

CABINET

DATE	16/06/2021
REPORT OF	Councillor Shreeve, Deputy Leader and Portfolio Holder for Finance, Resources and Asset
RESPONSIBLE OFFICER	Sharon Wroot, Executive Director Environment, Economy and Resources
SUBJECT	Community Renewal Fund
STATUS	Open
FORWARD PLAN REF NO.	CB 06/21/18

CONTRIBUTION TO OUR AIMS

The report outlines an application to the Government for £3M of grant funding aimed at supporting local businesses, improving employment skills and supporting place development. As such it will support both the Stronger Economy and Stronger Communities priorities.

EXECUTIVE SUMMARY

The Community Renewal Fund is one of the interim funds that covers the transition from European funding to the new UK Shared Prosperity Fund. The eligibility criteria has been set nationally and this report outlines the applications that have been submitted to NELC for consideration and proposes an approach to approving the final shortlist to the UK Government.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Endorses the process for assessment and short listing of projects outlined within the report,
2. Delegates authority to the Executive Director Environment, Economy and Resources, in consultation with the Deputy Leader to approve the final shortlist for submission,
3. Delegates authority to the Executive Director Environment, Economy and Resources, in consultation with the Deputy Leader to agree the terms of the resulting contract with MHCLG and to agree the contracts with the successful bidders.
4. Receives a further update on approved bids

REASONS FOR DECISION

The NELC shortlist has to be submitted to the Government by the 18th June 2021. Applications were invited to be submitted by 21st May 2021, and a total of 27 applications, with a combined ask of £10,935,624 were received. The report outlines the process for receiving and assessing those applications and how we will arrive at a shortlist of projects for submission. Because of the nationally set deadline we will need delegated approval as outlined within the report to ensure we

have an agreed shortlist.

1. BACKGROUND AND ISSUES

1.1 The Community Renewal Fund was announced by the Government in March 2021 and a prospectus and national approach was outlined which required local authorities to advertise an open call for bids. Projects have to meet one of 4 investment priorities;

- Investment in skills
- Investment for local business
- Investment in communities and place
- Supporting people into employment

In addition to meeting one or more of these national priorities we have included some local priorities that we would like projects to contribute towards. These include;

- Supporting the local Covid recovery programme
- Increasing the skills and employability of local people
- Promoting digital skills and digital inclusion
- Expanding and diversifying the economy
- Supporting our objective to be net zero carbon and the wider green agenda.

1.2 The deadline for applications to be submitted to us was the 21st May 2021. The prospectus for the funding suggested that innovative and pilot projects should be encouraged and outlined that it expected to see projects above £500,000 supported. Our local invitation recognised that this may restrict some organisations from bidding so we stated that we would consider projects above £100,000. Although we have been 'allocated' £3M there is no guarantee that we will receive any funding. Accessing the £3M will be dependent on the quality of the applications submitted.

1.3 As part of the open invitation the Council is also required to assess the applications submitted. An initial assessment was undertaken by a panel made up of officers, using the national assessment template to check eligibility. Officers then made recommendations to a multi-agency panel. The multi-agency panel was convened to recommend which projects should be shortlisted. The panel met on 7th June, chaired by the Deputy Leader, who has updated Cabinet on the schemes that are recommended to be included on our shortlist.

2. RISKS AND OPPORTUNITIES

2.1 There is a risk that the quality of bids submitted is low and we will not be allocated the £3M indicative funding for North East Lincolnshire. We have offered to give advice and guidance to potential applicants to try to ensure they are fully aware of the eligibility criteria so the bids that are submitted should be able to be considered. Due diligence checks will be undertaken as part of the assessment project so any application that is shortlisted should be able to deliver as outlined within the applicants submission.

2.2 To minimise risk each project proposal will outline key risks and mitigation which might impact on delivery.

- 2.3 There is an opportunity to make a real difference to local businesses and individuals through the provision of training and support that enable them to adapt to emerging markets, digital opportunities and recovery from the impact of Covid. Any application that is included on the NEL shortlist will have outlined the impact that it will make locally, including support to help businesses grow, new skills opportunities for local people and projects that enhance our green aspirations.
- 2.4 The Community Renewal Fund is also looking for pilot projects and innovation so we could see a number of feasibility studies and early project development that could lead to larger projects that bring growth to the area and enhance our place outcomes.
- 2.5 Proposals received could see activity which leaves a longer-term legacy for the Borough which goes beyond the life span of the project. We hope that proposals will be an indication of activity for the Shared Prosperity fund, giving us the ability to understand more fully 'what works' and the impact of innovative and pilot projects which can be built on under the new funding stream.

3. OTHER OPTIONS CONSIDERED

We do not have to submit a bid and submission of our shortlist will be dependent on the quality of the applications received.

We have options around which projects are supported. Applications for funding have exceeded our indicative £3M allocation, it will then be the responsibility of the funding panel and cabinet to agree which bids should be put forward.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

If we don't submit a shortlist this may be negatively perceived by the Government and may result in future applications being more closely scrutinised.

There may be negative feedback from an organisation that is not included on the shortlist. The assessment process will include a clear audit trail as to why a project has been supported or not.

If our shortlist is accepted there will be the opportunity to promote the impact that the projects are having as they start to deliver.

5. FINANCIAL CONSIDERATIONS

There is no requirement for match funding. The £3M will be released if we submit a suitable shortlist of projects. The indicative split of funding is 90% revenue and 10% capital. NELC may have some projects included on the shortlist and the project lead will need to liaise with their finance representative to ensure all financial consideration and controls are in place.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The prospectus welcomes projects that support decarbonisation. It is not yet known whether any projects will be submitted that support the environment. A verbal update will be provided at the meeting.

7. CONSULTATION WITH SCRUTINY

Relevant scrutiny panels will be able to monitor the progress of the projects as they move into the delivery phase

8. FINANCIAL IMPLICATIONS

8.1 The proposed projects and bids would be funded from external grant and would result in investment in the local area.

9. LEGAL IMPLICATIONS

9.1 The delegations sought are appropriate and consistent with a project of this nature.

9.2 Should bids be agreed, grant funding agreements would be entered into. Legal colleagues will provide support around the terms and conditions to ensure the interests of the Council are protected.

10. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications contained within this report

11. WARD IMPLICATIONS

All wards

12. BACKGROUND PAPERS

All information on the Community Renewal Fund is available on the Council website via this link <https://www.nelincs.gov.uk/business-and-investment/community-renewal-fund/>

13. CONTACT OFFICER(S)

Jamie Dunn, Commissioning and Relationship Manager
Karen Linton, Strategic Lead Skills and Employability,
Ross Blackwood, Volunteering and Engagement Officer

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