

**Report to:** Leader and Lead Member for Strategic Management and Economic Development

**Date of meeting:** 14 March 2024

**By:** Director of Communities, Economy and Transport

**Title:** Levelling Up Partnership – Rother and Hastings

**Purpose:** To set out the proposals relating to the Rother and Hastings Levelling Up Partnership (LUP) and to seek agreement for East Sussex County Council entering into legal agreements with the Department for Levelling Up, Housing and Communities in relation to the LUP programmes

---

**RECOMMENDATIONS:** The Leader and Lead Member for Strategic Management and Economic Development is recommended to:

- (1) Note the Levelling Up Partnership funding being awarded to both Hastings and Rother which includes funds allocated to East Sussex County Council led projects, subject to approval and confirmation from the Department for Levelling Up, Housing and Communities (DLUHC);**
  - (2) Agree the proposal for East Sussex County Council to be the Accountable Body for County Council led projects and for any external led projects; and**
  - (3) Subject to approval and confirmation from DLUHC, to agree that East Sussex County Council enters into any required legal agreements with Government in respect of the Hastings and Rother LUPs; and**
  - (4) Delegate authority to the Director of Communities, Economy and Transport, in consultation with the Director of Children’s Services where appropriate, to agree the terms of such legal agreements and to take any other actions necessary to give effect to the recommendations in this report.**
- 

## **1 Background**

1.1 Levelling Up Partnerships (LUP) were introduced by the Levelling Up Secretary of State in March 2023. They emerged from the recommendations set out in the Governments ‘Levelling Up the United Kingdom’ White Paper, to provide bespoke place-based regeneration. Initially this has focussed on 20 of England’s areas identified as most in need of levelling up over 2023-24 and 2024-25.

1.2 LUPs aim to readdress geographical disparities by allocating capital and revenue funds for tailored regeneration plans. The scheme has 9 focus areas: 1) Digital connectivity; 2) Education; 3) Skills; 4) Health; 5) Well-being; 6) Pride in Place; 7) Housing; 8) Crime and 9) Local leadership.

1.3. Areas to receive LUP funding were identified by assessment against metrics covering skills, pay, productivity and health at a local authority level. As a result of this assessment, the district of Rother and borough of Hastings were selected as 2 of the 20 LUP areas in England due to the significant economic and social challenges both areas face. They each received £20m allocation of funding to focus on delivering mostly capital projects by the end of 2024/25.

1.4 Government have indicated that current LUP funding may be linked with the other announcement in November 2023, which was to provide an additional 10-year £20 million package of funding referred to as ‘*endowments*’ as part of the Government’s long-term plan for Towns. This funding is to be spent on local people’s priorities, and both Hastings and Bexhill areas are included.

## **2 Supporting information**

2.1 From September to December 2023, the Department for Levelling Up, Housing and Communities (DLUHC) LUP team officials undertook extensive engagement with public sector (including County Council) and local stakeholder partners, businesses, residents and the two local Members of Parliament in both Rother and Hastings to shape projects. The LUP team used a data

and evidence-based approach to inform decisions regarding the priorities for each area which resulted in a long list of projects being put forward for consideration in November 2023. DLUHC officials were then responsible for narrowing this into shortlists that have been considered and endorsed by the two local MP's and both were submitted for Ministerial approval.

2.2 At the time of writing, a Ministerial announcement is expected shortly on both the Hastings and Rother LUP programmes, outlining the projects approved and the provisional funding allocations. Until this formal announcement has been made, the Council cannot publish details of the projects provisionally allocated funds; however, further information is outlined in an exempt report later on the agenda to help inform the decisions to be made by the Leader and Lead Member.

#### *Financial Implications*

2.3 The delivery timescales associated with the LUP are challenging, as the current Government expectation is that projects will be delivered by March 2025.

2.4 There is still uncertainty around any specific conditions that Government might impose on the funding. There is also still uncertainty around when Rother and Hastings LUPs are finalised and announced, which could have an impact on delivery timescales.

2.5 There is an expectation from Government that the Council will be the accountable body for the projects for which it is directly responsible. This means the County Council will be responsible for ensuring that any expenditure is spent legally and in accordance with any government reporting guidance issued as well as for continued monitoring of project activities, outputs and outcomes. However, to date no contract or guidance has been issued by government and the specifics around what this entails are therefore unknown.

2.6 Acting as the accountable body also has staff resource implications for overall programme and project management, with input from finance, legal and procurement teams likely to be required. The majority of the LUP funding received will be capital and LUP officers recognise the additional resource burdens this places on all authorities, and have confirmed it will be for the Council to determine whether associated costs incurred are deemed eligible and can be claimed from the capital funds awarded.

#### *Legal implications*

2.7 In the proposed role as Accountable Body the Council will need to enter into legal contract agreements with DLUHC and any external delivery partners since government is not allocating funds directly to organisations.

#### *Equalities Impact Assessment*

2.8 It is not anticipated that there will be any negative equalities and diversity impacts resulting from LUPs. The LUP team has engaged with a wide range of stakeholders to reflect local needs and priorities. All programmes, activities and policies adopted at a local level will adhere to Public Sector Equality Duty requirements.

### **3 Conclusion and reasons for recommendations**

3.1 The Government's Levelling Up Partnerships will bring benefits to Rother and Hastings through 2024/25.

3.2 Although working to a tight programme, with further details still emerging, the opportunity for the County Council to access LUP funding has provided an avenue for delivering priority projects for the county that otherwise either might not have been able to proceed or would have required direct County Council spending at a time when resources are stretched.

3.3 It is therefore recommended that the Leader and Lead Member notes the LUP funding being awarded to both Hastings and Rother, which includes some funding for Council led projects, as detailed in an exempt report later on the agenda. The Leader and Lead Member is recommended to agree the proposal for East Sussex County Council to be the Accountable Body for County Council led projects and any external led projects.

3.4 Subject to approval and confirmation from DLUHC of the final funding allocations, the Leader and Lead Member is recommended to:

- agree that the Council enters into any required legal agreements with Government in connection with Hastings and Rother LUP programmes; and

- delegate authority to the Director of Communities Economy and Transport, in consultation with the Director of Children's Services where appropriate, to agree the terms of such legal agreements and to take any other actions necessary to give effect to the recommendations in this report.

## **RUPERT CLUBB**

### **Director of Communities Economy and Transport**

Contact Officer: Alex Colbran

Tel. No: 07729 108123

Email: [alex.colbran@eastsussex.gov.uk](mailto:alex.colbran@eastsussex.gov.uk)

## LOCAL MEMBERS

Councillors Azad, Beaver, Clark, Daniel, Field, Geary, Glazier, Hay, Hilton Hollidge, Kirby-Green, Marlow-Eastwood, Maynard, Pragnell, Redstone, Scott and Webb

## BACKGROUND DOCUMENTS

None