

SUBJECT: UK Government Funding Opportunities: Levelling

Up Fund and Community Renewal Fund

MEETING: CABINET

DATE: 09th June 2021

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

To consider the Council's proposals for the submission into two UK Government funding opportunities; Levelling Up Fund and Community Renewal Fund and provide a strategic overview of the emerging projects and priority areas.

2. RECOMMENDATIONS:

2.1 To endorse the strategic direction of travel as set out within the report and to note the bid criteria and deadlines which define the shape of the projects that are eligible for submission.

3. KEY ISSUES:

- 3.1 The UK Government has launched three investment programmes which aim to level up communities across the country. These new investment programmes are:
 - The UK Community Renewal Fund
 - The Levelling up Fund
 - The Community Ownership Fund (launch anticipated later this year)

3.2 The UK Community Renewal Fund (CRF):

- 3.2.1 UK Government is providing £220 million of funding, for 2021/22, to help local areas prepare for the launch of the UK Shared Prosperity fund in 2022. This fund aims to support people and communities most in need across the UK, to pilot programmes and new approaches, that will invest in skills, community and place, local business, and supporting people into employment.
- 3.2.2 The European Union Structural Funds end in 2023 following the UK's exit from the European Union. UK Government has committed to at least matching the EU receipts through the UK Shared Prosperity Fund, which will average around £1.5 billion per annum and will publish an Investment Framework for the UK Shared Prosperity Fund later this year.
- 3.2.3 UK CRF is a capacity building fund to pilot projects within this financial year and look to tackle challenges and trial new approaches and ideas at a local level. The Fund provides an opportunity to help build upon creating a safer, greener, more prosperous, and neighbourly country as we emerge from the COVID 19 pandemic.

3.3 Funding priorities and Criteria:

- 3.3.1 The UK CRF is designed to explore how to tackle local and unique challenges whilst addressing four UK Government Investment priorities:
 - Investment in skills
 - Investment for local business

- Investment in communities and place
- Supporting people into employment

The projects also need to build on local insight and knowledge and demonstrate a contribution to net zero carbon objectives or wider environmental considerations. This can include low or zero carbon best practice, adopting and supporting innovative clean technology where possible, supporting growing skills and supply chains in support of net zero where possible.

3.3.2 Strategic Alignment and Complementarity

As set out within the UK CRF prospectus, projects need to be able to evidence their strategic fit and link to local economic and business need; target people most in need and support community renewal.

3.3.3 Eligibility Criteria

Each Local Authority is the lead body for the submission of proposals to UK Government and will be responsible for the administration of up to £3 million to support the priorities set out. There are several eligibility criteria that must be met including (but not limited to):

- Projects to be delivered by a legally constituted organisation that can receive public funds;
- Evidence wider impact for multiple individuals, businesses, or other organisations
 bids from single businesses will not be accepted.
- Maximise impact and deliverability through larger projects (£500k) where possible;
- 90% revenue/10% capital funding overall, bids to calibrate accordingly;
- Maximum cap of £3m per Local Authority area;
- Complete delivery of activity and reach financial conclusion by 31 March 2022

3.4 Timeline

- 3.4.1 The timeline for the preparation of bids and submissions to UK Government is challenging. The bid development timeline is as follows:
 - The fund was opened to applications from local businesses, groups, voluntary and community sector organisations and internal departments across the County on Wednesday 21st April 2021 and the application window closed at 17:00 on Friday 14th May;
 - Appraisals were undertaken by officers within MCC and the Vale of Usk Local Action Group, who oversee the administration of the Rural Development Programme, on the 27th May 2021;
 - Projects must be shortlisted and prioritised to a maximum value of £3m.
 - MCC must submit shortlisted projects to UK Government by noon on 18th June 2021.
 - UK Government will assess the proposals and select projects based on the criteria
 it is estimated that this will happen in July 2021;
 - Subject to funding being awarded by UK Government, MCC will issue Grant agreements to successful bidders and will undertake monitoring and assurance activity.

3.5 **Applications Overview**

3.5.1 A total of 20 applications have been received from a wide variety of local groups, voluntary and community sector organisations, businesses and internal departments totalling £4,166,546. These applications need to be shortlisted and prioritised to the maximum value of £3m.

