



**REPORT of
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

**to
STRATEGY AND RESOURCES COMMITTEE
14 JULY 2022**

UK SHARED PROSPERITY AND LEVELLING UP FUNDING UPDATE

1. PURPOSE OF THE REPORT

- 1.1 To update Members on the progress of the Council's UK Shared Prosperity and Levelling Up funding opportunities.

2. RECOMMENDATIONS

- (i) That Members acknowledge the submission of the Levelling Up bid focussing on Hythe Quay and its Historic Riverside Revival;
- (ii) That Members agree to commit 10% of the Council's revenue allocation for years two and three of the UK Shared Prosperity Fund to develop collaborative interventions with the North Essex Economic Board where feasible and appropriate;
- (iii) That Members agree to commit 10% of the Council's revenue allocation for the duration of the UK Shared Prosperity Fund to develop collaborative interventions to address health inequalities with the Mid Essex Alliance where feasible and appropriate.
- (iv) That Members note the aggressive pace of work required to submit the Council's UK Shared Prosperity Fund Investment Plan and delegate the authority to the Corporate Leadership Team for development and submission in line with our corporate strategies and bring forward new opportunities to be included. Members will be provided with a written fortnightly update.

3. SUMMARY OF KEY ISSUES

3.1 Levelling Up Fund

- 3.1.1 Members were advised of Maldon District's move from Category 2 in the Index of Priority Places to Category 1. This move released £125,000 in capacity funding to support the preparation and submission of a high-quality bid to the Levelling Up Round 2 fund.
- 3.1.2 As approved by this Committee on 25 May 2022, the allocated capacity funding has been utilised to support the development of a bid under the Levelling Up Fund's Cultural and Heritage investment theme for Hythe Quay.
- 3.1.3 Following a competitive quotation process, Deyton Bell Limited were appointed as capacity consultants and their team worked with a multi-disciplinary team of Council

Officers from all three directorates to support the application's development and submission by noon 6 July 2022.

3.1.4 It must be recognised that Essex County Council (ECC) supported the compilation of the bid, with specific input from Highways, Flood Risk and Green Infrastructure and Localities teams. The county council also supported the bid through a letter of support, which was submitted alongside the support of Maldon District's two Members of Parliament.

3.1.5 The outcome of the bid is expected from the Department of Levelling Up, Housing and Communities (DLUHC) in Autumn 2022.

3.1.6 An additional verbal update will be provided at this Committee on 14 July 2022.

3.2 UK Shared Prosperity Fund

3.2.1 Members were advised of the authority's £1,000,000 allocation and investment opportunity the UK Shared Prosperity Fund will bring at the previous Committee on 25 May 2022.

3.2.2 As approved by the Committee on 25 May 2022, the allocated preparatory fund of £20,000 has been utilised to support the development of the Council's Investment Plan.

3.2.3 Following a competitive quotation process, Deyton Bell Limited were appointed as capacity consultants to support the Investment Plan's development and submission by 1 August 2022.

3.2.4 Approval of the Investment Plan is expected from the DLUHC in September / October 2022.

3.2.5 An additional verbal update will be provided at this Committee on 14 July 2022.

4. CONCLUSION

4.1 UKSPF and Levelling Up Round 2 continue to present a significant opportunity for the District to support, through direct investment, in our economy, businesses, communities, cultural and heritage assets, regeneration and transport infrastructure and the Council should invest what is needed in making these opportunities successful.

5. IMPACT ON STRATEGIC THEMES

5.1 UKSPF supports the Council's Place Outcomes of: 'Promote civic pride and maintain the District's environmental quality', 'Work with partners to maintain and improve the District's resilience to the effects of climate change'; Prosperity Outcomes of 'Enabling future economic investment and new jobs', 'Supporting existing local businesses', 'Enhancing and promoting the District's visitor economy' and Community Outcomes of 'Building on the strengths of our communities and what they can do to support themselves and help each other to thrive'.

