

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET
Report of: Date of Decision:	Assistant Director, Transportation and Connectivity 20 September 2016
SUBJECT:	NATURAL RIVERS ERDF PROJECT
Key Decision: Yes	Relevant Forward Plan Ref: 002086/2016
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member:	Cllr Lisa Trickett, Cabinet Member for Clean Streets, Recycling and Environment
Relevant O&S Chairman:	Cllr John Cotton, Chair, Health, Well-being and the Environment O&S Committee
Wards affected:	Bartley Green, Bournville, Brandwood, Edgbaston, Harborne, Kings Norton, Longbridge, Moseley and Kings Heath, Northfield, Quinton, Selly Oak, Weoley

1. Purpose of report:
<p>1.1 To seek approval to submit a full application for European Regional Development Fund (ERDF) funding to deliver the Natural Rivers project over three years.</p> <p>1.2 The project will expand on the work already undertaken in delivering landscape enhancements through Birmingham and Black Country Nature Improvement Area (NIA) and the work as part of flood alleviation projects to deliver landscape and watercourse improvements which assist in the delivery of meeting European targets on water quality set through the Water Framework Directive.</p> <p>1.3 These landscape enhancements will include management of bankside trees and vegetation and the addition of native flowering plants, management of plantation woodlands to improve the age structure and diversity and changes to water courses to aid the movement of fish and other aquatic wildlife. These enhancements will not only improve habitat quality for wildlife but will enhance the value for leisure and recreation.</p> <p>1.4 This project will be delivered through collaborative working between Birmingham & Black Country Wildlife Trust (B&BCWT), the Environment Agency (EA) and Birmingham City Council (BCC). The Project Definition Document (PDD) at Appendix 4 provides further details for the submission.</p>

2. Decision(s) recommended:
<p>That Cabinet:-</p> <p>2.1 Approves the Project Definition Document included as Appendix 4 for a full application for ERDF funding to deliver the Natural Rivers project.</p> <p>2.2 Approves the City Council acting as the Accountable Body for the Natural Rivers project should the bid be successful</p>

- 2.3 Notes that in the event of a successful proposal, a Full Business Case report will be submitted for Cabinet approval, which will identify governance, key responsibilities, the delivery plan and the benefits to the city before there is an acceptance of any grant and its conditions.
- 2.4 Notes that it is not envisaged that any development funds will be required to work up an application to full business case as the project partners will all contribute to the final application.

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3. Consultation

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

The Cabinet Member for Value for Money and Efficiency has been consulted on this bid and project. .

At the early stages, consultation took place with colleagues from the Parks and Nature Conservation Department (primarily the Conservation and Woodland Manager) as to which areas would benefit from investment through an ERDF bid under the Priority Axis 6. A number of areas were identified, particularly around river corridors and the woodland plantations that can be found within the river valleys (river catchment area). These identified areas have suffered from many years of under-management through lack of resources and are now declining in wildlife value. The scope of works identified as part of this discussion aligns with the current (approved) Nature Conservation Management Plans for the various sites. Further consultation was undertaken with the acting Head of Parks (Robin Bryan), the Tree Manager (Simon Smith) and relevant District Park Managers and Senior Park Rangers; all were supportive of this suggested approach.

In addition, there has been some outline discussion of the project with the Strategic Director of the Place Directorate.

Local Member consultation has already taken place when the Nature Conservation Management Plans were drawn up for each site. Works identified as part of the Woodgate Valley Local Nature Reserve Management Plan were publically consulted upon (including Members) and the final Plan was agreed by the Woodgate Valley Consultative Committee (WVCC), a fully constituted group that has local Member representation.

The Nature Conservation Management Plans identify work required to manage or improve each individual site; these are called "Ideal Objectives". Grant funding is required to implement these "Ideal Objectives" as they are over and above the base level of grounds maintenance. This ERDF bid will allow the city to implement the works already agreed through these plans that would not otherwise be deliverable. As the project develops, Members will be regularly appraised of the works through the various existing local forums such as the WVCC or the Northfield Environmental Forum.