The quality of submissions has been excellent, and the projects range from:

- Digital marketing training and mentoring package for local businesses;
- Support for social housing providers with a particular emphasis on 'greener energy' optimisation and apprenticeship opportunities;
- A range of business support packages;
- Technology to support cleaner, greener communities;
- Feasibility studies for leisure and heritage sites;
- Support for the sustainability of community activities and events;
- Regional approach to employment skills;
- Community arts for young people;
- Integrated well-being provision;
- Data poverty trials;
- Collaborative approaches to sustainable food development.

3.6 The Levelling Up Fund (LUF)

- 3.6.1 The £4.8 billion Levelling Up Fund which is available until 2024/25, will invest in infrastructure that improves everyday life across the UK, including regenerating town centres and high streets, upgrading local transport, and investing in cultural and heritage assets.
- 3.6.2 The UK LUF is open to all local areas in the UK and funding will be prioritised for areas which have the most significant need referenced by a priority category. In the first round of funding, the LUF will also prioritise projects which will be able to demonstrate investment or "begin delivery on the ground" (also termed "shovel ready") in the 2021/22 financial year.
- 3.6.3 The LUF can be used by Local Authorities to invest in:
 - Transport investments including (but not limited to) public transport, active travel, bridge repairs, bus priority lanes, local road improvements and major structural maintenance, and accessibility improvements. UK Government are requesting proposals for high-impact small, medium and, by exception, larger local transport schemes to reduce carbon emissions, improve air quality, cut congestion, support economic growth, and improve the experience of transport users.
 - Regeneration and town centre investment, building on the Towns Fund framework (this fund was not available in Wales) to upgrade eyesore buildings and dated infrastructure, acquire and regenerate brownfield sites, invest in secure community infrastructure and crime reduction, and bring public services and safe community spaces into town and city centres.
 - Cultural investment maintaining, regenerating, or creatively repurposing museums, galleries, visitor attractions (and associated green spaces) and heritage assets as well as creating new community-owned spaces to support the arts and serve as cultural spaces.
- 3.6.4 Capacity funding of £125k will be allocated to each local authority in Wales to help support the development of high quality of bids to the fund and ensure that investment is targeted where it is needed most.

- 3.7.1 Members of Parliament, as democratically elected representatives of the area can back one bid that they see as a priority (transport related bids are in addition). The number of bids that a local authority can make will relate to the number of MPs in their area. For Monmouthshire County Council we can submit three bids as follows:
 - Monmouth Constituency
 - Newport East Constituency
 - Transport
- 3.7.2 Each bid can total up to £20m Capital funding only and in exceptional circumstances a transport bid may range between £20m and £50m.
- 3.7.3 Each local authority has been categorised as measured by an index taking into account the following place characteristics:
 - Need for economic recovery and growth;
 - Need for improved transport connectivity; and,
 - Need for regeneration.

Local Authorities have been placed into a category of 1, 2, or 3 with category 1 representing places with the highest levels of identified need. These bandings will form part of the criteria for assessing bids. While preference will be given to bids from higher priority areas, the bandings do not represent eligibility criteria, nor the amount or number of bids a place can submit. Bids from categories 2 and 3 will still be considered for funding on their merits of deliverability, value for money and strategic fit, and could still be successful if they are of exceptionally high quality.

3.7.4 Monmouthshire County Council has been placed in category 3. The Levelling Up Fund prioritisation of places methodology note can be found here:

https://www.gov.uk/government/publications/levelling-up-fund-additional-documents/levelling-up-fund-prioritisation-of-places-methodology-note

3.7.5 A minimum contribution of 10% match funding must be included in the bid. This can come from a local authority or other third party (public or private sector). This match funding cannot be "time in kind."

3.8 Timeline

- 3.8.1 Bids must be submitted to UK Government by noon on the 18th June 2021 and UK Government have given an indication that they will make an announcement on the successful bids by the end of Summer/ early Autumn this year.
- 3.8.2 All funding provided by LUF must be spent by 31st March 2025.
- 3.8.3 Further detail on how future rounds of the LUF will operate from 2022/23 onwards are expected later this year.
- 3.8.4 If we are successful in securing both bids, we are unable to bid again or extend our bid within the programme. If we are unsuccessful in this funding round, we will receive feedback from UK Government on the bid/s submissions and will be able to resubmit them in future rounds.