5.2 Levelling Up Fund supports the Council's Place Outcomes of 'Promote civic pride and maintain the District's environmental quality', 'Reduce impacts of waste disposal and pollution on the environment', 'Work with partners to maintain and improve the

District's resilience to the effects of climate change', 'Deliver the housing the District Needs' and 'Deliver sustainable growth and new infrastructure through development'; Prosperity Outcomes of 'Enabling future economic investment and new jobs', 'Supporting existing local businesses', 'enhancing and promoting the District's visitor economy' and Community Outcomes of 'Building on the strengths of our communities and what they can do to support themselves and help each other to thrive'.

- 5.3 Both UKSPF and Levelling-Up also support our Performance and Value Outcomes of: 'Finance and Income', 'Governance', 'Performance' and 'Meaningful Engagement'.

6. IMPLICATIONS

- (i) **Impact on Customers** – For the UKSPF, any application process will be designed to enable community groups and businesses to engage with a fair bidding process to ensure there is significant customer benefit from its outputs. A successful bid to the Levelling-Up fund could deliver capital projects that end up being used by and benefit residents, businesses, special interest groups and visitors.
- (ii) **Impact on Equalities** – For the UKSPF, any application process will be designed to enable all community groups and businesses to engage with a fair bidding process to ensure there is significant customer benefit from its outputs. This process will meet the Public Sector Equality Duty. A successful bid to the Levelling-Up fund must demonstrate how it has considered the Public Sector Equality Duty in delivering capital projects that end up being used by residents, businesses, special interest groups and visitors.
- (iii) **Impact on Risk** – With UKSPF, future spend is at risk, so it is vital that programme activity is aligned and adequately reported to the funder to ensure compliance. The programme will work to reduce the impact to the economy and communities from Covid19. The Council faces increased reputation risk if it fails to deliver to the expectations of stakeholders.

With Levelling Up Funds, as it is a funding competition, the project identified to be part of the bid, could remain undelivered in the event a bid is unsuccessful. The complexity of the bidding process and the assurances needed post award could increase pressures on resources or require people with different skills and this is a responsibility of our establishment to adequately manage. The council faces an increased reputation, financial and compliance risk if any of the projects within the fund are not delivered on time, or to budget.

- (iv) **Impact on Resources (financial)** – UKSPF Prospectus confirms that Local Authorities will be able to use a proportion of their allocation to undertake necessary Fund administration, such as project assessment, contracting and monitoring.

UKSPF and Levelling Up Round 2 has provided a capacity allocation for the authority to undertake preparatory work to develop high quality funding submissions.

- (v) **Impact on Resources (human)** – The coordination work for UKSPF work will be undertaken by the Lead Specialist Prosperity for the remainder of their

contract. The delivery will be reviewed and reallocated as necessary afterwards.

Levelling Up Round 2 Funding Bid is being coordinated by Strategy, Policy and Communications Manager given the investment priority linked to place-based activities.

Both are being supported by resources drawn from the wider organisation, although due to the complexity of the funding bids, it has been necessary to procure further specialist human resources (Deyton Bell Ltd) to ensure the Council is able to submit a high-quality proposal and continue to deliver existing service priorities.

- (vi) **Impact on the Environment** – Interventions supported by UKSPF will need to take account of other local and national policies and priorities – including the government’s commitment to reach Net Zero by 2050 and clean growth, and complement other UK, national or local provision. This will make sure that funding is effectively targeted.

Projects funded via Levelling Up Round 2 will be aligned to and support net zero goals, including those set out in the UK government’s net zero strategy and sector-specific plans. Projects are encouraged to demonstrate low or zero carbon best practice; adopt and support innovative clean tech and/or support the growth of green skills and sustainable supply chains.

- (vii) **Impact on Strengthening Communities** - The projects funded by either fund will seek to ensure the Council strengthens engagement with communities to shape and deliver significant benefits from outputs.

Background Papers:

- [Strategy and Resources Committee 25 May Agenda Item 9 UK Shared Prosperity and Levelling Up Funding Opportunities](#)
- [Levelling Up Round 2 Prospectus](#)
- [UK Shared Prosperity Fund Prospectus](#)

Enquiries to:

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