

## CABINET

12 September 2023

### LEVELLING UP FUND: GOVERNANCE AND COMMUNICATIONS

#### Report of the Leader of the Council

Strategic Aim:	A Special Place Sustainable Lives Healthy and Well A Modern and Effective Council	
Key Decision: Yes	Forward Plan Reference: FP/090623	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr G Waller – Leader of the Council	
Contact Officer(s):	Penny Sharp – Strategic Director of places	07973 854906 psharp@rutland.gov.uk
	Ingrid Hooley – Head of Sustainable Economy and Place	01572 720923 ihooley@rutland.gov.uk
Ward Councillors	All	

#### DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the Governance approach for the Rutland Melton Levelling Up Fund Programme.
2. Approves the commissioning of works using Levelling Up Fund (LUF) capital grant to support all publicity and communications, engagement and consultation work for the whole programme.
3. Delegates authority to the Strategic Director for Places in consultation with the Leader of the Council to approve associated procurement, contract award, and spend.

#### 1. PURPOSE OF THE REPORT

- 1.1 To seek approval from Cabinet of the Governance for the delivery phase of the Rutland and Melton £23M Levelling Up Fund programme and to approve the procurement of related publicity and communications required to support a robust governance process. The resultant communications strategy, and related

activities, will deliver on DLUHC requirements on publicising the grant and through effective engagement and consultation deliver the projects detailed within the LUF bid “Rural Innovation In Place”.

## **2. BACKGROUND AND MAIN CONSIDERATIONS**

- 2.1 In March 2022, the Department for Levelling Up Housing and Communities (DLUHC) launched Round 2 of LUF. This was a competitive capital grant funding programme for investment in infrastructure to support local communities to ‘level up’ through: regenerating town centre and high streets; upgrading local transport and highways; and investing in cultural and heritage assets.
- 2.2 With Cabinet approvals in place, Rutland County Council and Melton Borough Council submitted a joint bid and were successful. The bid focussed on addressing shared issues in rural market town economies. This aligned with the MP constituency area reflecting the need for MP support as a gateway requirement for LUF applications.
- 2.3 Rutland County Council is the Lead Local Authority with agreement the function is undertaken on a full cost recovery basis and with a formal agreement between the two local authorities governing the working arrangements including a partnership governance structure.
- 2.4 On 23<sup>rd</sup> March 2023, Council approved agreements between Rutland County Council and DLUHC, a Memorandum of Understanding, and a Back to Back Agreement between Rutland County Council and Melton Borough Council. These agreements are now in place. See full report to Cabinet and Council: <https://rutlandcounty.moderngov.co.uk/documents/s26386/Report%20No.%2058.2023%20-%20Rutland%20and%20Melton%20Levelling%20Up%20Fund%20Grant.pdf>
- 2.5 The same report delegated authority to the Strategic Director of Resources (Section 151 Officer) and Strategic Director of Places for the administration and implementation (including project delivery) of the Levelling Up Fund grant requirements and reporting in accordance with the Memorandum of Understanding and DLUHC’s monitoring returns DLUHC Levelling Up Funds Local Authority Assurance Framework.
- 2.6 With submission of the signed agreement to DLUHC and the quarterly return for the previous financial year, DLUHC have released £4,205,953 of LUF to Rutland County Council.
- 2.7 Officers are now seeking approval of the governance approach for the programme and approval to commission works supporting all communications needs through competitive tendering via an appropriate framework.
- 2.8 The overall governance framework for the Rutland and Melton LUF Programme is made up of a number of components: The MoU; the Assurance Framework; the ‘Back to Back’ Agreement; and the Council’s Corporate Management Framework.
- 2.9 The programme has a Board established including corporate and political leadership across both authorities. Governance and Terms of reference of the programme and Board were agreed at a Board meeting on 27 July 2023.

