Agenda Item 8



Open Report on behalf of Andy Gutherson, Executive Director - Place

Report to: Executive

Date: **02 June 2021**

Subject: Levelling Up Fund - Update

Decision Reference: n/a
Key decision? n/a

Summary:

The county council has the opportunity to make two bids into the funds that the government has made available for regional growth – the UK Community Renewal Fund and the Levelling Up Fund. This paper explains that LCC is the lead organisation for Community Renewal Fund and has run a consultation programme which has led to projects which will support employment, skills, business, and place. The paper goes on to explain that as the local highway authority LCC can make one bid to the Levelling Up Fund. Because of the economic impact and because of deliverability the bid that is being developed by LCC is for transport improvements on the A16 between Boston and Spalding. Bids should be submitted on 18th June 2021.

Recommendation(s):

It is recommended that the Executive notes and comments on the work being carried out to prepare full bids by LCC for the UK Community Renewal Fund and for the Levelling Up Fund.

1. Background

LCC, along with the LEP and other partners, produced an economic recovery strategy which seeks to tackle the problems created by Covid-19 and the subsequent lockdown. The government's UK Community Renewal Fund and Levelling Up Fund provide a good opportunity to deliver aspects of that economic recovery strategy.

UK Community Renewal Fund

This is a revenue based programme which will operate for just one year, until March 31st 2022. The government's intention is to learn from the implementation of the UK Community Renewal Fund in order to design its long-term successor, the UK Shared Prosperity Fund. County councils have been asked to lead UK Community Renewal Fund

programmes, following an open and transparent call for projects. LCC has been told that our bid can have a financial ceiling of £9.000m. However, it should be noted that the entire UK Community Renewal Fund budget is smaller than the amount of budgetary ceilings which have been announced, so it is quite possible that even strong bids will receive less funding than their ceiling budget.

LCC can be an applicant as well as the manager of the UK Community Renewal Fund programme. A very clear separation of duties has been made between applicants and fund managers within LCC.

LCC has submitted four bids in our own right into the process. These bids fit with the programme of work that LCC has been delivering in support of the economy for some time.

The bids made by LCC include a substantial amount of small business grants in order to address the demand from the Covid business grant programme that the council ran in spring 2021. By way of an update as of 21st May the following had occurred:

- 276 businesses had been paid their Business Recovery Grant to a value of £2.077m
- 140 businesses have been asked for extra details for their Business Recovery Grant bid totalling £0.980m. Assuming that satisfactory details are received then these will be paid within seven days.
- 232 businesses have been paid their first tranche of the Digital Voucher Scheme totalling £0.550m
- 84 businesses have been paid their first tranche of Rural Business grant totalling £0.480m
- 18 businesses have had their Invest for the Future submissions approved totalling £1.235m

In addition, one of the bids has a strong focus on delivering the council's Green Masterplan, one of the bids provides support for entrepreneurs and young business leaders which was a priority for the previous Environment and Economy scrutiny committee, and one of the bids provides training in digital skills which has been a priority arising from the council's joint LEP/LCC Employment and Skills commissioning board.

The recommendations of the council's Tourism Commission have been incorporated into the bids, UK Community Renewal Fund would give us the opportunity to increase and accelerate our plans, but again by way of an update on progress of the Tourism Commission's recommendations:

 www.visitlincolnshire.com is now live with 400 businesses and attractions on the site, a second phase will substantially increase the number of businesses and attractions and will be launched shortly. The website is receiving around 10,000 visits per month which is a substantial improvement on the same period pre-Covid but we will shortly be launching a social media campaign to increase traffic to around 100,000 visits per month

- A green tourism toolkit is being produced to help businesses to market their green credentials which is an increasing factor for those tourists who are looking for quality holidays
- We have supported Visit Lincoln in creating a Cycle Lincolnshire guide and we are now exploring how to package up attractions under further themes which are attractive to visitors –walking, natural coast, different age groups, etc
- We are preparing information on quality careers in the visitor economy which will inspire young people to seek employment in the sector and help to tackle recruitment gaps

Officers will continue to assess the submissions to the UK Community Renewal Fund and the content of our final programme will be subject to approval by the Leader of the Council(Executive Councillor for Resources, Communications, and Commissioning) before it is submitted.

