

Birmingham City Council

Report to Deputy Leader

04 January 2024



Subject:	GBSLEP FUTURE IMPACT FUND
Report of:	Sue Harrison Executive Director: Children and Families
Relevant Cabinet Member:	Cllr Sharon Thompson - Deputy Leader
Relevant O &S Chair(s):	Cllr Sir Albert Bore - Co-ordinating
Report author:	Spencer Wilson Interim Head of Employment and Skills Email: Spencer.Wilson@birmingham.gov.uk

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

1.1 As the Local Enterprise Partnerships across the West Midlands are integrated into appropriate democratic partners, Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) made the decision to redistribute any residual funds to maintain and continue its legacy. Some of these funds were earmarked for employment and skills activity across the GBSLEP geography, which BCC and

Solihull Metropolitan Borough Council (SMBC) successfully secured to deliver a Workforce Development Service across Birmingham and Solihull.

- 1.2 This sees £991,806 secured across both local authorities for various key employment and skills activities across Birmingham and Solihull between 01 January 2024 and 31 March 2025. Of this amount £377,353 will come directly to BCC with £614,453 going to SMBC. This higher SMBC amount accommodates £450,009 of funding to be spent across the East Birmingham North Solihull Levelling Up Zone area.
- 1.3 The activity was worked on by officers for most of 2023 and brought to Children and Families Directorate Leadership Team (CSLT) for approval on 13 July 2023 and 19 October 2023. Cabinet Member briefings were also undertaken on 17 May 2023, 01 August 2023 and 11 December 2023.
- 1.4 A proposal was made by BCC/SMBC and the GBSLEP Board approved it on 15 November 2023 and the corresponding £991,806 of associated funds (in the apportionment noted above). Accordingly, grant deeds have been issued between Birmingham City Council (as GBSLEP's accountable body) and BCC and SMBC to legally underpin this agreement. The BCC grant deed corresponds to the £377,353 of funds noted above. Once this deed is executed delivery can begin on 01 January 2024.
- 1.5 The GBSLEP Future Support Fund proposal 'Workforce Development Service' is attached for more detail at **Appendix A**.

2 Recommendations

- 2.1 Appropriate Cabinet Member briefings have taken place throughout 2023 to inform of progress in developing this key employment and skills offer. Accordingly, it is recommended that the Cabinet Member:
 - Notes the GBSLEP Future Impact Fund (FIF) funding application for the Workforce Development Service project (attached at **Appendix 1**) at a total value of £991,806, with £377,353 directly allocated to BCC, approved by the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) Board on 15 November 2023.
 - Endorses the executing of the deed associated with this proposal and grant offer to ensure securing of associated funds and the successful delivery of the Workforce Development Service.
 - Approves acceptance by Birmingham City Council of the funding highlighted in this report from Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP) as part of the GBSLEP Future Support Fund.

- Delegates authority to the Director of Children and Families, who will consult with and seek approval from the appropriate Senior Officers, to enter into any necessary legal agreements in relation to this funding.
- Authorises the Interim City Solicitor (or delegates) to execute and complete all necessary legal documents to give effect to the above.

3 Background

- 3.1 At its February 2023 meeting the GBSLEP Board endorsed several principles for the use of expected surplus funds and agreed to consider specific uses for these funds. Subsequently at the March 2023 GBSLEP Board, members noted and agreed that employment and skills activities that bridge the current labour market disconnect could be considered.
- 3.2 Accordingly, BCC and SMBC officers worked closely together to develop a suite of employment and skills projects under the banner of a Workforce Development Service.
- 3.3 This included additional staffing to deliver workforce solutions across the two geographies, business support focused skills support, support for the creation of the East Birmingham/North Solihull Levelling Up Zone Development Plan and bespoke innovative initiatives that deliver some of the LEP's key strategic aims (e.g., apprenticeships support, youth focused initiatives etc.).
- 3.4 The proposal was approved by GBSLEP Board on 15 November 2023, and it was agreed to distribute GBSLEP residual funds in line with agreed apportionments. The combined value of the BCC and SMBC proposal, and approved GBSLEP residual funds amount, is £991,806 (the funding is apportioned £377,353 to BCC and £614,453 – the higher SMBC amount is to accommodate the commissioning of development work within the East Birmingham North Solihull Levelling Up Zone (LUZ) that benefits both local areas in appropriate apportionments. The total value of this LUZ element is £450,009 which comes entirely out of the SMBC apportionment but of which Birmingham will receive geographically proportionate benefit).
- 3.5 Accordingly, BCC and SMBC will enter into agreements with Birmingham City Council (as the accountable body for GBSLEP) that sees the agreed division of these funds and appropriate usage to meet the aims of the proposal.

4 Options considered and Recommended Proposal

- 4.1 The proposal for GBSLEP residual funds through the Future Support Fund has been developed, in consultation with Cabinet Members, and the grant offer has been made by GBSLEP. Accordingly, the options available are:
- Accept the grant funding offer, through the executing of the deed.
 - Reject the offer through not executing the deed.
 - Look to redesign the offer in some way.
- 4.2 The latter option is not possible due to the time constraints associated with LEP integration. But also, the proposal has been developed in full consultation with Members and colleagues across BCC and SMBC, and with partners and colleagues in GBSLEP. Accordingly, it is recommended that Cabinet Member approves the executing of the associated deed. It is the recommended course of action because, it secures additional funds and uses them in a productive and useful way in improving employment and skills opportunities – especially for the most disadvantaged citizens.

