarterly as part of normal capital programme monitoring.

- 5.3 Approval is also sought to establish a revenue budget within Adult and Cultural Learning of £107,390 for the Museum Resilience Fund. This is fully funded through grant secured.
- 5.4 Public Health Replacement funding replaces resources lost to the savings programme. This report seeks approval to grant one off payment of £41,000 to Citizen Advice Bureau. Proposals have been submitted to extend this by a further year. Should these be successful approval is sought to release second year funding of £41,000 to Citizen Advice Bureau. Any learning from this will inform future project development to draw down resources from European Structural funding. [ES/26032015/Z]

## **6.0 Legal implications**

- 6.1 External funding opportunities are subject to grant agreement. Cabinet Resources Panel agreed on 3 March 2015 to enter into the grant agreement for the Broadband Voucher scheme. Depending on the outcome of the bidding process, further reports will be bought seeking the necessary approvals. RB/23032015/Z.

## **7.0 Equalities implications**

- 7.1 External funded projects must evidence positive equalities implications as part of the bidding process. The social inclusion strand will have positive equalities impact since its activities target those furthest away from the labour market who experience multiple barriers.

## **8.0 Environmental implications**

- 8.1 External funded projects must evidence positive sustainability implications. There is a specific priority under ERDF around low carbon and a dedicated officer has been appointed to develop projects thereby maximising benefit to Wolverhampton and the Black Country.

## **9.0 Human resources implications**

- 9.1 The cost of project management and additional staffing resources will be built into bids.

## **10.0 Corporate landlord implications**

- 10.1 There are no corporate landlord implications to this report.

## **11.0 Schedule of background papers**

- Cabinet (Resources) Panel 20 January 2015 update on external funding
- Cabinet (Resources) Panel 3 March 2015 Rollout of Broadband Vouchers