

Report To: Cabinet

Date of Meeting: 4th March 2024

Report Title: Update on key government external funding initiatives

Report By: Victoria Conheady, Director of Place/Deputy Chief Executive

Key Decision: Yes

Classification: Open

Purpose of Report

1. To provide Cabinet with updates on key confirmed government external funding initiatives:
 - a. Levelling Up Partnership
 - b. Homelessness Prevention Funding
 - c. Long-Term Plan for Towns
 - d. UK Shared Prosperity Fund (UKSPF)
 - e. Hastings Town Deal Programme and Town Deal Accelerator Fund
 - f. Sport England's Swimming Pool Support Fund (SPSF) Phase II
 - g. PlayZone Funding - Multi-Use Games Areas
2. To make specific recommendations for delivering the Levelling Up Partnership, the Long-Term Town Plan and Homelessness Prevention Funding in line with published government guidance and funding arrangements.
3. To provide updates on the UKSPF and Town Deal Programme, noting these have been previously approved by Cabinet.
4. To set out details of funding recently made available by Sport England for capital improvements to the Summerfields Leisure Centre swimming pool and the opportunity to develop an application for funding to enhance and modernise the Multi-Use Games facilities in the town.

Recommendation(s)

Cabinet agrees that:

1. Hastings Borough Council act as the accountable body for the Levelling Up Partnership programme and the Long-Term Plan for Towns programmes.
2. Authority be delegated to the Deputy Chief Executive, in consultation with the Leader of the Council and the Section 151 Officer, in agreement with the government office to

make proper arrangements for the delivery of the programmes and expenditure of government funding as follows:

- a. To manage the **Levelling Up Partnership programme**, maximising use of the capacity funding (£90k for 2023/2025) provided by the Department for Levelling Up, Housing and Communities (DLUHC)
 - b. Make payments to relevant organisations to deliver the Levelling Up Partnership projects as determined by DLUHC.
 - c. Make arrangements for the **Long-Term Plan for Towns** capacity funding (£50k for 23/24 and £200k for 2024/2025) provided by DLUHC to establish the 'new' Town Board and develop the Long-Term Town Investment Plan in accordance with guidance.
 - d. Make arrangements for the allocation of payments for delivery of the Long-Term Town Plan projects as agreed by the new Hastings Board.
3. Authority be delegated to the Deputy Chief Executive, in consultation with the Leader of the Council and the Section 151 Officer to deliver a Homelessness Prevention grant, maximising use of the (potential) capacity funding (£1.9million) for 2024-28 and (potential) capital funding of £3.5 million for the same period.
 4. Progress with delivery of the **Town Deal Programme** and **UK Shared Prosperity Fund Programme** be noted.
 5. The Sport England's **Swimming Pool Support Fund** offer be accepted, and the new capital investment to be installed by the March 2025 deadline.
 6. Following a successful expression of interest (EOI), officers proceed to work with local people and a consortium to scope and develop a full application to the **PlayZone programme** (targeted at enhancing and modernising our multi-use games areas) and explore with partners options to secure the 25% match funding required for the application. The PlayZone programme prioritises engaging with groups with the greatest inequalities in physical activity, including women and girls.

Reasons for Recommendations

1. The Department for Levelling Up, Housing and Communities (DLUHC) has allocated two significant funding streams to Hastings. The Council is the accountable body for the two programmes and arrangements therefore need to put in place for the proper management, governance, delivery, and monitoring of the programmes, as well as the distribution of the funds, in line with DLUHC guidance.
2. The timelines for delivery and ensuring all the new programme arrangements are in place are challenging, hence the need to bring forward a combined report.
3. The Swimming Pool Support Fund has approved funding which is specific to capital investment in Summerfields Leisure Centre.

