

# Report to Cabinet Member

9 February 2022

<b>Subject:</b>	Aim for Gold – Funding Variation Agreement
<b>Cabinet Member:</b>	Cllr Padda, Cabinet Member for Regeneration & Growth
<b>Director:</b>	Tony McGovern, Director Regeneration & Growth
<b>Key Decision:</b>	No
<b>Contact Officer:</b>	Jenna Langford jenna_langford@sandwell.gov.uk

## 1 Purpose of report

- 1.1 To raise this variation with the relevant Director and Cabinet for Regeneration and Growth, prior to the report proceeding to Cabinet and seek their approval.
- 1.2 To note the minor changes to Sandwell Council's match funding contribution towards this project within the variation Agreement.
- 1.3 To notify that the Agreed Activity End date for the project will be set as 31/03/23; and that the Agreed Financial Completion date will be set as 28/02/23.
- 1.4 To agree to the principle change of a central pot for underspend in the project to be used by better performing partners, to prevent risks within the overall project.



## 2 Context, key information and key issues

- 2.1 Sandwell Council entered into this Aim for Gold grant funding project in April 2019. We are working with City of Wolverhampton Council as Lead partner and also with Walsall Council and Dudley Council as delivery partners. All four Black Country local authorities are delivery partners.
- 2.2 As a result of this project we are able to help provide Sandwell businesses which mostly trade 'business-to-business' with a range of capital revenue and small grants. The purpose of these is normally to purchase new equipment or enhance business growth by an agreed means within a growth plan.
- 2.3 The overall project receives a combination of funding from ERDF (via Department of Business, Energy & Industrial Strategy), and from private sector match investment which makes up the grants.
- 2.4 Match funding from Sandwell Council and other partners may be either in kind or financial, this goes to help support 50% of the administrative costs of the overall project. In the case of Sandwell Council this is the equivalent of 0.8 FTE of a member of the Business Growth Team. It comprises of 0.2 FTE of four members of council staff.

## 3 Outcomes we are looking to achieve

- 3.1 Make minor changes to the project to prevent underspend of the AIM for GOLD funding, and if necessary redistribute the funding more effectively amongst project partners.
- 3.2 Ensure that the Sandwell Council future match funding contribution is agreed; and raise awareness that the project end date will now be in March 2023.

## 4 Options and/or alternatives

- 4.1 The variation proposes that match funding of £96,949 is provided by Sandwell Council across the five years of the project 2019-2023. This includes a commitment of £24,621 during 2022 and a future commitment of £6,193 in 2023.



- 4.2 To expect that Sandwell Council's match funding contribution will continue to be an 'in kind financial contribution' of council officer staff time as opposed to cash funding wherever possible.
- 4.3 To notify that the following dates are to be agreed to help finalise the project at the end of the five-year funding period. An agreed activity end date of 31/03/23; and agreed financial completion date and Agreed Project practical completion date both on the 28/02/23.
- 4.4 This variation proposes to introduce a 'central pot' for underspend which can potentially be reallocated to any partners creating demand. This is likely both to benefit Sandwell businesses and be positive given our performance is relatively strong vis-a-vis the other partners, it also benefits project partners (such as Sandwell) which have a stronger demand pipeline.
- 4.5 This is the only proposed option being proposed given that is based on a contract variation with City of Wolverhampton Council (as project lead partner). Overall variations are in line with previous commitments however the most significant alteration introducing a central underspend pot would work in favour of Sandwell's allocation of available grant funding to businesses.

## 5 Communication

- 5.1 To reflect any changes in council news updates to businesses and in any publicity or guidance regarding the Aim for Gold project.

## 6 Recommendations

- 6.1 That the Cabinet Member for Regeneration and Growth and Director of Regeneration and Growth approve this report in order that it may proceed to the forward plan for Cabinet.



## 6 Implications

<b>Resources:</b>	The administration of the grants will be undertaken within existing resources already committed. Further the proposed grant support will be funded from a combination of private sector match funding and the ERDF funding awarded by BEIS.
<b>Legal and Governance:</b>	Legal implications grants will be administered in line with government guidance
<b>Risk:</b>	Minor risk that staff vacancies might affect the make-up of match funding contribution. Minor risk that the central pot of underspend works against Sandwell if our performance levels take a significant drop.
<b>Equality:</b>	N/A
<b>Health and Wellbeing:</b>	N/A
<b>Social Value</b>	Likely to have a positive implication on the local businesses receiving support

## 7. Appendices

None

## 8. Background Papers

None

<END>



# Decisions of Director of Regeneration & Growth

9<sup>th</sup> of February at 12:00

**Present:** Tony McGovern

**Officers:** Jenna Langford – Regeneration Manager

## **Declarations of Interest**

No interest.

## **Aim for GOLD Contract Variation**

Approval given for AIM for Gold contract variation.

Agreed that: - AIM for GOLD project will continue and that the contract end date is extended to 31st March 2023.

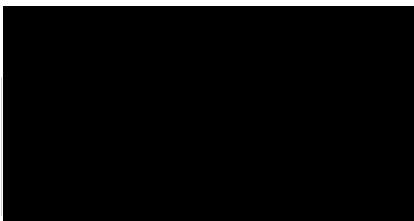
## **Reason for Decision**

That approval be given to the Director for Regeneration and Growth in consultation with the Cabinet Member for Regeneration and Growth be authorised to approve the variation of the existing funding agreement.

## **Alternative Options considered and discounted**

This is the only proposed option being proposed given that is based on a contract variation with City of Wolverhampton Council (as project lead partner). Overall variations are in line with previous commitments however the most significant alteration introducing a central underspend pot would work in favour of Sandwell's allocation of available grant funding to businesses.

**Signature:**



**Date Decision: 09/02/22**

