

Forward Plan reference number: FP/828/10/20

Report title: SELEP Getting Building Fund: Shovel Ready Projects Approval	
Report to: Cabinet	
Report author: Steve Evison – Director for Sustainable Growth	
Date: 15 December 2020	For: Decision
Enquiries to: Paul Chapman Principal Economic Growth and Regeneration Officer – paul.chapman@essex.gov.uk or Claudia McKibbin – Partnership Co-Ordinator - claudia.mckibbin@essex.gov.uk	
County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval for the passporting of a grant of twenty six million, five hundred and eight thousand pounds, £26,508,000 of Getting Building Funding (GBF) from the South East Local Enterprise Partnership (SELEP) to the grant recipients detailed in this report.
- 1.2 The report also requests approval to proceed with the Harlow Library refurbishment project, which is one of the projects that ECC as a scheme promoter has been successful in bidding for grant funding for under the GBF.

2. Recommendations

- 2.1. Agree to enter into a service level agreement with SELEP Ltd to accept the grant funding of the Getting Building Fund for the projects listed in appendix A.
- 2.2. Subject to the release of the funding by SELEP, agree to enter into grant agreements with the promoters of those schemes in appendix A which are not promoted by ECC.
- 2.3. Add £9,078,376 into the 2020/21 Capital Programme for planned expenditure in the current financial year as set out in section 6.1.
- 2.4. Agree to procure a contract for the refurbishment of Harlow Library and relocation of Adult Community Learning (ACL) Harlow as set out in paragraph 3.8 and authorise the Head of Infrastructure Delivery to enter into a contract for the necessary works.
- 2.5. Note that funding for the Tendring Bike Scheme and Cycle Infrastructure Project will not be released until authorised by Cllr Kevin Bentley Deputy Leader, Cabinet Member for Infrastructure.

3. Summary of issue

- 3.1. The Getting Building Fund was launched by Government as a response to the secondary economic impacts of the COVID-19 lockdown. LEPs were asked to submit a list of potential projects in the first instance, which were reviewed and approved by MHCLG. A guidance on prioritisation was also submitted by MHCLG, which the SELEP Strategic Board took into consideration when allocating funding.
- 3.2. The projects listed in Appendix A have been selected by the SELEP Strategic Board which met on 16 July 2020 to agree a preferred list of 34 “shovel ready” projects across the LEP area to proceed through the Government’s £85 million Getting Building Fund.
- 3.3. These projects were selected based on their deliverability within the short timescales and their impact in creating jobs and supporting the economic recovery and are due to be expended by March 2022. The projects have then been through a SELEP sponsored two stage application process that included input from Independent Evaluators. The projects have then been presented to and approved by the SELEP Accountability Board on the 16 October 2020 and the 20 November 2020.
- 3.4. A short description of each project, the area(s) it will impact and the amounts of GBF requested along with any match funding linked to the application and the total project value are listed in the Project Description table in Appendix A.
- 3.5. The responsibility for establishing the spend of the GBF and project delivery remain with Essex County Council as the Upper Tier Authority and ECC will seek to administer the funding in accordance with the funding agreement with SELEP. The delivery of the projects will sit with each recipient of the GBF funding as set out in Appendix A.

Essex County Council as Scheme Promoter

- 3.6. Essex County Council has put forward 5 ‘shovel ready’ projects, which have already been approved by cabinet members or the cabinet’s approval to progress. These are Rocheway Independent Living, Extension of the Full Fibre Broadband Roll-out and Acceleration of full-fibre broadband deployment projects have been previously approved by ECC to progress.