Levelling Up Fund

The Levelling Up Fund has two strands. Firstly, there is funding of up to £20m which district councils can apply for, primarily those district councils in priority one areas which in Lincolnshire are Boston, City of Lincoln, and East Lindsey. Secondly there is funding of up to £20m, and by exception up to £50m, which the local transport authority can bid for one transport scheme.

We understand that all three priority district councils will be bidding for Levelling Up Fund, and that West Lindsey will also make a bid of £8.500m for a Gainsborough regeneration scheme.

LCC can make a bid for a transport scheme, and the approach that has been taken is to ensure that the project is deliverable within the Levelling Up Fund timeframe (i.e. completed by 31st March 2024) and that the project is appropriate to the finance that is available (i.e. that it is similar to the Department for Transport pinchpoint funding that was used to create the Levelling Up Fund). The government has said that it also expects all transport projects to include elements of walking, cycling, and potentially bus provision within them.

Because of the importance of the food sector to Lincolnshire's economy, and of the sector to employment within the South East of the county, transport projects in this area have been prioritised for the Levelling Up Fund. A bid for schemes in this area has been

described as "a down payment" for government investment in tackling the substantial congestion problems in the area to which the council is committed.

We have used the work done within Highways on the review of the Route Action Plan to determine which schemes would be deliverable for any bid. This review identified the schemes which would have the greatest impact on road traffic flows and which have the strongest business case ratio. Separately, officers have used the data in the Route Action Plan review and other information to identify which schemes could be deliverable within the Levelling Up Fund timeframe.

The project that has evolved from this process incorporates improved junctions at A16/A151 Spalding (Springfields), A16/B1180 at Spalding (Greencell), and the A16 (Marsh Lane) junction in Spalding. Improvements to cycling and walking in the Marsh Lane area are included as is feasibility research into the dualling of a section of the A16 in Kirton. These schemes will have a beneficial impact on the economy by easing congestion in Boston and Spalding, an area that we know to be home to an important sector and employer. The detail in the bid will continue to be refined between now and the bidding deadline of 18th June 2021.

It should be noted that this scheme is a Levelling Up Fund bid and is constrained by the rules of the fund particularly concerning deliverability. Separately, and as a priority using our own resources, LCC are undertaking detailed feasibility and design work for routes to relieve congestion in the town centre.

The content of our final bid will be subject to approval by the Leader of the Council (Executive Councillor for Resources, Communications, and Commissioning) before it is submitted.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.

Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- 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.
- 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.

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.

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 tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

Equality Act implications of the bids will be reported to the Leader of the Council as part of the final decisions to submit bids.

Joint Strategic Needs Analysis (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision.

JSNA and JHWS implications of the bids will be reported to the Leader of the Council as part of the final decisions to submit bids.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including

anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

Crime and disorder implications of the bids will be reported to the Leader of the Council as part of the final decisions to submit bids.

3. Conclusion

In summary, UK Community Renewal Fund and Levelling Up Fund are two short-term funding opportunities. They provide the opportunity to deliver some short term and targeted activity in support of the economic recovery plan whilst we continue to target more strategic and larger scale activity through other funding sources.

4. Legal Comments:

The Report seeks the view of the Executive on proposed submissions to the UK Community Renewal Fund and the Levelling Up Fund to inform the development of proposals for ultimate approval by the Leader of the Council (Executive Councillor for Resources, Communications and Commissioning).

5. Resource Comments:

It is expected that elements of matched funding will be required to support the bids to the Community Renewal Fund and the Levelling Up Fund. This matched funding will be met from the approved capital programme and will be identified ahead of a final bid being approved and submitted.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Report has not been considered by a Scrutiny Committee

d) Risks and Impact Analysis

See the body of the Report

7. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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