

Birmingham City Council

Report to Cabinet

13 October 2020



Subject: Food Trails Horizon 2020 Project – Full Business Case
Report of: Director of Public Health and Acting Director – Inclusive Growth
Relevant Cabinet Member: Councillor Paulette Hamilton – Health and Social Care
Councillor Tristan Chatfield – Finance and Resources
Relevant O & S Chair(s): Councillor Sir Albert Bore – Resources
Councillor Lou Robson – Economy and Skills
Councillor Robert Pocock – Health and Social Care
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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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 007776/2020		
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 The purpose of the report is to seek approval to the Full Business Case (FBC) for the FOOD TRAIL project and to accept a revenue grant of £0.796m (€0.876m) funded by Horizon 2020 to support the work on innovative food systems that Birmingham city region is involved in and aid the process of co-creating (with

stakeholders and citizens in the FOOD LIVING LAB activities) the new Food Policy for the city-region.

- 1.2 The FOOD TRAIL project will look to set up a FOOD LIVING LAB that would gather all city stakeholders already involved in food policy work, like the Healthy Food Forum (as noted in 5.2), together with the wider community and in addition to that, set up cross-sectoral connections looking to link food work with aspects of challenging the climate emergency like food waste, carbon footprint, plastic reduction, etc.
- 1.3 FOOD LIVING LAB will aim to commission several pilot projects to address the most urgent food challenges for our city and will look to link the most successful pilots with impact investment opportunities.

2 Recommendations

- 2.1 Approves the Full Business Case (FBC) for the FOOD TRAIL project and detailed in Appendix 1 to deliver the outputs noted in 1.2 and 1.3 above and also inform a new food policy for Birmingham.
- 2.2 Delegates authority to the Director of Public Health and Acting Director, Inclusive Growth to accept grant funding of £0.796m (€0.876m) from the European Commission's Horizon2020 Secretariat to fully fund the FOOD TRAILS project and to enter into the associated funding agreement, subject to receipt of an offer letter.
- 2.3 Authorises the Interim City Solicitor (or their delegate) to execute and complete all the necessary legal documents to give effect to the above.

3 Background

- 3.1 In 2015, Birmingham signed the Milan Urban Food Policy Pact and became an active member of EUROCITIES Food Working Group where this project proposal was first conceived. In 2018, the project partnership was formed with 11 partner cities and 4 academic institutions and the proposal submitted to the European Commission (EC).
- 3.2 After two years, with one proposal turned down by the EC in 2019, this project was finally approved in June 2020. Horizon2020 is a highly competitive academic fund and the award of the grant is a great success.
- 3.3 The total project value is £10.874m (€11.937m) and the consortium of 11 cities is led by Milan. Birmingham is one of the project's partners and has a strategic role for the whole partnership as a cross-cutting manager for nutrition with a total budget of £0.796m (€0.876m) awarded to Birmingham City Council (BCC).
- 3.4 This proposal will contribute to the City Council Public Health work on the new Food Strategy and generate economic, environmental and social outcomes by reducing the carbon footprint of food consumed in the city, reducing food waste and plastic used in food production and testing new ways of improving the quality and the nutritious value of food consumed in the city.

- 3.5 Led by the Council's European and International Affairs (E&IA) team with strategic and policy input from Public Health, FOOD TRAILS will be delivered in the four years from October 2020 to September 2024.
- 3.6 The Council's remit will be to set up a FOOD LIVING LAB and commission £0.182m (€0.2m) for innovative pilots aimed at tackling the most important food challenges for the city-region and the data collection of indicators associated with the pilots. The LIVING LAB will integrate research and practitioners from public to private, from institutional bodies to grassroots movements. It is expected that the LAB will become a permanent space to co-create solutions for the most pressing challenges responding to the following Food 2030 Priorities: (1) nutrition, (2) participation, (3) circular economy and the reduction of food waste, (4) sustainability, reduction of plastic and carbon footprint.
- 3.7 The FOOD TRAILS project will organise a series of workshops and interviews aiming at identification of best practice examples and organise a number of learning visits among the 11 partner cities and academic institutions (work shadowing and coaching visits). A strong commitment has been made to cascade learning (webinars, replication workshops and work shadowing).
- 3.8 The final outcome of the project will be a renewed Food Policy for Birmingham and a number of pilot interventions scaled up and connected with impact investing opportunities. The whole project partnership will produce a handbook for replication of systemic food related innovative approaches collecting best practice examples from all 11 cities.
- 3.9 The project will contribute to the Council's emerging Route to Zero (R20) work and seek synergy with other existing initiatives such as the Climate Emergency work.

