

Rother District Council

Report to: Cabinet

Date: 6 February 2023

Title: Levelling Up Funding

Report of: Ben Hook, Director – Place and Climate Change

Cabinet Members: Councillor Timpe

Ward(s): Bexhill Central, Bexhill Sidley

Decision Type: Key

Officer

Recommendation(s): **Recommendation to COUNCIL:** That the Levelling Up Fund Projects for the Sidley Recreation Ground and the De La Warr Pavilion be added to the Capital Programme for £2.692m and £23.203m respectively;

AND

It be **RESOLVED:** That:

- 1) subject to full Council approval of the scheme, the £19,192,000 Levelling Up Fund be accepted, and the Director – Place and Climate Change be granted delegated authority to agree terms and conditions of the grant, in consultation with Cabinet Portfolio Holder for Transformation, Procurement and Social Value;
- 2) the £850,000 from the Community Infrastructure Levy be accepted for the De La Warr Pavilion Project and the Director – Place and Climate Change be granted delegated authority to agree terms and conditions of the grant, in consultation with Cabinet Portfolio Holder for Transformation, Procurement and Social Value;
- 3) the Director – Place and Climate Change be granted delegated authority to source other grant funding and to agree terms and conditions of any forthcoming grants, in consultation with Cabinet Portfolio Holder for Transformation, Procurement and Social Value;
- 4) the Director – Place and Climate Change be granted delegated authority to procure the contractor/s required for the funded works, in consultation with the Cabinet Portfolio Holder for Transformation, Procurement and Social Value. This will include procuring contractors and entering into other contracts as necessary for the completion of the project works; and
- 5) the programme governance structure, as outlined in Appendix A be adopted.

Introduction

1. The Levelling Up Fund (LUF) is a Government initiative designed to invest in infrastructure that improves everyday life across the UK. In both rounds the fund supported projects under three categories: town centre and high street regeneration, local transport projects, or cultural and heritage assets.
2. Application turnaround was tight, and projects needed to be at a stage where feasibility studies had already been completed. Rother District Council (RDC) bid in round 1 for the De La Warr Pavilion capital project, which had plans in place, some match funding and a capital project board set up to fundraise for the scheme.
3. This bid was unsuccessful and RDC took advice from the grant administrators as to what was missing in the round 1 bid and how to resubmit in round 2. We could submit up to three components in one application which needed to work together to tell one story.
4. Projects need to be delivered by March 2025 with a level of spend required in Year 1 (current financial year) and offer an acceptable amount of actual match funding.
5. Discussion with Councillors, the local MP and officers agreed that working on the link already in place between De La Warr Pavilion (DLWP) education team and Heart of Sidley (HoS) allowed a cultural narrative, bringing the DLWP capital scheme into play with the Heart of Sidley recreation ground project which also had plans, local support and momentum.
6. The final round 2 bid was a two-component cultural project using the full constituency allowance (up to £20m). One of the gateway criteria was sign off from the constituency MP and Huw Merriman was closely involved in the bid development.
7. The heart of the bid makes the case that investment in the DLWP and Sidley Recreation Ground is designed to be catalytic in that it will provide a step change in the economic and social fortunes of Bexhill-on-Sea and become an important economic and cultural asset to the region, levelling up the economic performance of an underperforming town.
8. The bid looks to address:
 1. Jobs and opportunities in Bexhill and surrounding catchment with increase learning opportunities and links from education to employment.
 2. Re-profiling of an under-performing town centre through movement of visitors
 3. The resetting of our tourism sector through footfall
 4. Supporting heritage by investing in a Grade 1 listed building
 5. Addressing health and wellbeing inequalities through culture and physical activity and the provision of improved sports facilities.
 6. Access to cultural and creative programming through outreach to Sidley.