5 Consultation

- 5.1 Consultation within BCC (and externally) related to this proposal was extensive throughout the year with Cabinet Member Briefings taking place in May, August and December of 2023 and the Children and Families Directorate Leadership Team (CSLT) being briefing and approving of activity in July and October 2023. The Leader was also briefed in July 2023 in his capacity as a GBSLEP Board member. Cross directorate consultation, and project development work, took place between colleagues in Children and Families and Places, Prosperity and Sustainability Directorates. Activities will be subsequently delivered across and joining up BCC Directorates.

6 Risk Management

- 6.1 All risks associated with this project will be appropriately managed through the appropriate governance systems of Birmingham City Council.
- 6.2 The Enterprise Zone governance processes and structures will be used to ensure all risk associated with project activity is completely minimised.
- 6.3 The proposal has been developed in such a way as to minimise risk in delivery, though specific and appropriate targeting of activity. More detail is available in **Appendix A**.
- 6.4 Section 151/spend control approval has already been received in relation this this proposal and the associated activity on 03 November 2023.

7 Compliance Issues:

- 7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?**

7.1.1 As the proposal is essentially adding value to BCC provision, it is designed to be consistent with strategies, plans and priorities. These include:

- **Breaking Down Barriers:** in overcoming those barriers faced by young people in addressing employment and skills issues (through specific interventions) and ensuring wellbeing by accessing opportunities otherwise unavailable.
- **Social Value/Good Employment:** a key part of the project is boosting the capacity of the Employment Access Team to offer more social value and good employment support and initiatives to ensure this is maximised in ensuring the best possible work opportunities are available (and the knock on benefits this brings).
- **Levelling Up:** by specifically supporting the development of the East Birmingham North Solihull Levelling Up Zone – through the creation of the development plan associated corresponding activity
- **Cost of Living:** the proposal was developed to align with the Council's cost of living response, through the provision of employment and skills opportunities to create longer term solutions of the crisis.
- **Public Health:** aligned with the above, and the impact of the cost-of-living crisis on public health, the proposal was developed with the health and wellbeing elements of employment and skills improvement firmly in mind.

7.1.2 These are just a few examples of strategic alignment across BCC, more of which are detailed in **Appendix A**.

7.2 Legal Implications

7.2.1 Legal implications are all outlined and addressed in the associated grant deed and acceptance thereof.

7.2.2 Section 151/Spend Control approval has already been gained on 03 November 2023 for this proposal and associated activity.

7.2.3 Whilst there are no legal implications directly arising from this report, legal advice is taken as and when necessary, in respect of each of the various initiatives considered by the Workforce Development Service project. Despite sitting within the Children and Families directorate there are no aspects of education law within this proposal and therefore legal advice will be sought from Legal Services whenever appropriate throughout the project's lifetime.

7.2.4 There are no statutory powers or service implications related to this proposal with such activities lying outside the statutory duties and powers of BCC.

7.3 Financial Implications

7.3.1 This proposal will see almost £991,806 coming into Birmingham and Solihull through this initiative with £377,353 coming directly to BCC (and £614,453 going to SMBC). On top of this, £450,009 will be managed by SMBC, coming

entirely out of the SMBC allocation, but to for sole purpose of delivering the East Birmingham North Solihull Levelling Up agenda, with the residents of East Birmingham reaping a proportionate benefit.

7.3.2 Section 151/Spend Control approval has already been gained on 03 November 2023 for this proposal and associated activity.

7.4 Procurement Implications (if required)

7.4.1 Procurement, if any, will be small and all done in compliance with appropriate procurement rules and regulations and in full cooperation with BCC's procurement team.

7.5 Human Resources Implications (if required)

7.5.1 Some staff will be appointed to various roles created through this proposal. Such appointments will always align with BCC HR processes wherever possible and appropriate (including priority movers etc.).

7.5.2 Section 151/Spend Control approval has already been gained on 03 November 2023 in relation to this proposal and its associated activity.

7.6 Public Sector Equality Duty

7.6.1 Public Sector Equality Duty will be embedded in all activity associated with this proposal. This Duty will be undertaken in each aspect of delivery as it seeks to remove barriers and ensure equality of opportunity and prosperity in relation to all employment and skills activities.

7.7 Environmental and Sustainability Implications

7.7.1 Embedded within all activities will be environmental and sustainability implications and the opportunities to improve wherever possible.

7.7.2 As a core priority of GBSLEP (Low Carbon, Green Energy, Retrofit, Low Emissions, Net Zero etc.) this will be front and centre of all activity and wherever possible specific initiatives will be developed to ensure environmental and sustainability benefits (including through improved skills in business, in the workplace, retrofitting skills etc.)

8 Appendices

8.1 **Appendix A** – GBSLEP Future Support Fund Proposal: Workforce Development Service.

9 Background Documents

None