

# ARUN DISTRICT COUNCIL

## REPORT TO AND DECISION OF FULL COUNCIL ON 17 MARCH 2021

**SUBJECT: HM Treasury Levelling Up Fund**

**REPORT AUTHOR:** Nigel Lynn, Chief Executive

**DATE:** 17 March 2021 **EXTN:** x37600

### **EXECUTIVE SUMMARY:**

This report is presented to Full Council as an urgent item, as permitted in the Council's Constitution (Part 5, Section 1, 3.1, viii). The new Levelling Up Fund has been introduced by the Government to address the needs of individual places and the strategic case for investment. The Fund is especially for deprived towns and coastal communities of which the Arun District contains both deprived towns and such coastal communities. Arun District Council fits within Category 2 of the bidding level and bids could be successful "if they are of the exceptional quality". Bids are required by 18 June 2021. The Council, therefore, needs to urgently convene a Member Working Party to consider the Council's options with regards to a bid to enable the possible success of achieving the maximum amount of money from The Fund for the community.

### **RECOMMENDATIONS:**

It is recommended to Full Council to:

- i) Agree to set up a Levelling Up Fund Working Party with the necessary political balance; and
- ii) That the Working Party's remit will be to advise Officers on their project preferences for bidding, including the priority order.

### **1. BACKGROUND:**

- Very recently, the Chancellor of the Exchequer, Rishi Sunak, has launched the Levelling Up Fund Prospectus, worth £4.8bn, to be spent by 2024. The Prospectus is attached in the Background papers.

#### **Introduction**

- The Fund is for "things that strengthen the local economy and build civic identity, the infrastructure of everyday life". In the introduction, the Chancellor refers to "the needs of individual places and the strategic case for investment". The Fund is "especially for deprived towns and coastal communities". Local stakeholder support, plus the local MP ("expect to consult your MP") is "at the heart of its mission". The Chancellor

wants people to be able “to look around their towns and villages and recognise that their communities are better off than they were five years ago”.

### **Main points of The Fund are:**

- The projects will be smaller in scale, regenerating a town centre, providing local investment in cultural facilities and upgrading the local transport infrastructure
- Projects must be visible and have a tangible impact on people and places in need
- There will also be the Community Renewal Fund (£220m) which will take over from the EU Structural Fund, and the Community Ownership Fund to empower local communities to protect vital local assets
- £800m will be used for Scotland, Wales and Northern Ireland, leaving £4bn
- “Capacity funding” will be made available to those “most in need” to develop bids and later bidding rounds, although these funds are unlikely to be available for this stage and the Council will need to fund this work from existing budgets
- Local MP’s are expecting to back one bid as a priority
- Projects can be up to £20m, although higher bids can be accepted for “exceptional bids”
- All bids need relevant approvals
- Projects need to have consulted with stakeholders
- Councils can put in multiple bids (up to the £20m) but must spread their projects “fairly and equitably” within the Council boundary
- Projects must target pockets of deprivation

### **There is a focus on three main themes:**

1. Transport – e.g. cycling, bus, transport, disabled, roads
2. Regeneration and town centre investment – e.g. eyesores, dated facilities, safe community spaces
3. Cultural investment – e.g. museums, galleries, visitor attractions, support for the arts, theatres, arts venues.

### **Other factors to consider in the bid:**

- Projects must make a visible impact in their local areas
- Net zero Carbon must be considered – impact on nature and flooding
- Impact of COVID 19 on local High Streets
- Whilst improving the public realm, projects should design out crime and ASB
- Projects could attract tourists to bolster local business
- Support for culture and heritage bids that strengthen communities
- Investments should complement, rather than compete, with current funding
- Community assets, spaces and green spaces can be considered
- The Fund can be used for key cultural sites
- The Fund identifies three levels of Category, 1, 2 or 3, with 1 being the highest priority and the most likely to be funded. This will be the basis of the funding. ADC is a Category 2 (along with Adur), whilst the rest of West Sussex is a level 3. Levels 2 and 3 bids could be successful “if they are of exceptional quality” the Prospectus states. Category bids from 2 & 3 will only be considered on the “merits of deliverability, value for money and strategic fit”.

- Packaged bids must represent the highest value for local priorities and have a coherent set of interventions. However, there is a maximum of three bids in the package.
- There should be a local financial contribution of “at least 10%”.

**Timing:**

- It is a high priority for the Government that projects must be “on the ground” in 2021/22. Bids are required by 18 June 2021 and a decision will be made by the Autumn 2021 (therefore, we will only have between the Autumn 2021 and Spring 2022 to mobilise our project if successful). To enable this timing to be met, Officers will need to reply on preparatory work they have already completed as a starting point.

**2. PROPOSAL(S):**

To agree to set up a Levelling Up Fund Working Party (held in private) with the necessary political balance, to advise Officers on project preferences for bidding, including the priority order. Cabinet in May 2021 (date still to be determined) will decide on the final bid to The Fund, because this is a Cabinet function (Article 7 Paragraph 1)

**3. OPTIONS:**

To set up a Levelling Up Fund Working Party, which will meet in private, or; to recommend an alternative course of action

**4. CONSULTATION:**

The Chief Executive has consulted with the five Political Group Leaders. Political balance will need to be agreed by Group Leaders. If there is no consensus, the Leader will determine, as this is a Cabinet function within the Constitution.

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		No
Relevant District Ward Councillors		No
Other groups/persons (please specify) – The five political Group Leaders	Yes	
<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	<b>YES</b>	<b>NO</b>
Financial	Yes	
Legal		No
Human Rights/Equality Impact Assessment		No
Community Safety including Section 17 of Crime & Disorder Act		No
Sustainability		No
Asset Management/Property/Land	Yes	

Technology		No
Safeguarding		No
Other (please explain)		

**6. IMPLICATIONS:**

The Levelling Up Fund provides an opportunity for the Council to receive Government funding for some of its regeneration projects for its town centres. It is important that such opportunities are taken as the next phase of funding, probably aimed at category 2 and 3 areas, may not be for a few years (2024?).

**7. REASON FOR THE DECISION:**

To enable officers and Members to urgently consider the use of the Levelling Up Fund.

**8. BACKGROUND PAPERS:**

To view the Levelling Up Prospectus [referred to as Appendix A in the report] – please click on this link - [The Prospectus](#)