Project Overview - De La Warr Pavilion

9. The total capital investment is £23.2m, of which £17m will come from the LUF and £850k has already been allocated from the Community Infrastructure Levy (CIL), comprising:
- New community learning spaces
 - Refurbished galleries (500m²) and auditorium facilities (1,500 capacity), presenting world class cultural programmes
 - Improved accessibility for artists and audience
 - New facilities for conferences and events, supporting local businesses
 - Improved commercial facilities to increase financial resilience, also integral to skills
 - New environmental systems and improved insulation solutions working towards net carbon neutral ambitions.
10. In addition to the LUF and CIL funding the DLWP has secured £400k from the Arts Council England and is seeking a further £4.8m from other funding sources including private philanthropy and Heritage Lottery Funds. They are also preparing a bid to the CIL Climate Emergency Bonus Fund to help fund additional costs related to Carbon Neutrality ambitions.
11. Whilst the funding does not include provision for works related to the sea front fountains or the Colonnade water ingress, the delivery of the DLWP project would represent an opportunity to reduce the overall costs of these works. Officers will be exploring options in relation to these two ancillary projects and will present recommendations to Cabinet later in the 2023/24 financial year.

Project Overview – Sidley Recreation Ground

12. DLWP have partnered with Heart of Sidley (HoS) over the last 10 years, developing and delivering programmes for the community to help build confidence and provide a wider range of high-quality experiences to one of the most deprived wards in the southeast. The vision of this component is to connect Sidley with DLWP and the town centre, to provide wider routes to education and employment.
- a) Provide community learning spaces, coordinating with the skills and learning programmes at DLWP.
 - b) 3G pitch is about providing access to sports facilities in the locality.
 - c) Improve toilet facilities to be disabled access, parent friendly and better quality.
 - d) Upgrade changing room facilities to improve offer for local and visiting events.
 - e) Provide a sustainable community space for local residents and community organisations, to host workshops and training sessions.
 - f) Increase local resident services and activities by increasing available community space. Create a long-term legacy for Sidley.

Economic Impact and Community Value

13. A full economic and social impact assessment has been undertaken for these projects as part of the bid to the LUF. This can be viewed at section 7 of the bid document available on the Rother District Council website at <https://www.rother.gov.uk/regeneration/levelling-up-fund/>
14. This project will deliver over £85m in economic benefit to the district including;
 - a. £24.2million wider economic value due to increased visitor numbers to the DLWP
 - b. £3.36m in commercial land value uplift
 - c. £11.03m in residential land value uplift
 - d. 97 safeguarded and created jobs at the DLWP with 53 net additional jobs in the local tourist economy
 - e. 20,000 learning interactions per year at the DLWP with a further 10,000 learning interactions at the Sidley Recreation Ground
 - f. 12,000 additional visits per year to the Sidley Recreation Ground

Programme Governance

15. Given the complexity of this programme which covers the two projects and a number of delivery partners it is important that a robust programme management approach is followed. As such, a proposed programme governance structure has been provided at Appendix A. The Council will appoint a programme manager to oversee the delivery programme, ensure the financial monitoring of projects, prepare reports to the programme board and steering group, develop and deliver an effective communications programme, and ensure compliance with the reporting requirements of the LUF.
16. A project manager will be assigned to each of the two projects to ensure delivery of the scheme, procuring necessary contracts and services as required for the delivery of the projects, undertaking planning permissions for each scheme, providing the programme manager with regular updates as to progress against the developed milestones, coordinating the individual project boards, and managing all of the professional teams involved.

Conclusion

17. The award of Levelling Up Funding is a significant step forward for the creative economy in the district. The £23m project at the De La Warr Pavilion will secure the future of this building as an economic driver and hub for the community.
18. The Sidley Recreation Ground Project will provide a key community asset for the district's most deprived ward. It will build upon previous investment in that site and ensure that the skate park and BMX track are serviced with appropriate facilities. It will also ensure the Heart of Sidley Community Interest Company will have an income generating opportunity providing for their long term sustainability, providing services to their community.

Environmental Implications

19. The De La Warr Pavilion is an excessive producer of carbon due to its poor insulation and antiquated heating systems. This project would significantly reduce the carbon output of the building through environmental upgrade and intervention.

Risk Management

20. A robust risk management process was assessed as part of the government bid process. Detailed risk registers have been produced for each of the component schemes and will be updated in light of the funding award. Once the programme has been established the Internal Audit Manager will be invited to provide review and feedback on both the registers and the overarching risk management process.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Sustainability	Yes	Access to Information	No
Risk Management	Yes	Exempt from publication	No

Chief Executive:	Malcolm Johnston
Proper Officer:	Ben Hook – Director place and Climate Change
Report Contact Officer:	Ben Hook – Director place and Climate Change
Appendices:	Appendix A – Programme Governance Structure
Relevant Previous Minutes:	None
Background Papers:	None
Reference Documents:	None