3.2 External

The Green Commission's (a cross-sector partnership chaired by BCC) Natural Capital Roundtable has been involved in discussions about the project. We are working closely with the EA and B&BCWT as project partners; the outcomes of their current project work and the outcomes of this proposed project align and will provide additional benefits for all parties.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 The project supports the delivery of the strategic outcomes of A Strong Economy and A Healthy, Happy City, as set out in the Council Business Plan and Budget 2016+, in particular the sub-outcomes:

- An enterprising, innovative green city delivering sustainable growth, meeting the needs of the population and strengthening Birmingham's global standing; and
- Sports and physical activities that contribute to people's health and wellbeing and delivered in partnership with others, where parks and open spaces are maintained and enhanced to enable citizens to improve their health and quality of life.

4.1.2 The project aligns with strategic objectives in the Birmingham Development Plan relating to improving health and well-being, conserving the natural environment and securing infrastructure to support future growth and prosperity. In particular, the project will contribute to the implementation of policies GA9, TP2, TP6, TP7 and TP8. The project is consistent with Birmingham's approach to supporting ecosystem services and improving natural capital set out in the Council's Green Living Spaces Plan, and is compliant with the work of the Green Commission.

4.2 Financial Implications

4.2.1 The overall cost of the project is in the region of £1.3m, with £1.18m being capital expenditure and £0.11m revenue. 50% of the project costs will be funded by ERDF. Match funding is required for the remaining 50%, the majority of which will be provided by the EA (c. £570k). Additional match funding will be provided through officers' input from the Sustainability Team (Economy Directorate), Parks & Nature Conservation (Place Directorate) (c. £48k) and B&BCWT (c. £32k). Written confirmation of the individual partners' match-funding will be required as part of the full application.

4.2.2 It is proposed that the City Council will administer the project and act as Accountable Body and ensure funds are spent to deliver the outputs agreed with DCLG as outlined in Appendix 1. The City Council will be required to ensure compliance with European Structural and Investment Fund (ESIF) grant conditions and will seek to mitigate these through funding consortium agreements with delivery partners in line with City Council and European funding guidelines.

4.2.3 As accountable body for the project, the Council would receive all ERDF funding, which would be disbursed to the two project partners against claims for eligible expenditure. A 0.4FTE finance/monitoring officer would be appointed, funded 100% by ERDF, to provide additional capacity to support project delivery.

4.3 Legal Implications

4.3.1 The Council will act as Accountable Body for the project. The two delivery partners (EA and B&BCWT) will be subject to a Service Level Agreement Conditions of Grant Aid, which will set out their role and responsibilities and delivery of related outputs.

4.4 Public Sector Equality Duty (see separate guidance note)

4.4.1 The initial Equality Analysis is attached as Appendix 2. No negative equality impacts have been identified.

5. Relevant background/chronology of key events:

- 5.1 In May 2016, the Council's Sustainability Team submitted an outline application in response to a funding call issued by the Department for Communities and Local Government (DCLG) under ERDF Priority Axis 6: Preserving and Protecting the Environment and Promoting Resource Efficiency (investment priorities 6d and 6f). The call was for the Greater Birmingham and Solihull Local Enterprise Partnership (GBS LEP) area, with an indicative fund allocation of £6.3 million.
- 5.2 Projects applying for funding under this call must demonstrate how their proposed activities achieve the investment priorities' specific objective, in this case:
"Investments in Green and Blue infrastructure and actions that support the provision of ecosystem services on which businesses and communities depend to increase local natural capital and support sustainable economic growth".
Actions that would be supported include investment in green and blue infrastructure; that is those naturalistic green corridors and waterways such as stream and river courses or canals in our urban areas. To measure the success of funded projects they must deliver against the Priority Axis 6 outputs, principally, the total area supported in order to improve their habitats and value to wildlife.
- 5.3 The natural environment provides benefits such as improvements in drainage, air quality and air temperature as well as associated health benefits. These benefits are referred to collectively as "ecosystem services", and the financial value that can be attributed to these services is known as "natural capital". The Green Commission's Natural Capital Roundtable and BCC's Sustainability Team are working with other Council colleagues, public, private and third sector partners, to highlight the importance of how this natural capital contributes towards the delivery of the City's priorities for economic and social growth. The availability of European Structural and Investment Funds to support this work presents an opportunity for the city to secure significant resources to invest in enhancing Birmingham's natural assets, biodiversity and increase in natural capital.
- 5.4 The ERDF outline application set out an approach for the Natural Rivers project as a broad landscape-scale initiative that was designed to deliver both biodiversity enhancements and associated ecosystem services benefits across the upper reaches of the River Rea catchment. The Council received an invitation from DCLG on 15 August to proceed to full application stage. The deadline for submission of the full application is 30 September.
- 5.5 The project, which is now being worked up to full application stage, will deliver the first phase of this catchment-based approach, focusing on the upper River Rea sub-catchment in south-west Birmingham.
- 5.6 A three year programme of activity will include works to improve channel morphology; that is changing the width, depth and profile of the channel where the stream or river flows. These changes will result in reduced flood risk, as well as landscape enhancements to improve habitat quality and connectivity for wildlife within the public open space corridors along the River Rea and its tributaries: Stonehouse Brook, Bourn Brook, Merritt's Brook/Griffin's Brook/The Bourn and Callow Brook. A plan of the project area and details of project activities are attached as Appendix 3.
- 5.7 By working at this "landscape-scale", the project would deliver significant impact and the high level of outputs required by DCLG. The project will target over 120ha of publicly accessible land and watercourses that will be improved for biodiversity, as well as achieving wide-ranging socio-economic benefits for local communities.