Tendring Bikes and Cycle Infrastructure

- 3.7. Tendring Bikes and Cycle Infrastructure project requires approval by Cllr Kevin Bentley Deputy Leader, Cabinet Member for Infrastructure but is not yet ready for formal approval. Accordingly, Cabinet is asked only to agree in principle to accept the funding for this scheme and note that there will be a further decision by the Cabinet Member. Funding for the Tendring Bikes & Cycle Infrastructure project will be subject to a decision for ECC to proceed – if a decision is not approved then ECC acting as the upper tier authority who has received the

funding from SELEP will not transfer the GBF funding for the is project. If the Tendring Bikes & Cycle Infrastructure project is not approved by ECC acting as the scheme promoter, the GBF award allocations will go back to SELEP for redistribution within the SELEP-wide area.

Harlow Library refurbishment and relocation of ACL

- 3.8. Diversification and attracting additional income to the library space is a stated aim of Essex County Council's Library services¹. Hosting of the ACL provision within Harlow Library supports this strategic aim. The Harlow Library building was built in the 1960s and is dated and tired-looking and is currently underused with significant vacant space and declining footfall, despite being in a prominent position at the heart of the town centre.
- 3.9. Intelligence shows us that Harlow has a large skills deficit with 26% of adult residents in Harlow having no qualifications and only 17.6% of adult residents in Harlow having Level 4 qualifications and above. The location of the current ACL site is not easily accessible for all residents in Harlow. Visibility of the site is poor and public transport to the location is limited. In recent year, attendance at ACL Harlow has been declining, in part due to the location. The number of enrolments has declined since 2015/16 where there were 1902 enrolments and in 2019/20 there were only 1238. Numbers have declined nationally in relation to Adult Learning and this is due a number of considerations, particularly around funding. In relation to this specific project the relocation of ACL to a more centralised offer will help to address the skills deficit within Harlow and now more than ever, support individuals that are affected by the Covid-19 economic crisis.
- 3.10. The possible relocation of ACL Harlow to Harlow Library was identified as an opportunity as the need for library services are changing. Having both services in the same centrally located site will lead to improved and accessible services to support and encourage a step-change in engagement and provision of learning and skills and digital technology.
- 3.11. The proposal would see the remodelling of the current Harlow Library includes the remodelled space and relocation of Adult Community Learning (ACL). The proposed project and associated Getting Building Funding presents a unique opportunity This provides an opportunity to increase access to and awareness of learning, to increase utilisation of both services and respond to the identified need to provide a better-quality adult learning offer which will drive outcomes and access to opportunity for Harlow residents – as well as providing an improved facility for library users.
- 3.12. If approved, ECC will undertake a procurement exercise to appoint a supplier to carry out the works in accordance with ECC's procurement rules. The existence of free space within the current library means that library services will be maintained.

¹ Essex Future Library Services Strategy 2019 to 2024

The relocation of ACL will not lead to any reduction in the number of books in Harlow Library or in services operated from the library. It should be noted that those learners who travel to the ACL centre by car will in future need to pay for car parking.

4. Options

- 4.1 **Option 1 – Do not accept the funding.** The thirteen listed projects which have been allocated GBF funding would need to apply elsewhere for funds, reducing the likelihood that the proposed schemes would be delivered. The Government allocation of £26.5m would be returned to SELEP to redistribute.

Option 2 – Accept the funding for the 13 GBF Projects. ECC as SELEP's Accountable Body will then release funding to ECC as the sponsoring upper tier authority to in turn, transfer to the individual projects, upon proof of eligible spend. This will provide each applicant with access to the funding to deliver the requirements set out by Government in the initial invitation to fund "shovel ready" projects.