3.9 Bid Overview

- 3.9.1 Consideration has been given to the LUF prospectus, criteria, and eligibility along with our local strategic priorities to determine projects that would be suitable for submission to UK Government in line with the timelines set out.
- 3.9.2 An extensive list of options was initially prepared by officers and this was quickly reduced to focus on two geographical areas in Monmouthshire, in particular Monmouth Town Centre and Caldicot Town Centre.
- 3.9.3 ARUP consultancy has been commissioned to support officers in the preparation of the Monmouth LUF bid (Monmouth constituency) and Chris Jones has been commissioned to support the preparation of the Caldicot bid (Newport East constituency).
- 3.9.4 <u>Monmouth</u> Each package bid may include up to three individual projects, but 'weak' projects may jeopardise the chance of success of the bid overall. At this stage projects being considered are:
 - Shire Hall development;
 - Future use of Market Hall;
 - Monnow Street / Town Centre public realm design/enhancement:
 - Blestium Street project (prepared in 2014);
 - Active travel demands (over and above projects supported by WG funding).

A risk assessment is being undertaken to establish which projects to include and which to simply refer to within the bid.

- 3.9.5 <u>Caldicot</u> Again when submitting a package bid, three projects may be included. At this stage projects being considered include:
 - Newport Road (Town centre) public realm refurbishment;
 - Leisure Centre and skate park modernisation;
 - Future Castle and countryside park offer;
 - Town Centre property acquisition/enhancement;
 - Active Travel links.

A risk assessment will establish which projects should form part of the bid.

- 3.9.6 <u>Transport</u> Early discussions have taken place with Forest of Dean colleagues and further conversations are anticipated with Gloucestershire County Council members and officers to establish support for a joint bid for the continuation of the Chepstow Transport study (road solutions). At this time, it is considered impractical to deliver any significant road infrastructure works (bypass) within the LUF timescales. Therefore, a transport bid is not being pursued for the June 18th 2021 deadline. (Although separate funding has been obtained from WG in 21/22 to fund a WelTAG stage 3 report into public transport options). A transport bid can be submitted within the next round and officers will continue to consider options that can be prepared that are in line with the eligibility criteria and delivered in their entirety by 2024/25.
- 4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):
- 4.1 The proposals and projects demonstrate compliance with the well-being five ways of working, support the well-being goals and associated activities are expected to have a positive impact on all groups and people with protected characteristics.

5. OPTIONS APPRAISAL

5.1 An options appraisal has been undertaken in Table One below.

Table One: Options Appraisal

Option	Benefits	Risks	Comments
Do nothing	None identified	 Local communities will not be able to access funding to trial some new innovative schemes; Local communities and businesses could miss out on the opportunity to see their local area being developed; Local businesses will risk closure; Current shift towards sustainable modes of transport and active travel activities may be lost. 	
Proceed with proposed developing proposals	 Opportunity to capitalise on the renewed sense of community and place; Opportunity to trial new and innovative approaches that will benefit local communities; Opportunity for local High Streets to benefit from those workers working from home and the potential for them to shop locally; Opportunity to reimagine and re-energise our town centres for future generations. Opportunity to provide a strong visitor offer in two of our towns. Opportunity to modernise our leisure and play offer in Caldicot. Opportunity to improve placemaking and support Active Travel, supporting wellbeing and reducing carbon emissions. 	 Some changes may be misunderstood so a strong communications campaign will be required to mitigate uncertainties; Some residents will be resistant to change which may invoke local tensions; A cultural change will be needed to accept that the car is no longer king and active travel links will be prioritised. 	An opportunity to reinvigorate and reimagine our town centres.

6. REASONS

- 6.1 The UK is continuing to live through unprecedented times. As the country moves forward and life starts to return to a semblance of normality or move to living with COVID and a "new normality," there will be continuing uncertainty for our communities and local businesses.
- 6.2 As a Council, the Strategic Aims of the new 'Plan on a Page' for Spring and Summer 2021, clearly support the aspirations of these projects and bids. The outline proposals and projects detailed in this report provide an overview of the UK CRF and LUF proposals

which will support our citizens, businesses, and communities along the road to financial recovery.