- 5.8 Alongside the Council, the EA and B&BCWT would be involved as delivery partners. The EA is exploring funding opportunities to reduce flood risk and deliver environmental and community improvement; although major flood defence schemes required to reduce flood risk attract a proportion of government funding, external funding, such as ERDF, must also be sought to secure the government funds and reach the total required. The EA therefore has a vested interest in being involved in the Natural Rivers project, and is in a position to contribute a significant proportion of the match funding requirement through their confirmed flood defence budget allocation
- 5.9 Natural Rivers builds on the success of an existing, strategic biodiversity enhancement project – Birmingham and Black Country Nature Improvement Area (NIA) – which is being led by B&BCWT. For the Natural Rivers project, habitat enhancement works within the open space corridors would be delivered primarily by the Council’s in-house grounds maintenance team (Birmingham Parks and Nurseries), BCC’s grounds maintenance framework contractors and B&BCWT, with some scope for local community involvement. For elements of project delivery overseen by BCC, external contracts, if required, would be procured in line with BCC procurement arrangements.
- 5.10 If successful at Full Application stage, a Full Business Case will be submitted for Cabinet approval prior to acceptance of the grant. Subject to approval, (a decision is expected by late November 2016), a start date for the City Council’s involvement in the project is anticipated to be around January 2017.

6. Evaluation of alternative option(s):

- 6.1 To not proceed with a full application.
Investing in green and blue infrastructure will support the provision of vital services provided by the natural environment (ecosystem services). Although these, as mechanisms to secure economic growth, are not set out as clear priorities for GBS LEP, they do cut across and underpin the LEP’s strategic economic plan by providing pleasant attractive places to live and work, providing areas for recreation and cultural activities, creating workplaces that are sustainable in both the demands on the natural resources and how they interact with the natural environment.

7. Reasons for Decision(s):

- 7.1 To support the strategic outcomes and priorities this project provides an opportunity for the Council to invest in enhancing Birmingham’s natural assets and biodiversity; such interventions contribute to delivery against Council outcomes – A Strong Economy and A Healthy, Happy City.

Signatures

Date

Cllr Lisa Trickett, Cabinet
Member for Clean Streets,
Recycling and Environment

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Anne Shaw, Assistant Director
Transportation and Connectivity

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List of Background Documents used to compile this Report:

1. Delegation of Authority report to submit outline proposal

List of Appendices accompanying this Report (if any):

1. Letter of Outline Approval from DCLG
2. Equality Analysis EA001360
3. Project area and activities
4. Project Definition Document (PDD)
- 5.

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty – see page 9 (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none">(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none">(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none">(a) tackle prejudice, and(b) promote understanding.
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none">(a) age(b) disability(c) gender reassignment(d) pregnancy and maternity(e) race(f) religion or belief(g) sex(h) sexual orientation