Introduction

- The government over the past four years has announced several rounds of funding which are summarised in the table below. Some of these funding streams have been reported to cabinet previously, others are new. Please note that this is not a comprehensive list of all external funding activities being delivered by the council but is focussed on those primarily led by the Regeneration, Housing and Leisure staff team.

| Fund | Launch Date | Start Date | End Date | Offer Amount | Allocation Type | Funding type |
|--|-------------------------------|---------------|------------|--------------|-----------------|-----------------------------------|
| Levelling Up Partnership | July 2023 | March 2024 | March 2025 | £20m | Allocated | Capital |
| Homelessness Prevention Funding | March 2024 (TBC) | April 2024 | March 2028 | £5.4m | Allocated | Revenue (1.9m) Capital (3.5m) |
| Long-Term Plan for Towns | Oct 2023 | April 2024 | 2033 | £20m | Allocated | Revenue (25%) Capital (75%) |
| UK Shared Prosperity Fund | April 2022 | April 2022 | March 2025 | £1m | Allocated | Revenue & Capital |
| Town Deal Programme | July 2019 | April 2021 | March 2026 | £24.3m | Competition | Capital Revenue for management |
| Town Deal Accelerator Fund | Aug 2020 | Sept 2020 | March 2021 | £1m | Allocated | Capital |
| Sport England's Swimming Pool Support Fund | April 2023 | February 2024 | March 2025 | £0.36m | Competition | Capital |
| Multi-Use Games Area – PlayZone Funding | Application deadline Dec 2024 | January 2025 | March 2026 | TBC | Competition | Capital |

- The web links below provide additional information on the various funding streams included in this report.

| Fund | Links for more information |
|---------------------------|--|
| Levelling Up Partnership | Levelling Up Partnerships: methodology note - GOV.UK (www.gov.uk) |
| Long-Term Plan for Towns | Our Long-Term Plan for Towns - GOV.UK (www.gov.uk) Long-Term Plan prospectus.url Long-Term Plan for Towns: guidance for local authorities and Town Boards - GOV.UK (www.gov.uk) Guidance notes |
| UK Shared Prosperity Fund | UK Shared Prosperity Fund: prospectus - GOV.UK (www.gov.uk) |
| Town Deal Programme | Towns Fund - GOV.UK (www.gov.uk) |

| | |
|---|---|
| Town Deal Accelerator Fund | £80 million boost to towns - GOV.UK (www.gov.uk) |
| Sport England's Swimming Pool Support Fund (SPSF) Phase I &II | Swimming Pool Support Fund Sport England |
| Multi-Use Games Area – PlayZone Funding | Football Foundation PlayZones Programme Football Foundation |

Levelling Up Partnership

- Hastings was selected as one of 20 areas to establish a Levelling Up Partnership in April 2023 as part of a programme to deliver a tailored approach to place-based working. £20 million has been allocated to Hastings. Much of this is primarily for capital projects with selected bespoke investments which responds to the government's levelling up agenda.
- Detailed work on the Levelling Up Partnership between Hastings Borough Council (HBC) and the DLUHC got fully underway in September 2023. HBC facilitated introductions to more than 60 local stakeholders covering the local business sector, the cultural sector, voluntary and not for profit organisations, and other public sector bodies working in Hastings. It is hoped that by collaborating with key partners and understanding the challenges and opportunities the partnership will identify practical solutions to bring about change.
- DLUHC has worked hard to meet with as many local organisations as possible, listen to their views and ideas and in some cases asked them to prepare a funding proposal. DLUHC has also conducted a desktop review of the data available about Hastings, including educational outcomes, levels of deprivation and health inequalities. They have also undertaken a 'deep dive' into the high levels of demand for temporary accommodation in the town. The council has emphasised to DLUHC the need to focus on solutions to the housing crisis which is having a severe impact on the councils challenging financial situation.
- The DLUHC team have now prepared a package of proposals for consideration by ministers. The decision rests entirely with ministers and we are hoping to hear the results of these proposals by the time of the cabinet meeting. The government has advised that the announcements will be made on or around the 23rd February and if this does happen, we will publish summary details of these at cabinet or earlier if possible.

