

**TITLE OF REPORT:** **Community Renewal Fund**

**REPORT OF:** **Peter Udall, Strategic Director, Economy Innovation and Growth**

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### **Purpose of the Report**

1. To inform Cabinet of the outcome following the Council's submission of a shortlist of bids to the Department for Levelling Up, Housing & Communities (DLUHC) seeking funding under the Community Renewal Fund.
2. To seek approval to a delegation to the Strategic Director, Economy Innovation and Growth, following consultation with the Strategic Director, Resources & Digital and Strategic Director, Corporate Services & Governance to agree the terms of a resulting contract with DLUHC and 'pass down' contracts with successful bidders to the Community Renewal Fund.

### **Background**

3. The Chancellor of the Exchequer Budget Statement 2021 announced a range of measures to support recovery following Covid-19, including a Community Renewal Fund that will act as a bridge to the Shared Prosperity Fund.
4. The £220m Community Renewal Fund will help inform the design of the £1.5bn Shared Prosperity Fund through funding of one-year pilots. Successful Community Renewal Fund bids were to begin in August 21 and be financially complete by March 2022. Due to the delay by DLUHC in announcing the successful bids this deadline has been extended to 30 June 2022.
5. This Fund aims to support people and communities most in need across the UK through pilot programmes and new approaches and will invest in skills, community and place, local business, and supporting people into employment.
6. In May 2021 Cabinet agreed to the Council acting as 'lead authority', to invite, appraise and submit bids to DLUHC for the UK Community Renewal Fund and to a delegation referred to in paragraph 2 above, to agree the terms of contracts with the Secretary of State and 'pass down' contracts with the ultimate recipients of the funding.

### **Proposal**

7. It is proposed that the Council accepts the award of CRF monies and act as accountable body to manage these funds on behalf DLUHC for the successful bidders.

8. Gateshead submitted 6 bids of which 4 were allocated CRF totalling £2,184,800, the largest allocation in the North East, with other places including Tees Valley, Sunderland and North of Tyne allocated approximately £1.5m each and Durham £800K.
9. The successful bids include Gateshead Riverside Partnership, Future You, Immex City pilot programme (formerly NCIT) and Future Markets Acceleration Programme. Detail of these projects are contained in Appendix 3
10. The Council will receive £20k capacity funding for coordinating and appraising bids. Additionally, Gateshead as lead, will also be receiving a further 2% equivalent to the value of the costs of successful projects (£40,143).
11. These resources will be used for undertaking activities such as: accountable body status for the fund; monitoring projects to ensure they are complying with their contract conditions; monitoring projects to ensure they are delivering outputs and outcomes and spend to profile; and issuing timely payments.

## **Recommendations**

12. It is recommended that Cabinet

- (i) Notes the outcome of the Council's submission of a shortlist of bids to DLUHC, whereby 4 bids were allocated CRF funding totalling £2,184,800.
- (ii) Approves a delegation to the Strategic Director Economy Innovation and Growth, in consultation with the Strategic Director of Resources & Digital and Strategic Director of Corporate Services & Governance to agree the terms of a resulting contract with DLUHC and 'pass down' contracts with successful bidders.

For the following reasons:

- (i) To enable access to monies from the Community Renewal Fund to benefit local residents and businesses
- (ii) To pursue opportunities to influence the Shared Prosperity Fund
- (iii) To enable successful bidders to deliver activity in Gateshead that will contribute to local priorities

### Policy Context

1. The government is providing funding in 2021-22 through the UK Community Renewal Fund. This Fund aims to support our communities to pilot programmes and new approaches, aligning national and local provision. This fund will inform the design and delivery of the UK Shared Prosperity Fund.
2. The UK Shared Prosperity Fund will be the governments flagship policy in delivering on its commitment to level up the country. It will target people and places most in need across the UK. It will be focused on domestic priorities and will replace EU structural funds following the departure of the UK from the EU.
3. Local areas will continue to spend investment from EU structural funds until the end of 2023. Due to the way these funds operate, levels of investment from EU structural funds will be higher across the United Kingdom in the coming financial year 2021-22 than they were in 2020-21.

### Consultation

4. Cabinet members for Housing, Economy and the Leader and Deputy Leader have been consulted on the content of this report.

### Alternative Options

5. If the Council does not accept this award then the bids outlined in Appendix 2 will not proceed to deliver their activities in Gateshead.

### Implications of Recommended Option

6. **Resources:**
  - a) **Financial Implications** – The Strategic Director, Resources and Digital, confirms that there are no financial implications arising directly from this report. Gateshead will be acting as lead authority and any costs relating to the delegation will be met from this fund.
  - b) **Human Resources Implications** – There are no direct human resources implications arising from this report.
  - c) **Property Implications** -There are no direct property implications arising from this report.
7. **Risk Management Implication** - There are no direct risk management implications arising from this report.
8. **Equality and Diversity Implications** - Delivery of Community Renewal Fund will potentially help address inequalities in employment and income.
9. **Crime and Disorder Implications** – There are no crime and disorder implications arising from this report.