7. RESOURCE IMPLICATIONS

- 7.1 The full programme of LUF projects is yet to be determined and as a result, yet to be fully costed. Time has not allowed for all proposals to be fully costed in any detail in time for this report. However, as the bids are developed for the 18th June 2021 this will be determined.
- 7.2 Below are high level estimates of project costs at the time of writing but the full and final bid will include only those projects from these lists which are considered sufficiently robust enough such that they will not jeopardise the bid overall. As the bid preparation progresses up to 18th June the estimates will be further refined so these estimates are simply indicative of the gross cost at this time and may vary significantly as projects are specified in greater detail:
 - Shire Hall development; £2.6m
 - Future use of Market Hall: £500k
 - Monnow Street / Town Centre public realm design/enhancement; £3.5m
 - Blestium Street project (prepared in 2014); £3.5m
 - Active travel demands (over and above projects supported by WG funding). N/A
 - Newport Road (Town centre) public realm -refurbishment; £3.0m
 - Leisure Centre and skate park modernisation; £8.0m
 - Future Castle and countryside park offer; £500k
 - Town Centre property acquisition/enhancement; £5.0m
 - Active travel links. (Newport Road west) £2.0m
- 7.3 As set out within section 3.7.5 the LUF bids also require a minimum 10% match funding contribution. This match funding can come from a local authority or other third party (public or private sector) and must be included as match funding in the bid. This match funding cannot be "time in kind."
- 7.3 At this stage the preparation of the LUF bids requires significant MCC officer time and support from specialist consultancies. This is estimated to cost no more than £50,000 and will be funded from the LUF budget made available to each authority to support the preparation of bids and any subsequent works required.
- 7.4 Should either of the bids be successful then there will be further demands upon MCC officers and consultancy support to turn the bids into successful delivery within the timescales of the LUF process. The 3rd party costs will be estimated within the LUF bids. A successful bid will include funding from LUF, other grants and MCC capital. In the event of the bids being successful then reports will be prepared to establish MCC capital funding in support of the bids.
- 7.5 In contrast, the UK CRF bids are 100% funded and therefore there are no match funding requirements however 'in kind' MCC Officer support will be provided to maximise their success.

8. CONSULTEES

- MP's;
- Strategic Leadership Team;

Cabinet;

9. BACKGROUND PAPERS

https://www.gov.uk/government/collections/new-levelling-up-and-community-investments

10. AUTHORS:

Frances O'Brien, Chief Officer Enterprise

Lead officers

Cath Fallon, Head of Enterprise and Community Animation
Mark Hand, Head of Placemaking, Regeneration, Highways and Flooding
Roger Hoggins, Head of Strategic Projects
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11. CONTACT DETAILS:

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Appendix B



Future Generations Evaluation (includes Equalities and Sustainability Impact

Name of the Officer Frances O'Brien	UK Government Funding Opportunities
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Name of Service: Enterprise	Date: Future Generations Evaluation 27th May 2021

NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc.

1. Does your proposal deliver any of the well-being goals below?

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	Positive: Providing the infrastructure to enable citizens to enable communities to thrive and support local businesses.	There is a strategic imperative to maximise our economic growth and wealth creation capability, and increase our productivity in order to increase the GVA for the county and the country.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and	1,	Improved infrastructure can also enable citizens to walk and cycle thus reducing carbon emissions.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
can adapt to change (e.g., climate change)	of biodiversity and climate change issues and encourage positive participation.	
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Positive: Improvements to our town centres will help provide increased raise awareness of the benefits of physical activity. Improvements and modernisation of one of our leisure centres will provide the opportunity for increased physical activity and improve mental wellbeing.	Improved place-making and green infrastructure will provide the opportunity to increase physical activity and support physical and mental wellbeing and support Active Travel.
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Positive: Improved access to our town centres will promote independence. Negative: We can submit only one bid per political constituency so some communities may feel left out.	Improved infrastructure will encourage wider participation in community and voluntary work. Bids must meet the scheme objectives and be deliverable, which has naturally focused the bid on the proposed projects.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Positive: Improved access can raise awareness of these issues and promote positive activity.	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	Positive: Improved access and facilities can raise awareness of culture, heritage and the Welsh language and encourage positive participation.	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A more equal Wales People can fulfil their potential no matter what their background or circumstances	Positive: Improved access and facilities can enable citizens to fulfill their potential, whatever their background or circumstances.	