Homelessness Prevention Funding

- A proposal has been submitted to DLUHC to create 25 new homes for people leaving rough sleeping in the Borough. The proposal sought £1.9 million of revenue funding to resource an intensive housing management team and a tenancy support service. £3.5million was sought for the acquisition and potential conversion of property across the Borough to create the 25 homes. The proposal allows flexibility for us to deliver the scheme in partnership to provide intensive personalised support for residents. Although any funding to external partners would be subject to a competitive tender process.

Long-Term Plan for Towns

- Hastings was pre-selected by DLUHC to receive £20m of funding and support to regenerate the town. This was announced in October 2023 and the funding is released over a seven-year period (details to be confirmed) but can be spent over ten years with a 75% capital to 25%

revenue split. The priority investment themes for the fund are as follows: Safety and Security (Community Safety); High streets, Heritage and Regeneration; Transport and Connectivity.

9. DLUHC has provided a data pack curated by their Spatial Data Unit as well as a policy toolkit outlining powers available to towns and a list of policy interventions with an already agreed case for investment. The data pack for this fund and the more detailed deep dive data pack as part of the levelling up partnership, once finalised, will be available on our website. An independent High Streets and Towns Taskforce will also be established to support towns to develop their proposals.
10. The government has provided £50,000 capacity funding to cover the upfront costs for setting up a new Town Board by 1 April 2024. The board will replace (with a refreshed membership) the Hastings Local Strategic Partnership which will now become the **Hastings Board**, focused on the key thematic areas of the fund. Work is underway to review the terms of reference and membership of the Hastings Board.
11. The board must be chaired by a local community leader or local businessperson and cannot be an elected representative. The MP has been engaged in the process of selecting a chair as well as the design and delivery of the Long-Term Plan. Discussions are taking place with DLUHC and the MP and a chair and vice chair have now been identified. Once the board is finalised we will publish this, the terms of reference and conflict of interest register on our website. Once a board has been established a further £200,000 of capacity funding will be released for 2024/25 to prepare a Long-Term Town Investment Plan.
12. The local authority will remain the accountable body, but the board will be responsible for developing and assisting to implement and monitor the delivery of the plan. The plan will set out the town's vision and priorities for investment and regeneration, aligned to themes stated above.
13. The board will also advise on how to spend the capacity funding to develop the Long-Term Plan. This could include bringing in expertise as appropriate, increasing HBC and local community capacity to help support the development of the plan. The plan will comprise a ten-year vision, identifying the longer-term priorities for Hastings with a three-year investment plan as an annex. The funding covers the whole borough, and it is anticipated that the plan will cover five town centres: Hastings, Old Town, St Leonards, Silverhill and Ore.
14. It is intended to be flexible, enabling private and philanthropic investment to be capitalised to help investments, assets, and land go further, generating more opportunities and benefits for the town. Should the board pursue the policy interventions prepared by DLUHC for each of the three themes identified above (item 5) and provided in the guidance notes (see link above) business cases will not be required. However, they are not compulsory and there are no set requirements for allocating money between themes, though at least one intervention per theme is expected.
15. It is worth noting that there are a significant number of boards and groups that the council sit on and interact with within the town. These are demonstrated pictorially within the funds thematic areas in Appendix 1. This is not an exhaustive list. It is important that these existing boards and groups play a role in shaping the vision and 3-year investment plan, and it is expected that the Hastings Board will work with these other boards in forming appropriate thematic working groups. We are also working with the Connected Futures project to ensure appropriate youth voice is embedded and can run alongside both the board and the plan/vision.

