

Agenda Item No:	6	
Committee:	Cabinet	
Date:	5th September 2022	
Report Title:	Funding, Bid and Project Management	

Cover sheet:

1 Purpose / Summary

- 1.1 To update Cabinet on the revised processes to successfully bid for and manage future and existing projects.

2 Key Issues

- 2.1 The current economic climate is having a significant impact on both cost and supply of resources to successfully deliver projects to both time and budget.
- 2.2 Government funding opportunities appear at short notice with challenging timelines and conditions for successful bid submissions.
- 2.3 Certain types of funding are asking for CFO sign off to state that any shortfalls will be “picked up” by the Council. i.e. Levelling up funding.
- 2.4 External funding can be finite and so far as is practicable, every effort will be made to ensure that all costs and eventualities are accounted for prior to submitting the bid but recognising that there may be some variance following the completion of any related tender exercise.
- 2.5 Mitigations including contingencies and project descopeing will need to be factored into proposals whilst balancing reality against the need to secure the funding.
- 2.6 Decision making may need to include pulling out of funding bids at an early stage, descopeing of live projects or at worst ceasing progress.

3 Recommendations

- 3.1 Cabinet to note the changes in agreed processes.

Wards Affected	All	
Forward Reference	Plan	<i>[Insert Reference No. From Forward Plan. (It is a legal requirement to include key executive decisions on the forward plan for 28 days before the decision requested in this report is taken).]</i>
Portfolio Holder(s)	All Portfolio Holders	

Report Originator(s)	Peter Catchpole, Corporate Director and CFO Paul Medd, Chief Executive Amy Brown, Head of Governance and Legal
Contact Officer(s)	Peter Catchpole, Corporate Director and CFO Paul Medd, Chief Executive Amy Brown, Head of Governance and Legal
Background Papers	None

Report:

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 The current economic climate is having a significant impact on both cost and supply of resources to successfully deliver projects to both time and budget. Additionally, Government funding opportunities appear at short notice with challenging timelines and conditions for successful bid submissions. In some cases these conditions are asking for CFO sign off to state that any shortfalls will be “picked up” by the Council. i.e. Levelling up funding.
- 1.2 These factors are making it increasingly difficult when submitting bids for funding and this coupled with the finite nature of the funding makes it vital that the submission is as “watertight” as possible. It is therefore of great importance that every endeavour is made to provide assurance at bid stage to ensure that all costs and eventualities are accounted for. However, this is difficult as deadlines and process mean that estimates have to be provided before any actual costs can be ascertained through tendering.
- 1.3 It is therefore crucial that mitigations including contingencies and project descoping are factored into these proposals whilst balancing reality against the need to secure the funding within the timescales provided.
- 1.4 Perhaps even more crucially, decision making will need to range from choosing not to bid for certain funding opportunities to both descoping or stopping projects completely if the situation becomes financially untenable.

2 REASONS FOR RECOMMENDATIONS

- 2.1 In light of the above, it is deemed necessary to further strengthen our own internal processes to reflect the extra robustness needed to manage both funding bids and live projects in the current environment.

3 CONSULTATION

N/A

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There are many principles and guidelines for managing projects but it is felt that this is an enhancement to existing processes rather than a major overhaul. It is intended that the revised process reflects continuous improvement and evolution of existing practises.

5 IMPLICATIONS

5.1 Legal Implications

- 5.1.1 The proposed strengthening of existing arrangements in relation to the process for applying for an accepting grant funding accord with the Council's commitment to consistent and transparent decision making.

- 5.1.2 Paragraph 10 of Table 5 of Part 3 of the Constitution makes the following delegations in relation to the allocation of external funding awarded to the Council and entry in to the associated financial and legal agreements associated with that:

- Up to £100,000 – Corporate Directors in consultation with the relevant Portfolio Holder and Leader of the Council;
- Between £100,001 and £500,000 – Cabinet Member and Leader of the Council;
- Over £500,001 – Cabinet.

- 5.1.3 The existing constitutional provisions and proposed updates therefore ensure that there are adequate opportunities for member and officer input and engagement throughout the process and that the overall impact of bidding for/accepting the funding can be properly assessed in line with existing budgetary/resourcing provisions.

5.2 Financial Implications

- 5.2.1 The financial implications will be different for each bid submission and project managed and these revisions seek to include finance support at all stages of the process. The financial risk will obviously vary according to the amounts involved and, although a monetary limit is not being suggested, there is undoubtedly a bigger risk on higher value projects that require a Council contribution.