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development	Does your proposal demonstrate you have met this	Are there any additional actions to be taken to
Principle	principle? If yes, describe how. If not explain why.	mitigate any negative impacts or better contribute to positive impacts?
Balancing short term need with long term and planning for the future	Improved access and facilities within town centres and green infrastructure short term will assist with medium- and longer-term priorities of health, wellbeing and carbon reduction. Pilot projects will enable us to shape high quality proposals for the future Shared Prosperity Funding.	
Working together with other partners to deliver objectives	solution for communities can be found. This is likely to be with	
Involving those with an interest and seeking their views	, ,	

Sustainabl Principle	le Development	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
Prevention	Putting resources into preventing problems occurring or getting worse	term as more citizens will have access to improved facilities,	Improved physical health and mental wellbeing will reduce demand for medical and health services.
Integration	Considering impact on all wellbeing goals together and on other bodies	Improved infrastructure including access for cyclists and pedestrians will reduce carbon emissions, rural isolation and rural poverty.	

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below. For more detailed information on the protected characteristics, the Equality Act 2010 and the Welsh Language Standards that apply to Monmouthshire Council please follow this link: http://hub/corporatedocs/Equalities/Forms/AllItems.aspx or contact Alan Burkitt on 01633 644010 or alanburkitt@monmouthshire.gov.uk

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	, , , , , , , , , , , , , , , , , , , ,	
Age	Improved access and facilities in town centres will reduce the barriers to access for people with protected characteristics.	Any negative impacts can be mitigated if suitable safeguarding strategies are put in place.	Affordable and accessible solutions will be identified to maximise opportunities for all.
Disability	As per Age Line Above	As per Age Line above	As per Age Line Above. In addition, the proposals will take the needs of the disabled population into consideration during the development phase.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Gender reassignment	As per Age Line Above	As per Age Line above	As per Age Line Above
Marriage or civil partnership	As per Age Line Above	As per Age Line above	As per Age Line Above
Pregnancy or maternity	As per Age Line Above	As per Age Line above	As per Age Line Above
Race	As per Age Line Above	As per Age Line above	As per Age Line Above
Religion or Belief	As per Age Line Above	As per Age Line above	As per Age Line Above
Sex	As per Age Line Above	As per Age Line above	As per Age Line Above
Sexual Orientation	As per Age Line Above	As per Age Line above	As per Age Line Above
Welsh Language	As per Age Line Above	As per Age Line above	In addition, all signage will be compliant with the Welsh Language (Wales) Measure 2011 as specified in the Standards applied to Monmouthshire

4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance http://hub/corporatedocs/Democratic%20Services/Safeguarding%20Guidance.docx and for more on Monmouthshire's Corporate Parenting Strategy see http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx

	Describe any positive impacts your proposal has on safeguarding and corporate parenting		
Safeguarding	During the delivery of the programme of activities, safeguarding will be at the forefront to ensure that any future service delivery promotes the well-being of children and vulnerable adults, preventing them from being harmed and protecting those who are at risk of abuse and neglect.	suitable safeguarding strategies are put in	
Corporate Parenting	During the delivery of this programme of activities the needs of any 'looked after' children will be considered to ensure any future service delivery protects their welfare.	As above	

5. What evidence and data has informed the development of your proposal?

- The Wellbeing of Future Generations Act;
- The Social Services and Wellbeing (Wales) Act;
- Prosperity for All;
- Growth & Competitiveness Commission Report Review and Recommendations Page 22;
- Cardiff Capital Region "Powering the Welsh Economy";
- Equality Act 2010; and
- Welsh Language (Wales) Measure 2011
- Monmouthshire County Council Corporate Plan 22 for '22
- Shop vacancy data and town centre footfall data
- Active Travel consultation on integrated network maps 2021
- Monmouthshire Local Public Service Board plan priorities and community engagement identifying issues facing our communities
- Future Wales 2040 and the adopted Monmouthshire Local Development Plan 2011-2021
- 6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The Assessment demonstrates compliance with the well-being five ways of working, supports the well-being goals and associated activities are expected to have a positive impact on all groups and people with protected characteristics.

7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress

8. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Monitoring and evaluation requirements will be set out by UK
	Government. Subject to any successful funding award internal
	monitoring requirements can be established.

9. VERSION CONTROL: The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1	Cabinet	09 th June 2021	