



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member Growth and Development
LEAD OFFICERS:	Strategic Director of Growth & Development
DATE:	Thursday, 11 April 2024

PORTFOLIO/S AFFECTED:	Growth & Development
WARD/S AFFECTED:	(All Wards);
KEY DECISION:	Y

SUBJECT: Levelling Up Partnership Update

1. EXECUTIVE SUMMARY

This report updates the Executive Board on the progress of the Levelling Up Partnership (LUP), a new Government initiative announced in March 2023. Blackburn with Darwen is one of 25 places that secured LUP status with the prospect of securing £20M of new funding, subject to a jointly agreed Investment Plan with Government.

Blackburn with Darwen's award (of £20.3M) was formally announced by the Secretary of State for the Department for Levelling Up, Housing and Communities at the Convention of the North on 1 March, 2024.

This report welcomes the agreed LUP package and requests the Executive Board authorises the Strategic Director of Growth and Development and the Strategic Director for Finance and Resources, in consultation with the Executive Member for Growth and Development, to finalise the Council's LUP funding package with Government, and draw-down agreed funding, aligned to the project priorities set out in this report.

2. RECOMMENDATIONS

That the Executive Board:

i) Welcomes and approves the Council's LUP Investment Programme, which has been jointly developed and agreed with Government, subject to final confirmation of funding arrangements; and

ii) Authorises the Deputy Chief Executive/Strategic Director of Growth & Development and Strategic Director for Finance and Resource, in consultation with the Executive Member for Growth & Development, to finalise the Council's £20.3M LUP funding package with Government, and draw-down agreed funding, aligned to the project priorities set out in this report.

iii) Approves an update to the Council's Revenue Budget and Capital Programme for 2024/25 to reflect the proposed expenditure on the LUP Investment Programme projects; and

iv) Note further reports on specific projects may be brought to the Executive Board, as required, to ensure consistency with Council procurement and financial regulations.

BACKGROUND

Blackburn with Darwen is one of 25 places in England to secure Levelling Up Partnership status; a new national initiative announced by Government in March 2023. The Government's LUP programme followed on from a pilot in Blackpool which aimed to address specific issues limiting the growth potential of the area. Successful Partnerships would be allocated up to £20M in new funding.

Partnership locations were selected based on the analysis in the Levelling Up White Paper (and now an Act) which considered places in England against four key metrics: the percentage of adults with Level 3+ qualifications; Gross Value Added (GVA) per hour worked; median gross weekly pay; and healthy life expectancy.

Blackburn with Darwen was identified as one of the first places in England to benefit from the LUP programme. To this end, during October-December 2023, Council officers and Government officials worked intensively on developing a joint Investment Plan, informed by the Council's strategic priorities, and tested with key local partners and business leaders, with this work successfully securing a LUP funding package of £20.3M.

The Secretary of State for Levelling Up, Housing and Communities formally announced our LUP package at the Convention of the North on 1 March 2024. Council officers and Government officials are now finalising funding and administrative arrangements.

Our LUP package recognises the economic importance and community value of new investment in key cultural assets and provides a level of support to help address development constraints in Blackburn Town Centre. Skills and business development measures have also been agreed to better link local residents and businesses to new higher value growth opportunities, especially in low carbon and digital sectors, consistent with the Council's growth ambition and priorities. These priorities are set out in more detail below.

1. King George's Hall - £8m (capital funding)

Investment in a comprehensive maintenance and upgrade programme. This will help improve accessibility of the venue and ability to generate additional income.

Key outcomes: Improved evening economy and widening access to opportunities for Blackburn as a regional centre for creative arts.

2. Tony's Empress Ballroom - £1.5m (capital funding)

Investment to make this building accessible and compliant with current building standards and support the re-opening of the venue to provide a space for communities to come together.

Key outcomes: Improved sense of community, improved pride in place, and improved access to employment opportunities in the creative industries.

3. The Cotton Exchange - £1.5m (capital funding)

Investment to Resource CIC to undertake works to this iconic and historic town centre building enabling them to widen activities and open to more visitors as well as increasing opportunities for future public investment.

Key outcomes: Improved sense of community improved pride in place and improved access to employment opportunities in the creative industries.

4. Imperial Mill - £1m (capital funding)

Funding will be used to accelerate works on this iconic canal side mill and strategic gateway location.

Key outcomes: Accelerates development of an investment programme with the longer-term aim of developing the site / location for local employment, and as a performance base for creative industries. Increased pride in place.

5. Blackburn Town Centre Acquisition and Conversion programme - £3.5m (capital funding)

Funding will be used to bring forward key buildings, including Bridge House, and acquire key buildings to secure wider growth priorities.

Key outcomes: Conversion and acquisition of key buildings to deliver new community business and cultural spaces. Reduced ASB, increased pride in place, and increase opportunities for programming to support the development of key cultural partners.

6. Neighbourhood & Corporation Park Investment Programme - £1m (capital funding)

Upgrades to 2 Multi Use Games Areas in Little Harwood and Bastwell with a wider investment programme for Corporation Park.