4 Options Considered and Recommended Proposal

- 4.1 **Option 1 - Do Nothing.** This would result in Birmingham withdrawing from the partnership and the international policy work we have been contributing to since 2015. This scenario also carries a high risk of reputational damage internationally.
- 4.2 **Option 2 - Approve the Full Business Case at a total cost of £0.796m (€0.876m) and accept the grant award of £0.796m (€0.876m) from the Horizon2020 Programme for the FOOD TRAILS Project.** This is the recommended proposal as this is most likely the last opportunity for BCC to be a part of such a high-profile international project funded by the EC.

5 Consultation

- 5.1 The four-year project application for FOOD TRAILS has been reviewed and fully endorsed by the European Commission and the independent H2020 evaluators.
- 5.2 Initial consultations have been undertaken with the Healthy Food Forum and included organisations like: Birmingham Food Council, Slow Food Birmingham, The Real Junk Food Project, Public Health England, the Food Foundation, BVSC, Birmingham City University, University College Birmingham, NHS Trust Sandwell

and West Birmingham, the Active Wellbeing Society, Greater Birmingham Chambers of Commerce, BCC Public Health service and several other BCC service areas. All stakeholders have been in favour of the project and expressed their support for greater cross-sectoral work this project offers.

6 Risk Management

- 6.1 The main risk is the impact of COVID-19 on delivery of the project including the impact on international travel. All the current EU funded projects led by BCC continue to successfully deliver against their targets. Therefore, the potential risk of not delivering against targets is being mitigated by the use of digital technology (webinars, e-conferences) and an increased frequency of on-line meetings. A risk of ineffective community engagement, in the case of restricted access to communities, will be mitigated by the use of existing city platforms like the Healthy Food Forum and Route to Zero that meet digitally and bring together a strong local partnership of organisations like the Birmingham Voluntary Sector Council (BVSC), the Active Wellbeing Society (TAWS), Slow Food Birmingham, the Real Junk Food Project and many more with direct access to communities across the city.
- 6.2 There is also a risk around audit and potential clawback of the external funding on the basis of eligibility or poor document/data retention/failure to comply with the funding conditions. This risk will be mitigated as tried and tested policies and templates are in place which are already in use on EU projects, and the Project Lead with European and International Affairs has a lot of experience in managing similar EU funded projects. See the attached Full Business Case (FBC) at Appendix 1 for further details.
- 6.3 BREXIT will not affect the delivery of this project. The project has already been approved by the European Commission and on signature of the contract will constitute a contractual obligation.

7 Compliance Issues

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

7.1.1 The acceptance of the H2020 grant supports the updated Birmingham City Council Plan 2018 – 2022. This project aligns with four of the six key priorities set out in this document. They are;

Outcome 1, Birmingham is an entrepreneurial city to learn, work and invest in. The project aims to foster improved partnerships and co-operation. This involves the private sector, including SMEs, research institutions, third sector and citizens. The project will support Public Health in their work on the new Food Policy for Birmingham by involving a large group of stakeholders in the conceptual work and testing and trialling new solutions. This is expected to become a new policy in the first year of the project. The project will support Research and Development and proof of concept activities to de-risk

investment. For instance, the pilot actions commissioned by the project will be chosen on the basis of innovation but also on their potential for replicability and scalability, and, based on their results, they will be linked to impact investment opportunities.

OUTCOME 2: Birmingham is an aspirational city to grow up in. Priority 4, improve early intervention to secure healthy lifestyles, will be supported by the project through promoting healthier diets, improving access to healthy and nutritious food for all and promoting healthy lifestyles and linking up to the work on active travel and active living.

OUTCOME 4, Birmingham is a great city to live in, Priority 4: We will improve the environment and tackle air pollution.

The project will aim to contribute to the Council's Route to Zero work by working with food producers and suppliers to reduce the distance from food producers to consumers.