UK Shared Prosperity Fund

16. As part of the government's levelling up programme Hastings was allocated £1,000,000 of funding across three years (2022 to 2025), in line with other lower tier authorities in the South East. A report outlining the details and requirements of the fund along with Hastings' approach to the delivery of the initiative was considered by Cabinet on 7 November 2022. The investment plan was approved by the government in December 2022 and projects began to be co-commissioned and get underway by Spring 2023.
17. A decision was taken to focus the funding in Broomgrove, and an Investment Panel formed with representatives from local organisations that work in Broomgrove. Given the rapid timelines to deliver the initiative and funding constraints consultation with residents and elected members took place and has been built into all projects as the programme developed over the months. The Investment Panel met regularly to take into account feedback from all the early projects before commissioning new projects and will continue to do so for the purpose of evaluation and impact.
18. The primary aim of the UKSPF is to build pride in place and increase life chances in the target area. It suggested interventions such as:
- Boost productivity, pay, jobs and living standards by growing the private sector, especially in places where they are lagging.
 - Spread opportunities and improve public services, especially in those places where they are weakest.
 - Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
 - Empower local leaders and communities, especially in those places lacking local agency.
19. In addition to the UKSPF funding the government established a Levelling Up Parks fund (LUPF) to ensure people have access to parks in urban areas. The LUPF allocation for Hastings was £85,000 (also focused on Broomgrove) and a further £5,000 for the installation of two outside chess tables and benches to be placed in public spaces.
20. A key learning process from this initiative has been creating a local partnership between various statutory and local organisations focussing on building local capacity, investment and resilience in a targeted area. Establishment of the local Investment Panel and a local Project Leads Group has helped ensure a good working relationship has been established to create linkages and continuation for the long term.
21. The UK Shared Prosperity programme does end in March 2025 and it is not clear at the moment what future governments intentions are regarding this type of programme.
- A list of all projects commissioned to date with some having been completed is provided in Appendix 2 – UKSPF Broomgrove Projects

Hastings Town Deal Programme

22. A comprehensive update on the Town Deal Programme was provided to Cabinet and Overview and Scrutiny in October 2023 - [Hastings Town Deal Programme Update October 2023](#)
23. Since then, the main update is that consultation on the design of the Public Realm and Green Connections project commenced in late January and is due for completion at the beginning of March 2024. This is being led by East Sussex County Council with ARUP being the main

consultant working on the project. The consultation is going well, with a considerable amount of feedback received from the public on the indicative design details published to date.

24. The project team conducted a successful consultation event at Priory Meadow shopping centre with over 1200 people engaged in active viewing and discussion. It is hoped other programme and projects will also use this space for consultation activities in the future.

25. To keep up to date on progress of the Town Deal programme and all the various projects please follow the [Hastings Town Deal Blog](#).

Town Deal Accelerator Fund

26. This was a £1m allocation of grant funding from DLUHC in advance of the approval of the Town Fund, to kickstart the programme. Four projects were delivered:

- East Sussex College Group Hastings Project
- EV Charging Points Project
- Rock Alley Commons Project
- The Source Courtyard Project.

27. Further details on the projects can be found here: [Hastings Town Deal - Accelerator Projects — Hastings Town Deal](#)

Sport England's Swimming Pool Support Fund (SPSF) Phase II

28. The council has been successful with a £266,573 grant application to Phase II (Capital) of the government's Swimming Pool Support Fund (SPSF). The funding is for additional photo voltaic panels (£126,984) and replacement boilers (£139,589) at Summerfields Leisure Centre. Our objective is to reduce the energy consumption level of the facility, which will aid financial sustainability and reduce the carbon output.

29. Sport England administer this grant and spend needs to be allocated by March 2025.

30. In October 2023, the council were also successful with a SPSF phase 1 grant (revenue) of £98k, which covers Freedom Leisure's estimated increase in utility costs at Summerfields Leisure Centre.

Multi-Use Games Area – PlayZone Funding

31. The council submitted an expression of interest (EOI) to the Football Foundation's PlayZone funding programme in December 2023. The EOI has been successful, and we have now been invited to proceed to the next stage of the application development process. PlayZone funding is targeted at neighbourhood multi-use games areas, and our main priority is to enhance and modernise our existing facilities, which are desperately in need of investment.

