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|--------------------------|---|--|---------------------|
| <b>Subject:</b>          | <b>Approval for the city council to be the Accountable Body for the £24m prize from the Technology Strategy Board Future Cities Competition</b> |  |                     |
| <b>Date of Meeting:</b>  | <b>29 November 2012</b>   |  |                     |
| <b>Report of:</b>        | <b>Strategic Director Place</b>   |  |                     |
| <b>Contact Officer:</b>  | <b>Name:</b>  | <b>Emma McDermott</b>  | <b>Tel: 29-6805</b> |
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| <b>Key Decision:</b>     | <b>Yes</b>  |  |                     |
| <b>Ward(s) affected:</b> | <b>All</b>  |  |                     |

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 In August, the Council secured £50,000 from the Technology Strategy Board (TSB) to carry out a feasibility study on integrating city systems and producing a bid for £24m of grant funding to be used to fund demonstration projects which show how the integration of multiple city systems can be used to deliver a strong local economy, improve citizens quality of life, reduce the city's ecological footprint and increase its resilience to environmental change.
- 1.2 The feasibility study and bid was submitted to the TSB by its deadline of 14 November 2012. Brighton and Hove is one of thirty cities competitively bidding to be the sole beneficiary of the £24m funding allocation. If successful, the funding would need to be spent by March 2014.
- 1.3 Shortlisted local authorities will be interviewed by the TSB during the first week of December and the decision is expected in early January 2013.
- 1.4 If the bid is successful, the city council would be required to be the Accountable Body for the £24m.

**2. RECOMMENDATIONS:**

That the Policy and Resources Committee:

- 2.1 Agree to the council adopting the role of Accountable Body for the £24m grant funding to the council from the Technology Strategy Board in connection with the Future Cities Large Scale Demonstrator initiative, should the council's funding bid be successful.

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 At the Eco Technology Show in June this year, the TSB approached the city council to submit a proposal for feasibility funding under their Future Cities Large Scale Demonstrator initiative. The Council's proposals, set out in Annex 1, were submitted 5th July and an award of feasibility funding was confirmed 1<sup>st</sup> August. During August the Council canvassed a range of organisations (public, private and third sector) to register their interest in being involved in developing potential projects for inclusion in the feasibility study and bid. At the end of August a briefing session was held with over 30 participants setting out the timescales, project governance and process for delivering the feasibility study and the bid.
- 3.2 Consistent with TSB eligibility criteria, the £50,000 of feasibility funding was used to:
- Fund a project manager
  - Fund technical consultants to produce the feasibility study and write the final report and bid.
- 3.3 The council's initial proposal is summarised as:  
'Towards a One Planet Super City: Embracing and stimulating business and community innovation in designing and managing city systems that drive economic prosperity, health and social well being within the principles of an accredited sustainable development methodology - One Planet Living - accessible and visible to a wide range of audiences and with global appeal.'
- 3.4 In early September, the council put out an open call for proposals for city systems integration and received eighteen in total. All these proposals have been assessed against the TSB competition criteria, the city council's priorities, their deliverability within the timescale for the demonstrator and their feasibility.
- 3.5 The city systems considered for integration and subject of the feasibility study were:
- Engagement systems;
  - Creative & digital economy systems;
  - Tourism & visitor systems;
  - Transport systems;
  - Adult social care systems.

### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 A range of consultation events, workshops and one-to-one interviews with interested parties and key stakeholders took place as part of the feasibility study and bid development.
- 4.2 An event to feed back to interested parties on the final bid was held on 12<sup>th</sup> November.

## 5. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 5.1 The Council secured £50,000 from the Technology Strategy Board (TSB) which funded the production of a feasibility study and bid which was submitted to the TSB in November (as detailed in the report to Environment & Sustainability Committee on 17 October 2012).. The TSB anticipates awarding the £24m as a lump sum to the successful local authority and this is due to be announced in January 2013.
- 5.2 If the bid is successful the council would be required to be the Accountable Body for the £24m funding. The cost associated with the duties required as Accountable Body will be met through the grant funding. A detailed breakdown of the use of funding is required and must be included in the final bid. The TSB Guidance makes no mention of a fixed percentage of the funding for overall management although the direct costs of officers working exclusively on the programme will be eligible. Other eligible costs include: Overheads, Materials Consumed, Capital Equipment, Sub-contracts, Consultancy Fees (including Fees for Trial and Testing)
- 5.3 The grant funding associated with delivering the Future Cities Demonstrator must be delivered by March 2014 although there is likely to be some flexibility to this deadline and the TSB is awaiting further clarification from the Treasury.

*Finance Officer Consulted: Rob Allen*

*Date:31/10/2012*

### Legal Implications:

- 5.2 If the council is awarded the TSB grant of £24m and assumes the role of Accountable Body for those funds, it will need to comply with the obligations and any other terms and conditions imposed by TSB relating to that role, and needs to have regard to any risks or liabilities associated with the appointment including for example, appropriate expenditure of the funding.

*Lawyer Consulted: Oliver Dixon*

*Date: 05/11/12*

### Equalities Implications:

- 5.3 Equalities impact is being considered as part of the feasibility study.

### Sustainability Implications:

- 5.4 The feasibility bid headlines the council's commitment to using the One Planet Living framework. This is consistent with the bidding guidance which is seeking to allocate the funding to an initiative which delivers a strong local economy and excellent quality of life, whilst reducing the ecological footprint and increasing resilience to environmental change.

### Business impact

- 5.5 The 'One Planet Smart City' bid is likely to present considerable business opportunities, particularly to the digital and creative media industries in Brighton and Hove.
- 5.6 The Brighton and Hove Business Forum, the Economic Partnership and the Coast 2 Capital Local Enterprise Partnership have contributed to the development of the bid and are fully supportive of it.

### Crime & Disorder Implications:

- 5.7 None specific at this stage.

### Risk and Opportunity Management Implications:

- 5.8 The bid must set out a structured approach to risk management and include a detailed risk register.
- 5.9 The chances of success are 1:30. Should the final bid be unsuccessful there is an intention to re-use proposals in other guises including the refresh of the city's economic strategy and other emerging funding opportunities.

### Public Health Implications:

- 5.10 A proposal from the Food Partnership, working with the NHS, is being tested as part of the feasibility study.
- 5.11 The feasibility of a project to improve adult social care services is also currently being tested.

### Corporate / Citywide Implications:

- 5.12 The Council has an important facilitating role to play in supporting submission of a bid that offers economic, social and environmental benefits to the city.
- 5.13 If the bid is successful, delivery partners' and city council's policies will need to be aligned in order to deliver the outcomes set out in the bid.

## **6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 If the city council is successful, it will be required by the TSB to be accountable for the funds. Not submitting a bid would be the only alternative option.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 To seek the approval of the Committee for the Strategic Director Place to put in place the necessary structures and resources for the city council to act as the accountable body in order to implement the demonstrator between January 2013 and March 2014.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

- Appendix 1: Extract from the proceedings of the Environment & Sustainability Committee meeting to be held on the 28<sup>th</sup> November 2012 (to be circulated), together with a report of the Strategic Director; Place -Brighton & Hove Future Cities Demonstrator Bid and Feasibility Study (copy attached).
- Appendix 2: Extract from the proceedings of the Environment & Sustainability Committee meeting held on the 17<sup>th</sup> October 2012, together with a report of the strategic Director; Place - Update on Technology Strategy Board: Future Cities Demonstrator – Brighton & Hove City Council Feasibility Study and Bid (copies attached).

### **Documents in Members' Rooms**

Technology Strategy Board Bidding Guidance.