OUTCOME 5, Birmingham is a city that takes a leading role in tackling climate change. The project will support the future Food Strategy for the city and will assist with its published principles of reduce, reuse and recycle. The project will aim to work with local businesses to encourage synergy and foster 'circular economy' where resources are kept within the economy and used again and again to create further value. Furthermore, gastronomy and hospitality, and public organisations will be assisted to minimise their food waste and food producers encouraged to minimise the use of plastic in food production, processing and distribution - this will be both through policy work and through the identification of practical scalable solutions.

- 7.1.2 The Council will agree the Social Value outcomes against which commitments are being sought (that will be completed using the Council's approved [template](#)) and agreed prior to the release of any grant funding.

7.2 Legal Implications

- 7.2.1 Under the general power of competence in Section 1 Localism Act 2011, the Council has the power to enter into the arrangements set out in this report and they are within the boundaries and limits of the general power of competence in Sections 2 and 4 of the Localism Act 2011.
- 7.2.2 Legal and compliance issues associated with the EU grant and project will be delivered within funding conditions set out in the standard grant agreement issued by the Horizon2020 Secretariat. Terms and Conditions have been reviewed and agreed by Legal Services and, in the context of the project, they are not deemed onerous and are acceptable to the Council. BCC officers in charge of the project have a comprehensive understanding of and are content with the terms and conditions outlined in the grant agreement and have the necessary measures in place to ensure compliance. Robust

management and monitoring processes will be put in place to ensure compliance as per other EU funded projects the team delivered to date.

7.3 Financial Implications

7.3.1 The total value of the FOOD TRAILS project proposal is £10.874m (€11.937m) of which £0.796m (€0.876m) has been awarded to BCC in its role as project partner, which represents 100% of the project cost and will be claimed up to the project end date of 30 September 2024. The profile of the expenditure is set out below.

	Financial Year					Total
	20/21	21/22	22/23	23/24	24/25	
	£m	£m	£m	£m	£m	
REVENUE CONSEQUENCES						
Revenue cost during project delivery	0.071	0.199	0.199	0.199	0.128	0.796
FUNDING SOURCES						
Horizon 2020	0.071	0.199	0.199	0.199	0.128	0.796

7.3.2 This project is a research and development project which will establish a new food policy for Birmingham. Any financial implications arising from the adoption of this policy will be identified in the subsequent report to Cabinet to approve adoption.

7.4 Procurement Implications

7.4.1 The Council will undertake several procurement exercises during the course of the FOOD TRAILS project. In total, the Council will procure services to a maximum value of £0.182m (€0.2m) for innovative pilot projects responding to the Food 2030 Priorities: (1) nutrition, (2) participation, (3) circular economy and the reduction of food waste and (4) carbon footprint and plastic reduction in accordance with the guidance set out in the H2020 grant conditions. This will be a transparent and open procurement activity aiming at identifying solutions to the most pressing food challenges in the city-region.

7.4.2 The value of this procurement activity is below the £0.2m limit where the Birmingham Business Charter for Social Responsibility applies; however, the proposed procurement will ensure that the Living Wage Policy is applied as appropriate.

7.5 Human Resources Implications

7.5.1 The Council will provide 2 Grade 5 (one Finance and Admin Officer in E&IA and one in Public Health Policy Officer), 2 Grade 6 (Project Manager E&IA and a Nutrition Cross-Cutting Manager) to manage the project with duties to be carried out by existing members of staff. The Council will administer the FOOD TRAILS project and with two Public Health staff included in the project, they are well placed to administer the required role of effectively directing the project and Birmingham's food policies. They are well equipped and possess the knowledge to direct project resources efficiently and effectively.

7.6 Public Sector Equality Duty

7.6.1 Initial Equality Analysis (EQUA487) has been carried out in July 2020 (see Appendix 3) which takes into account equality measures in the day to day activities in assisting companies. No equality issues have been identified that could impact the project during its delivery time.

8 Appendices

- 8.1 Appendix 1 Full Business Case
- 8.2 Appendix 2 Project Plan
- 8.3 Appendix 3 Equality Assessment

9 Background Documents

- 9.1 FOOD TRAILS Application Form accepted by the EC.