32. However, this will be a consortium approach led by the council's leisure team and therefore the full scope of the project has yet to be agreed. Our EOI included a budget of £22k to support with the project management and community engagement required to develop our full competitive application by December 2024. The application will require 25% match funding. The full application will be developed by a local consortium, facilitated by the council's Leisure Manager. The partners on the consortium have yet to be finalised. At this

stage confirmed partners include Southern Housing, Education Futures Trust and The Sussex FA. The consortium’s aim will be to work with partners to explore new sources of match funding. If successful, the potential grant will be announced in January 2025.

Levelling Up Round 3 (funding bid currently in preparation)

33. In addition to the above programmes, the Council is also preparing proposals for the redevelopment of Summerfields Sports Centre into a new Leisure Wellbeing and a Cultural Hub. It has not been included as part of the above listing of funding activities because it has not been confirmed by the government or any other external funders.
34. The original plan was to submit a bid for Levelling Up Fund Round 3. However, when the government announced the programme in October 2023, it stated it would not consider any new bids but review all previous submissions received during LUF round 2.
35. This was a disappointment to the council, however as the work had been commissioned, it was agreed to continue to prepare the application as a ‘shovel ready’ project and submit to DLUHC for consideration and for their noting for any future programmes.
36. Hastings was identified by the government as a Priority 1 area for the Levelling Up Fund and remains the only local authority in that category which has not receive funding under this programme. The government did provide a small amount of fund (2021) to develop the proposals and these monies together with additional funding from One Public Estate is being used to prepare the above submission.
37. The Leisure Wellbeing and a Cultural Hub project will be an indicative, but a costed proposal from the council, with a clear recognition that further development and engagement work will be required when a source of funding has been confirmed. Details of the proposals will be published on the council’s website in late March 2024.
38. Levelling Up Funding bids could be up to £20m with a required 10% match funding. Further details on the initiative can be found here: [Levelling Up Fund Round 3: explanatory and methodology note on the decision-making process - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/levelling-up-fund-round-3-explanatory-and-methodology-note-on-the-decision-making-process)

Timetable of Next Steps

Please include a list of key actions and the scheduled dates for these:

| Action | Key milestone | Due date (provisional) | Responsible |
|--|---|------------------------|---|
| Implementation of the Levelling Up Partnership programme | Agree all legal and financial arrangements with project partners as appropriate | April / June 2024 | Victoria Conheady, Deputy Chief Executive / Pranesh Datta, Economic Development Manager |

| | | | |
|--|---|---------------------------|---|
| (If confirmed) Implementation of the Homelessness Prevention Funding | Agree all legal and financial arrangements with project partners (internally and externally) as appropriate | April / June 2024 | Victoria Conheady, Deputy Chief Executive / Chris Hancock, Head of Housing |
| Implementation of Long-Term Plan for Towns | Establish Town Board Submission of Investment Plan | April 2024 August 2024 | Victoria Conheady, Deputy Chief Executive / Pranesh Datta, Economic Development Manager |
| Funding application: Multi-Use Games Area – PlayZone Funding | Submit Funding Application | December 2024 | Keith Duly Leisure Development Manager |

Wards Affected

All

Policy Implications: see below

Reading Ease Score:

Please identify if this report contains any implications for the following:

| | |
|---------------------------------------|---|
| Equalities and Community Cohesiveness | Y |
| Crime and Fear of Crime (Section 17) | Y |
| Risk Management | Y |
| Environmental Issues & Climate Change | Y |
| Economic/Financial Implications | Y |
| Human Rights Act | N |
| Organisational Consequences | Y |
| Local People's Views | Y |
| Anti-Poverty | Y |
| Legal | Y |

Policy Implications

Equalities and Community Cohesiveness - The proposals set out in these programmes – include delivering jobs, skills, new housing, educational, cultural and leisure assets to maintain opportunities for all in the town. Employment and Educational assets are also being built or

enhanced in the most deprived parts of the part of the town including in Hollington and the Ore Valley.