- 2.10 For the Rutland and Melton bid, the 3 investment areas were innovation and enterprise in health, transport and food/culture.
- 2.11 Melton Borough Council projects are:
- 2.11.1 **The Stockyard** - Strengthening Melton's position as the 'Rural Capital of Food', the proposed project builds on the success of the work undertaken by Melton Borough Council and its partners at the site of the existing Livestock Market. Funding will be used to support development of food production units and events space.
- 2.11.2 **The Theatre** - SMB College Group's Melton campus theatre in the town centre, will also receive significant investment to refurbish the main auditorium and backstage facilities, making the space more accessible. The site is used as a lecture theatre for local performing arts students and a location for professional and amateur productions. The updated facilities will instil Melton as a top choice for local aspiring performing arts students as well as attract larger scale commercial events to the area.
- 2.12 Rutland County Council projects are:
- 2.12.1 **Medi-tech digital innovation centre** – a commercially operated enterprise centre focused on developing health and care technologies to benefit residents and the wider population. Located at Rutland Memorial Hospital (RMH) site it will have the added benefit of acting as a catalyst for the further integration of health and social care and support the consolidation of a 'health and care campus' with the potential to link Oakham Medical Practice, RMH and land in Council ownership. In addition, the facility could add to the attractiveness for health and care professionals to work in Rutland and support workforce development.
- 2.12.2 **Mobi Hub Integrated transport** – addressing issues with connectivity and accessibility between market towns and services, particularly health. The funding will provide a new integrated transport hub (a 'mobi-hub') for public transport and active travel in close proximity to Oakham railway station and RMH. In addition, the funding will secure two new demand responsive transport routes between Oakham and Melton, connecting some villages not currently served by public transport. The latter is subject to a separate Cabinet report.
- 2.12.3 **Enhanced digital visitor experience** – the investment will enable the digital interpretation of the recent internationally significant finds of the Ichthyosaur and the roman mosaic allowing the historic assets to be widely accessed by visitors and transforming the County's visitor offer. The digital interpretation is intended to be a mobile exhibition that can be hosted in various locations. The LUF funding will also provide for some capital investment into a building(s) to host the digital exhibition.

### 3. PROCUREMENT

- 3.1 There are no procurement issues in respect of the Governance of the LUF programme.
- 3.2 The range of support services to be procured for the Communications Strategy will include creative development, programme publicity and promotion of the DLUHC grant branding, events, Public Relations (PR), social marketing and emerging

channels, campaign coordination particularly on planning applications, marketing and advertising technology advice, data science, marketing and communications strategy, marketing strategic advice, data provision, management and augmentation, internal communications and engagement, innovation and experience, web design and management.

- 3.3 For the Communications Strategy it is proposed to use a purpose built public sector supplier framework. This will enable us to manage the end to end procurement process either through direct award or via mini-competition, allowing contracts to be awarded in as little as 14 days. This will allow us to expedite effective community engagement and consultation on the programme.
- 3.4 This commission will run the length of the programme, with more work likely to be in initial stages allowing for set up of media and communications material, establishing stakeholder and community relationships. The communications company will hold a place on the LUF Board and work closely with the Communications teams at Rutland County Council and Melton Borough Council.
- 3.5 Soft market testing suggests up to the value of £60,000 to £80,000 per annum funding will be required to develop and deliver the communications strategy for the programme. It is a requirement of the bid award to publicise the programme and part of the planning process for the five projects to engage communities in formal and informal consultation.

#### 4. ALTERNATIVE OPTIONS

- 4.1 There are a variety of options for any Governance approach to complex capital programmes which have been considered. The approach settled on has been discussed and agreed with all partners involved in delivery of the programme, it has been approved by the Board and meets the requirements of the grant.
- 4.2 It is a requirement of the bid that publicity is used to promote the DLUHC grant allocation to the area. It is also essential that engagement and consultation occurs as part of the planning process. Without an external provider the programme will be reliant on in house services which have little or no capacity to support this complex programme effectively.

#### 5. FINANCIAL IMPLICATIONS

- 5.1 The original LUF programme funding profile is summarised in the table below, with £22.9m of grant awarded for schemes with a total value of £26.2m between both Councils.

	<b>Grant £000</b>	<b>Match £000</b>	<b>Total £000</b>
Medi-Tech Digital Innovation Centre	5,792	1,200	6,992
Enhanced digital Visitor Experience	2,000	-	2,000
Integrated Transport	3,000	-	3,000
<b>Total Project with RCC as Lead</b>	<b>10,792</b>	<b>1,200</b>	<b>11,992</b>
Melton Town Centre Regeneration	12,159	2,035	14,194
<b>Total LUF Programme</b>	<b>22,951</b>	<b>3,235</b>	<b>26,186</b>

- 5.2 With submission of the signed agreement to DLUHC and the quarterly return for the previous financial year, DLUHC have already released £4,205,953 of LUF to Rutland County Council allowing us to remain in a cash positive position.
- 5.3 All costs of the programme are being met within the funding envelope. Costs for the Communications elements will be taken from the whole programme, so met by both authorities. Total communications costs are likely to sit at circa 0.8% of all programme costs. This is in agreement with Melton Borough Council.

