

REPORT OF THE LEADER OF THE COUNCIL

THE UK COMMUNITY RENEWAL AND LEVELLING UP FUNDS

Purpose of the Report

1. To provide Members with an overview of two recently announced funding streams: the UK Community Renewal Fund (UKCRF) and the Levelling-Up Fund (LUF). The report sets out the expectations and proposes next steps.

Information

2. At the Budget on the 3rd March 2021, the Government announced two new funding streams that require the County Council to do the following;
 - manage the UKCRF process to deliver bids to Government;
 - develop a bid submission for a highways and transport scheme for the LUF; and
 - provide support for any highways and transport bids proposed by local District Councils for the LUF.
3. The published details for each fund are referenced under the Background Papers and the key features and considerations of each are set out in the following paragraphs.

The UK Community Renewal Fund

4. The UKCRF offers revenue investment in one or more of the following four themes:
 - Skills
 - Local business
 - Communities and place and,
 - Supporting people into employment.
5. Further details on the themes are included at Appendix A. Nationally, 100 priority places have been identified for investment, based on an index of economic resilience and in Nottinghamshire, that includes the Districts of Bassetlaw, Mansfield and Newark and Sherwood. A total of £3M per area is being made available.
6. County Councils have been identified as 'lead authorities', responsible for making a collective submission to the Government and Nottinghamshire County Council is required to:
 - Invite bids from a range of project applicants, with any legally constituted organisation delivering an appropriate service being able to prepare proposals;
 - Undertake constructive engagement with local partners on pulling together submissions;
 - Collaborate with other lead authorities or partners, including on cross-border project opportunities that address needs in common, or to achieve efficiencies in delivery;

- Transparently and independently appraise and prioritise a shortlist of projects, including any from the County Council itself, up to a maximum of £3 million per area from which the UK government will select projects;
 - Submit a shortlist to UK Government who will assess the proposals and select projects based on the criteria set out in the published Prospectus;
 - Issue grant agreements to successful bidders once funding has been agreed by UK government, and then undertake monitoring and assurance activity.
7. The emphasis is on larger scale projects over £500,000 each to maximise impact and deliverability. A shortlist of projects is to be compiled, up to a maximum of £3 million per priority area. A competitive process applies throughout. The shortlist of projects is to be submitted to Government on 18th June 2021 with decisions around successful bids expected from July 2021 onwards. Subject to Government assessment, approved projects will be required to be fully delivered and financially completed by the end of March 2022.
8. The timescales for pulling together submissions and for actual individual project delivery is set out below. Preparations are already underway to establish a process accounting for the points summarised at paragraph 6 above and in line with Government prescribed guidance.
9. At the time of writing it is envisaged that the process and indicative timelines will be as follows:

CRF bid timeline	Week No.													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Brief potential applicants														
Prepare bid submission documentation														
Develop bid evaluation/prioritisation approach														
Issue bid documents to applicants														
Applicants prepare bids														
Bids submitted to NCC														
Bids assessed by NCC														
Shortlist of projects confirmed														
NCC prepare CRF bid to central government														
CRF bid submitted by NCC														

10. A further report on potential bids and fulfilling the County Council role will be brought to the next meeting of Policy Committee when Members can consider and agree the bids to be submitted to HM Government.

Levelling Up Fund

11. The LUF offers the opportunity for Councils to make individual project submissions to the Government for capital projects, typically up to £20 million, although potentially up to £50 million for transport related projects. All projects should be prioritised across the three themes of transport, regeneration and culture. Further detail is set out at Appendix B.
12. Funding will be targeted to places with the most significant need. Nationally, areas have been placed into three categories, with category 1 being the highest level of need. Bids from category 1 areas will be prioritised by Government for approval. In Nottinghamshire, the following categorisation applies:

- Category 1 – Bassetlaw, Mansfield and Newark and Sherwood
 - Category 2 – Ashfield, Broxtowe and Gedling
 - Category 3 – Rushcliffe
13. All Councils can technically make a submission, however, the prospectus invites County Councils to make “one transport submission” with Districts able to make submissions for the other investment themes. However, collaborative bids are also invited. The involvement of local MPs is set out in the guidance, and MPs will be invited to engage in the development and progression of bids in their constituency. At the time of writing, further detailed guidance is awaited.
14. While the LUF will operate over 4 years, bids for a first round must be submitted by 18th June 2021 with all funding provided to be spent by 31st March 2024, and, exceptionally, into 2024-25 for larger schemes.

Other Options Considered

15. The UKCRF requires the County Council to facilitate a prescribed bidding and assessment process and to make a submission to Government. A “Do Nothing” option would mean that the people and businesses of Nottinghamshire would miss out on the investment available and the County Council would suffer reputational damage as a consequence. It is therefore considered that the Council should actively engage and manage the process.
16. The LUF remains the subject of further guidance and clarification as referenced above. That may determine the nature of any submission under this round. However, subject to that clarity and given the opportunity to secure resources for key highways and transport projects, it is considered that proposals be analysed and that collaboration with district partners continues at this time.

Reasons for Recommendations

17. Both the UKCRF and the LUF offer opportunities to support further investment in the Nottinghamshire economy. County Councils have been invited to lead on bids to Government for UKCRF funding and if successful, are required to manage the administration of the agreed funding programme. The above referenced anticipated LUF guidance will determine the scope and number of bids the Council can make directly for transport and highways projects. Working with partners, officers will review the opportunities available through the LUF on its receipt.

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

19. If approved, the Council could be in receipt of up to £9 Million of funding, alongside up to £60,000 of capacity funding to support the administration of the process through the UKCRF.

Approval to the principle of receipt of such funding is required. This will then be managed and distributed by the Council. Should the Council itself submit any subsequently approved projects into the UKCRF process, they too will require approval. The precise implications regarding the LUF are as yet unknown but may result in funding being received of up to £50 Million for a specific project alongside, potentially, a share of £125,000 of capacity funding for bid development. Approval will be required for the submission of projects submitted either to the UKCRF and/or LUF, and these will be subject of consideration at a future Policy Committee meeting.

RECOMMENDATIONS

It is recommended that Policy Committee agrees that:

- a) The Council undertakes the UKCRF lead council role as set out by Government;
- b) Council Officers work with appropriate partners to prepare and accept potential projects for UKCRF for inclusion within a bid to Government, for consideration at the next Policy Committee meeting;
- c) Should the UKCRF bid to Government be successful, the Council receives and distributes the grant funding in accordance with Government guidance;
- d) Council officers work with Tier 1 District Council colleagues to develop and seek support for any appropriate potential LUF transport and highways bids, for consideration at the next Policy Committee meeting.

COUNCILLOR MRS KAY CUTTS MBE
Leader of the Council

For any enquiries about this report please contact: Matthew Neal, Service Director, Investment & Growth ext. 73822

Constitutional Comments (AK 07/04/2021)

20. This report falls within the remit of Policy Committee by virtue of its terms of reference and the Council's financial regulations.

Financial Comments (KRP 7/04/21)

21. The financial implications are set out in the report. If additional funding is received it will be subject to appropriate approvals and reporting.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- *The UK Community Renewal Fund Prospectus* alongside wider technical and methodology notes and the *Assessment Criteria* are available at:
<https://www.gov.uk/government/publications/uk-community-renewal-fund-prospectus>
- The *Levelling Up Fund Prospectus* is available at:
<https://www.gov.uk/government/publications/levelling-up-fund-prospectus>

Electoral Divisions and Members affected

- Principally members across the district areas of Bassetlaw, Mansfield, Newark & Sherwood for the UKCRF
- All members for the LUF