Key outcomes: Refurbished sports and community facilities, increased participation in physical activity, improved health and wellbeing, improved sense of community and reduce ASB.

7. AMRC Low Carbon Business Accelerator - £2m (capital funding)

Expansion of the new Additive Manufacturing Accelerator in Darwen to create a linked Manufacturing Business Accelerator in conjunction with Sheffield University/AMRC with 5,000 sq ft of innovation space and required specialist technical equipment.

Key outcomes: Improved access to employment opportunities with higher wage levels. Supporting businesses to increase innovation and efficiency into manufacturing processes and products.

8. Cyber Skills Programme - £1.5m (capital funding)

Funding will be used by Blackburn College to create a digital and cyber delivery space with high-specification facilities and improving core networking infrastructure on the College Campus.

Key outcomes: Improved access to employment opportunities and increase in educational attainment.

9. Hive Business Network - £300,000 (revenue funding)

Support to help refocus our local business networks by providing the Council with capacity funding to engage local business leaders and deliver high quality business events and engagement activity.

Outcomes: Refocused Hive Business Network, improved access to employment opportunities and increased aspiration.

Total Levelling Up Partnership Investment is £20,300,000 over the coming new financial year 2024/25, which, in part, reflects the Government's confidence in the Council's ability to deliver strategic change.

4. KEY ISSUES & RISKS

Preparations are already underway to ensure project delivery plans are ready to commence as soon as the LUP funding package is finalised with Government.

The LUP opportunity is timely as we start to deliver our ambitious and exciting vision for the future of the Borough and the six big ideas which underpin our Blackburn with Darwen Local Plan 2021 – 2037. In particular, contributing to the Growth Axis Economic Framework, supporting the Blackburn Town Centre Masterplan, and strengthening the delivery of the economic priorities of the Darwen Town Investment Plan. In addition, our emerging Cultural Investment Plan has supported our case-making to secure LUP investment in our key cultural assets, which, in turn, helps to underpin the wider economic resilience and diversification needed to address fundamental changes in how town centres function and perform.

Whilst this does represent an ambitious programme of work, there will be a need to ensure that there is sufficient capacity to deliver the projects within the timescales set out for the programme (whilst at the same time as delivering on substantial other programmes as mentioned above).

5. POLICY IMPLICATIONS.

The LUP Investment Programme supports the Blackburn with Darwen Local Plan 2021 – 2037; the Council's new Corporate Plan Missions, Core Values and Outcomes helping to deliver the overall Vision 'We want every single resident, no matter who they are, to achieve a good quality life'.

6. FINANCIAL IMPLICATIONS

As outlined in the report, the LUP package comprises capital investment of £20M and revenue investment of £300K. Adjustments will be required to the approval Revenue Budget and Capital Programme for this.

Given the nature of some of the projects in the investment package, there may be an impact on the Council's operations. Until the final package is confirmed with Government, it is not possible to determine what this might be suffice to say that, where it is considered necessary to do so, any such impact will be reported to the Executive Board in due course. In this context, given the nature of some of activities that may be affected, the proactive management of the VAT implications on the Council's Partial Exemption position may be necessary to avoid any additional VAT costs to the Council.

Similarly, some parts of the investment package involve the further acquisition (and subsequent refurbishment) of properties. Again, at this stage, it is not possible to say what the operational expenditure and income of those properties will be and what, therefore, the full financial

implications for the Council may be. Where it is considered necessary to do so, further reports on these matters will be brought to the Executive Board.

The majority of the investment will be delivered directly by the Council with third party grants to The Cotton Exchange, Blackburn College and Blackburn Youth Zone, respectively. These will be subject to appropriate agreements to ensure that any obligations of the grant funding for the Council are transferred as appropriate to the recipients of the grant.

There will with robust project and programme governance in place managed and administered by the Growth and Development and Finance Departments with oversight provided by the Strategic Director for Finance and Resources. We are awaiting further information from the Government on reporting arrangements, but we expect this to be consistent with similar grant funded programmes.

7. LEGAL IMPLICATIONS

The contractual arrangements are currently being finalised, though they are expected to be consistent with similar Levelling Up programmes, and any obligations will be passed down to external grant recipients via a Grant Funding Agreement, as appropriate.

At this stage, it is not considered that there are any subsidy control matters arising from the LUP investment package. However, subject to the final package being agreed, this matter will be clarified and appropriate arrangements put in place to ensure the Council remains compliant with relevant legislation.

Contracts for works and services will need to be procured in accordance with Council Contract Procurement Procedure rules and procurement legislation.

8. RESOURCE IMPLICATIONS

There is a requirement for additional project management resources which will be funded via the capital investment provided

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

A wide range of stakeholders were consulted by Government officials between October and December 2023 before finalising and agreeing our LUP Investment Plan.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	1
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CONTACT OFFICER:	Clare Turner
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DATE:	26/3/24
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BACKGROUND PAPER:	
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