## **6. LEGAL AND GOVERNANCE CONSIDERATIONS**

- 6.1 The commissioning, procurement and implementation of the Rutland elements of the LUF programme will be in accordance with the Council's Constitution, including the Contract Procedure Rules and Financial Procedure Rules. Cabinet and/or Council (whichever is appropriate in the circumstances) will be involved at key gateways to approve implementation of projects and limit any financial exposure.
- 6.2 During the development and assessment of the Rutland and Melton LUF bid specialist legal advice was obtained on the Subsidy Control implications of the bid – specifically on compliance with the Subsidy Control rules contained within the Subsidy Control Act 2022 (Note: the Subsidy Control regime has replaced the previous rules on State Aid). It was a DLUHC requirement of all bidders to provide assurance that any grant would be compliant with the Subsidy Control rules and would not distort the competitive market. DLUHC has requested all successful bidders to provide fresh assurance and for that reason the Council's legal advice is currently being refreshed, although there is no reason to believe the updated advice will depart from the original advice.
- 6.3 The cost of legal advice for the programme is funded through the programme with no additional pressure on the Council's revenue position.
- 6.4 Legal advice on the tendering and award will be sought at the appropriate stages of the procurement process.

## **7. DATA PROTECTION IMPLICATIONS**

- 7.1 A Data Protection Impact Assessments (DPIA) has not been completed for because there are no risks/issues to the rights and freedoms of natural persons.

## **8. EQUALITY IMPACT ASSESSMENT**

- 8.1 An Equality Impact Assessment (EqIA) has not been completed because there are no identified risks/issues for equalities or protected groups.

## **9. COMMUNITY SAFETY IMPLICATIONS**

- 9.1 No direct implications arising from this report.

## **10. HEALTH AND WELLBEING IMPLICATIONS**

- 10.1 For Rutland the LUF investment will leverage capital investment and commitment from health partners. The bid was supported by Leicestershire Partnership NHS Trust and Leicester, Leicestershire and Rutland Integrated Care Board.

- 10.2 It provides a catalyst to unlock investment in the Rutland Memorial Hospital site and develop the potential for a health and care campus. This will complement and enhance the work of the Health and Care Collaborative and provides an opportunity to further enhance integration and delivery of local health and care services.
- 10.3 The LUF investment will complement the Council's Transformation Programme and the Health and Care Collaborative workstream. Public transport provision results in reduced rural isolation and emissions from private car use, increased physical activity and access to services.

## **11. CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 11.1 The commissioning, procurement and implementation of the Rutland elements of the LUF programme will be in accordance with the Council's Constitution, including the Contract Procedure Rules and Financial Procedure Rules. Cabinet and/or Council (whichever is appropriate in the circumstances) will be involved at key gateways to approve implementation of projects and limit any financial exposure.
- 11.2 Due to the value of the work to be commissioned Cabinet approval must be requested. From soft market testing, the procurement value is likely to amount to costs between £60,000 and £80,000 per annum and no more than £200,000 for the lifetime of the programme, although the competition for services is expected to come in under those total costs and achieve value for money.
- 11.3 The programme is being delivered to a tight Government imposed timeline consequently important to secure communications services to move the programme at pace and mitigate risks to delivery within timescale.

## **12. BACKGROUND PAPERS**

- 12.1 None

## **13. APPENDICES**

- 13.1 Appendix A - LUF Programme Governance
- 13.2 Appendix B - LUF Executive Programme Board Terms of Reference
- 13.3 Appendix C - LUF Delivery Board Terms of Reference
- 13.4 Appendix D - LUF PID (Programme Initiation Document)
- 13.5 Appendix E - LUF RAID (Risks, Actions, Issues and Decisions) Log
- 13.6 Appendix F - LUF Milestones Plan

**A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.**