All projects commissioned by Hastings Borough Council will be completing an Equalities Screening check to and identify any immediate issues and actions with their proposal. The Programme Team will engage with each of the projects to review their 'screening' check and ensure actions are followed through as agreed.

Crime and Fear of Crime (Section 17) - The Levelling Up Partnership Fund, the Long-Term Plan for Towns have a policy theme in improving community safety in the town. The Town Fund Programmes also has a large investment programme to improve the public realm in the town centre, increase footfall and reduce fear of crime. The Homelessness Prevention funding (if granted) SHAWill provide homes for people currently forced to rough sleep in the Borough and who are currently disproportionately impacted by crime and the fear of crime as they lack a place of safety.

Risk Management - As part of the project management tools a detailed project plan is used and a RAID log will be maintained. Each project will be producing their own risk assessment as part of preparing their implementation plan business cases as appropriate. Risk assessments of projects will be regularly conducted by the programme team.

A programme risk assessment will be produced by the programme team for LUP, the Homelessness Prevention funding and the Long-Term Plan for Towns once established. Generally, the risks will relate to the projects rather than the programme. These are likely to be all capital projects and most risks to the council will arise from being delivered by the council. These will be compiled and reported the council on a corporate basis regularly.

Capital projects chosen under the Long-Term Plan for Towns will be selected by the new Town Board. They may not necessarily need a business and risks may arise from this process. These may need to be managed carefully and a detailed funding agreement signed to minimise the risk to the local authority.

Environmental Issues & Climate Change - As part of developing and commissioning all the capital interventions all projects will be asked to consider the environmental impact of their project and respond to council's net zero carbon emission target by 2030. This will be part of their business case or formal submission against which they will be monitored to ensure delivery. New capital builds and refurbishments will attempt to deliver the new buildings to high sustainability standards. The buildings also need to be sustainably built and operated and will include use of modern technologies such as heat pumps and solar panels where applicable. Also, to note that one of the existing Town Fund Programme projects includes a plan to establish a new sustainable skills excellence centre by East Sussex College Group.

Economic/Financial Implications - In total this is a large capital investment programme with the council being the accountable body for most programmes except in part for the Levelling Up Partnership programme. Here East Sussex County Council will take accountable responsibility for some of the projects agreed.

Further implications will become clearer as projects are developed in more detail and design and construction tenders are prepared. Many of the programme activities have the potential to generate income for the council (including business rates, rental income and council tax), to create savings, especially on temporary accommodation costs, and contribute to the wider economic growth and regeneration of the town. Very few of the projects will require direct match capital

funding from the council and where they may do additional authority will be sought from the council.

Organisational Consequences - The organisational consequences were set out in previous Cabinet reports to deliver the Town Fund programme. Additional resources will be required to deliver the LUP and Long-Term Plan for Town initiatives, these are currently being negotiated with DLUHC.

Local People's Views - Local stakeholders were consulted on development of the Town Investment Plan and Levelling Up Partnership. Many put their ideas forward and will have further opportunities to shape projects as they develop. The Long-Term Plan for Towns will be developed with the local community and how this is done will be shaped by the new Town Board (revamped LSP) once established. This is further discussed under the Long Term Town Plan (from item 5 to 11) above.

Anti-Poverty - The intention of the programmes is to address the underlying causes of deprivation in the town and level-up. Many of the proposals will deliver homes, jobs, skills, new learning opportunities and raise people's income.

Legal - HBC as accountable body for many of the programmes will need to address all legal issues relating to its projects, issuing of Service Level Agreements, Grant Funding Agreements and assess any Subsidy Control issues.

Additional Information

Appendix 1 – Hastings Board and its interrelation with existing partnership boards

Appendix 2 – UKSPF Broomgrove Projects

Officers to Contact

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