5. Links to Essex Vision

- 5.1. This report links to the following aims in the Essex Vision

- Enjoy life into old age
- Strengthen communities through participation
- Develop our County sustainably
- Connect us to each other and the world
- Share prosperity with everyone

- 5.2. This links to the following strategic aims in the Organisational Plan:

- Enable inclusive economic growth
- Help people get the best start and age well
- Help create great places to grow up, live and work

6. Issues for consideration

6.1. Financial implications

The total capital programme cost is estimated to be £68.8m, of which £26.5m will be funded by GBF Grant. The table below shows the amount of GBF funding for each project:

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GBF Funding by scheme	2020/21 £	2021/22 £	Total £	ECC Contribution £	Other Contribution £	Total Project Cost £
Essex County Council - Acceleration of Full-fibre	680,000	-	680,000		7,189,329	7,869,329
Braintree District Council - Horizon 120 Enterprise Centre	-	7,000,000	7,000,000	-	9,000,000	16,000,000
Essex County Council - Extension of Full-fibre Broadband	1,820,000	-	1,820,000		600,000	2,420,000
Essex County Council - Harlow Library	-	977,000	977,000	176,261		1,153,261
Essex County Council - Tendring Bikes & Cycle Infrastructure	672,000	1,634,000	2,306,000	100,000		2,406,000
Essex County Council - Rocheway Independent Living Scheme	713,000	-	713,000	4,701,247	422,000	5,836,247
Total Essex County Council	3,885,000	9,611,000	13,496,000	4,977,508	17,211,329	35,684,837
Tendring District Council - Jaywick Market & Commercial Space	170,973	1,801,027	1,972,000	50,000	105,535	2,127,535
Castle Point Borough Council - Labworth Car Park	326,000	374,000	700,000	-	211,696	911,696
Harlow District Council - Nexus Building at Harlow Enterprise zone	586,000	1,014,000	1,600,000	-	10,162,000	11,762,000
Harlow District Council - Modus Building at Harlow Enterprise zone	1,960,000	-	1,960,000	-	5,000,000	6,960,000
Harlow College - Remodelling of buildings to provide new 'T' levels	103,778	1,396,222	1,500,000	-	2,000,000	3,500,000
Swan Commercial Services - NU Living Modular Housing Factory	2,046,625	2,483,375	4,530,000	-	-	4,530,000
Chelmsford City Council - Tindal Square	-	750,000	750,000	-	2,610,000	3,360,000
Total - all projects	9,078,376	17,429,624	26,508,000	5,027,508	37,300,560	68,836,068

Additions to the Capital Programme to include planned expenditure in 2020/21 are being requested in this paper. Additions to the Capital Programme in 2021/22 will be made through the 2021/22 budget setting process.

GBF Funding is transferred to the partner authority (ECC) under the terms of a notional agreement due to its dual role as accountable body for SELEP Ltd. It is a requirement that all GBF monies transferred are used for the purpose for which it has been allocated and meets the conditions of the grant. Any GBF transferred may be required to be repaid if the conditions are not met. A back to back agreement will be put in place between ECC and the promoter containing the following conditions

- No grant funding will be paid unless ECC is satisfied that such payment has been used for proper expenditure in the delivery of the projects and in accordance with the agreed budget and timings;
- The requirement to repay all or part of the funds received if the accountability board requests so.
- Cost overruns are to be covered by the Scheme Promoter.

Where a project is being delivered by a private sector partner ECC will seek to limit its financial risk should the organisation fail to deliver the project or the outputs, In such cases ECC may seek an appropriate security, such as a charge over asset, prior to signing the grant agreement, to reduce the risk to an acceptable level.

6.2. Legal implications

6.2.1 ECC is receiving the GBF funding from SELEP and this will be passed to the recipients set out in Appendix A via grant agreements in line with the terms of the grant conditions received from MHCLG.

6.2.2 Payment will be made by MHCLG to ECC as the Accountable Body for SELEP and funding can only be deployed in accordance with decisions made by Accountability Board and SELEP's Strategic Board in line with the standards set out in the National Local Growth Assurance Framework.

6.2.3 ECC should comply with any terms mandated by SELEP and the Ministry of Housing, Communities & Local Government.

7. Equality and Diversity implications

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8. List of appendices

Appendix A: Project Descriptions Table

Appendix B: Equality Impact Assessment

9. List of Background papers

Business Cases for each project