10. **Health Implications** - Delivery of Community Renewal Fund will potentially have a beneficial impact on health and wellbeing of residents.
11. **Climate Emergency and Sustainability Implications** - Delivery of Community Renewal Fund will potentially have a positive impact on tackling climate change.
12. **Human Rights Implications** - There are no human rights implications arising from this report.
13. **Ward Implications** - All

#### **Background Information**

14. None

## APPENDIX 2

### Community Renewal Fund

1. The UKCRF bidding round was open from 3 March 2021 to 18 June 2021. Gateshead Council's role as the lead authority was to invite bids from a range of project applicants, and then to appraise and prioritise projects. All UK local authorities 'places' could ask for up to a maximum of £3 million. Following the appraisal and prioritisation exercise, as lead, Gateshead submitted a shortlist to UK government. The UK government then selected projects based on the published assessment criteria.
2. In Great Britain submissions were received from 110 lead authorities totalling 993 bids; 83 bids were submitted from organisations in Northern Ireland. In total 1,073 bids were received. The value of the fundable bids was worth £316.8 million.
3. Following the assessment process set out by Government, the final decision being taken by Secretary of State for DLUHC to fund a total of 477 bids (totalling £203.1 million). The proportion allocated to each nation are England £125.6M (62%), Scotland £18.4M (9%), Wales £ 46.9M (23%) and Northern Ireland £12.3M (6%).
4. The proportion of funds allocated to each investment priorities are: skills 25%; local businesses 23%; communities & place 20%; supporting people into employment 32%.
5. Bids were open to all areas across the UK with allocation on a competitive basis. However, the Government intended the majority of funding to be in the priority areas, of which Gateshead was one out of the 100 designated places. In the end priority places were allocated 65% of the funding.
6. These bids have demonstrated how they will align to the themes of the Fund and contribute to the themes within our local priorities such as:

Making Gateshead a Place Where Everyone Thrives, the themes-

- Tackling inequality so people have a fair chance
- Support our communities to support themselves and each other
- Invest in our economy to provide opportunities for employment, innovation and growth

Gateshead Health & Wellbeing Strategy, the themes

- Create fair employment and good work for all
- Create and develop healthy and sustainable places and communities

Climate Emergency Action Plan

7. Gateshead will work with all the successful projects to help them mobilise quickly to deliver their activities and issue grant agreements, following Gateshead Council's receipt and acceptance of its own grant funding agreement with the Department of Levelling Up, Housing and Communities

## APPENDIX 3

### Successful Bidders

1. **Gateshead Riverside Partnership** will commission a range of studies and utilise its innovative partnership to reimagine Riverside Park and Staithes an Ancient Schedule Monument to lever in future investment. It will be the impetus for further housing development adjacent to the park, enhance the visitor economy, accessibility to culture, heritage and the natural environment in an urban location. **(Allocation £550,000)**
2. The project will be delivered by the existing Partnership between the Council (lead), National Trust, Tyne and Wear Building Preservation Trust (TWBPT) and Newcastle University.
3. Master planning consultants will be engaged to deliver a masterplan/delivery plan. The masterplan/delivery plan will dovetail with the town centre work to ensure strategic alignment and deliverability. Linkages will also be made to existing master planning for adjacent housing sites including the MetroGreen Area Action Plan in terms of connectivity and existing community engagement resources.
4. **Future You** seeks to use the latent potential within communities through volunteers and civil society organisation that interact at the ‘coal face’ of engaging the ‘hardest to reach’ and those furthest from the labour market encouraging them to utilise mainstream public sector provision and enter the labour market. **(Allocation £733,937).**
5. The project will bring together a unique partnership between Gateshead Council services and voluntary sector organisations to pilot a new co-created approach which combines partners' unique knowledge and experience of barriers to employment, and to accessing mainstream employability support, underpinned by learning from community-based responses to Covid-19 challenges. Voluntary sector partners will include Citizens Advice Gateshead, Age UK Gateshead, Youth Focus NE, 2 Way Tenancy and Connected Voice.
6. **Immex City** (formerly NCIT) pilot programme will catalyse the organic growth and scale-up potential of Gateshead's immersive technologies sector, advance the rate of immersive technology adoption across industry, support local people to find work in the sector, and establish new immersive driven cultural experiences for local people. **(Allocation £732,473)**
7. Digital Catapult will lead the delivery of this pilot programme and to support Gateshead Council in the realisation of their ambitions to grow its digital economy. Digital Catapult is the UK's leading advanced digital technology innovation centre, and has a responsibility to drive early adoption, making UK businesses more competitive and productive, to help grow the UK economy. Digital Catapult has an established relationship with Gateshead Council through its work at PROTO and the Immersive Lab North East and Tees Valley, who will also be a delivery partner.
8. Digital Catapult North East and Tees Valley (NETV) supports businesses from across the region to encourage the growth and adoption of advanced digital

technologies. It helps demonstrate and explore the impact that technology can have on productivity, efficiency, and performance.

9. **Future Markets Accelerator Programme** will deliver a package of innovation support for businesses to unlock a greater share of emergent markets through ‘Innovation Delivery Partnerships’. This ground-breaking solution for place-based delivery will embed R&D and enhance their business growth and jobs potential; demonstrating new approaches to expanding innovation activity in Gateshead and nationally. **(Allocation £128,247)**
10. NELEP, will deliver in collaboration with private and public sector organisations. These will include Newcastle University, Northumbria University, North East Automotive Alliance, Gateshead Council amongst others.
11. The core delivery team at NELEP will coordinate and manage overall programme delivery and communications.
12. The projects will deliver a range of outputs and outcomes. They are required to set aside a minimum of £10k to carry out an independent evaluation alongside these projects. The evaluation will need to cover:
  - Appropriateness of initial design
  - Progress against targets
  - Delivery management
  - Outcomes and impact
  - Value for money
  - Lessons learnt
26. They are also expected to participate in a national evaluation, which will look at the efficiency of delivery structures and processes and the impact of the fund.