5.3 Equality Implications

N/A

6 SCHEDULES

- 1 Checklist**
- 2 Bid Management Process**
- 3 Project Management Process**

SCHEDULE 1

Checklist

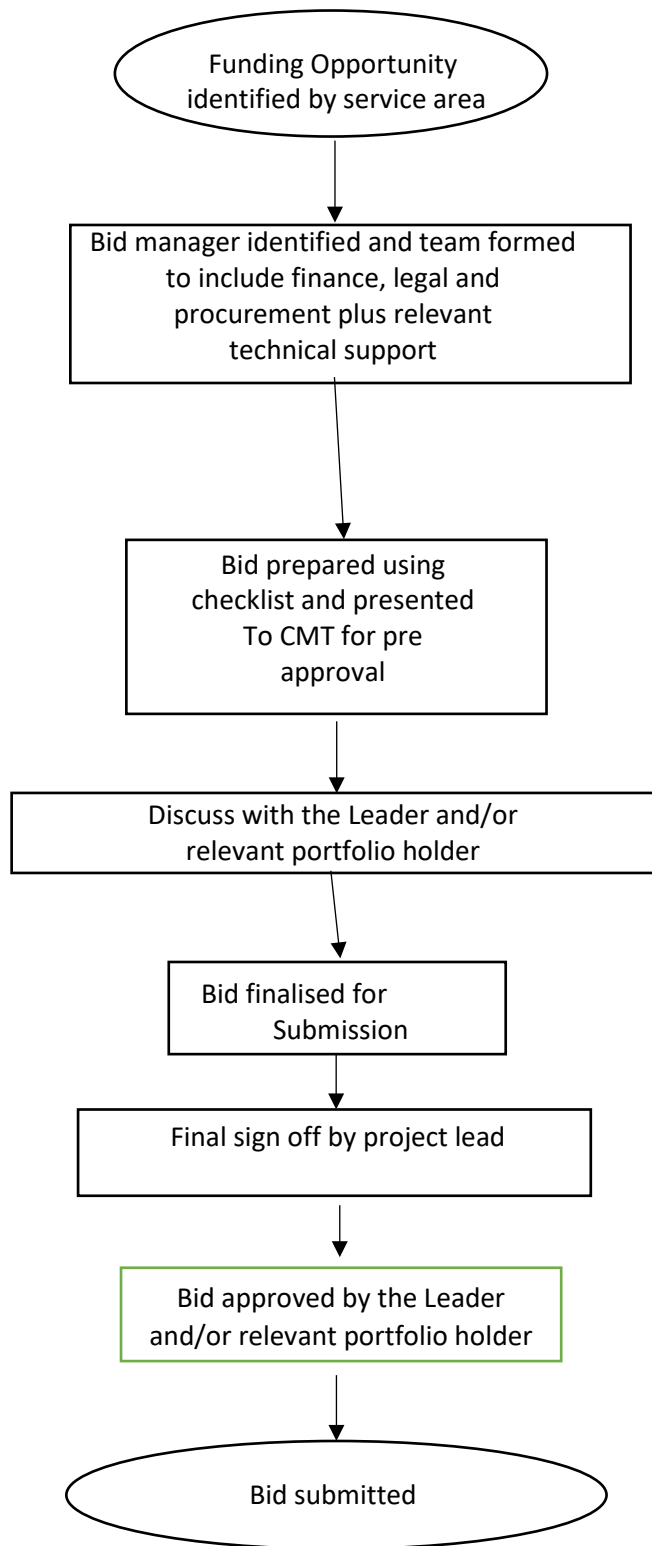
Simplistic flow charts are attached at schedules 1 and 2 and a checklist is to be implemented which will cover the following:-

The aims and scope of the project, the business case and budget, the team including stakeholders and their responsibilities and partners if necessary. To achieve this the following questions must be addressed:-

- How and when will this be delivered, internally (is there adequate resource) or externally?
- Define project governance arrangements i.e. member steering group members, project lead officer, officer project team members (including any relevant external partner reps).
- Who will lead on the bid and then subsequently the project itself?
- Is capacity in line with the expected delivery timescales?
- What are the delivery timescales?
- What is the projected total cost of delivering the project from inception to completion? And is the project viable?
- Have all costs including contingencies, officer and consultant time been factored into the bid?
- Has the proper governance route been followed and a full audit trail in place according to the type of bid? i.e. Matched funding, partner contributions, funding agreements, FDC exposure?
- Have all financial and legal implications been assessed including subsidy control?
- Is there scope for project de-specification as a financial risk mitigation?
- Are the appropriate Portfolio Holders and Cabinet where required adequately sighted and bought into the bid and subsequent project?
- Are quality management and monitoring processes in place including due diligence and regular monitoring of partners?
- Has an appropriate risk assessment been undertaken for the project?
- Is a risk register in place to identify, monitor and log issues?

SCHEDULE 2

Bid management process map



SCHEDULE 3

Project management process map

