

Report to:	EXECUTIVE CABINET
Date:	20 December 2023
Executive Member:	Councillor Jack Naylor – Executive Member (Inclusive Growth, Business & Employment)
Reporting Officer:	Julian Jackson, Director of Place Nicola Elsworth, Assistant Director Investment, Development and Housing
Subject:	LEVELLING UP FUND: ROUND THREE
Report Summary:	The report provides an update on the selection of Denton Town Centre as one of the projects nationally to be funded via Levelling Up Fund, Round Three. The report seeks approval to progress delivery of the Denton Town Centre Regeneration Programme, subject to confirmation of further details from Government. A further decision by the Executive Member for Inclusive Growth, Business & Employment to formally accept the funding will be required once the full terms of the Grant Funding Agreement are available.
Recommendations:	That Executive Cabinet be recommended to: <ul style="list-style-type: none"> (i) Note the provisional award of £16.8m from the Levelling Up Fund, Round Three for Denton Town Centre; (ii) Approve entering into the formal agreements for the receipt of funding and inclusion in the Council’s Capital Programme, subject to satisfactory complete of project validation checks; and (iii) Enable the Director of Place to progress the project validation checks and manage the programme of works associated with the Levelling Up Fund allocation for Denton and to drawdown and incur all Levelling Up Fund expenditure related to delivery. On-going performance and reporting will be provided to Strategic Planning and Capital Monitoring. (iv) To approve the use of £1.95m from the Active Travel Fund (ATF) associated with the Crown Point Mayors Challenge Fund (MCF) project as match funding to the Levelling Up Fund programme.
Corporate Plan:	Key aims of the Corporate Plan are to provide opportunities for people to fulfil their potential through work, skills and enterprise and to ensure modern infrastructure and a sustainable environment that works for all generations and future generations. The interventions that will be supported in Denton by the Levelling Up Fund will deliver against these aims in the areas of job creation, modern infrastructure and a sustainable environment.
Policy Implications:	The interventions that will be supported by the proposed works in Denton will support the policy aims of the Borough’s Inclusive Growth Strategy 2021, the Housing Strategy 2021 to 2026, Tameside Climate Change & Environment Strategy, the Council’s growth priorities agreed at Council February 2020, the draft Greater

Manchester Places for Everyone joint development strategy and the emerging Homes, Spaces, Places, plan.

**Financial Implications:
(Authorised by the
statutory Section 151
Officer & Chief Finance
Officer)**

The report provides details of the recently announced successful levelling up grant fund bid of £16.8m for Denton Town Centre.

Table 1 section 2.5 provides the component schemes that were included within the bid. In addition, the bid included an allocation of £1.985m from the Active Travel Fund (ATF) associated with the Crown Point Mayors Challenge Fund (MCF) project as match funding to the Levelling Up Fund programme

The Council is yet to be notified of the related grant terms and conditions for this funding. These will require appropriate due diligence once received to ensure the grant is utilised, monitored and profiled in accordance with the related terms whilst also ensuring the key outcomes and milestones are delivered.

An evaluation will also be required on any flexibility in the proposed allocation of the grant against the component schemes within table 1, and compliant use of the related match funding within the terms of the Mayors Challenge Fund grant agreement

Appropriate advice should be sought from STAR where applicable to ensure compliance with procurement regulations for the associated component schemes within table 1 and to also ensure that value for money is achieved and is clearly evidenced.

**Legal Implications:
(Authorised by the
Borough Solicitor)**

At this stage the report seeks approval for the receipt of the Grant funding described. Subject to such approval a further decision will be required to accept the grant funding once the terms of the grant are made clear. It is likely that it will set out specific monitoring requirements and timescales for compliance. It will also likely specify the circumstances under which the funding could be suspended, withdrawn or recovered and so further Legal advice on its terms will need to be sought at that time to ensure compliance with its terms. Given there are likely to be obligations to comply with procurement legislation and the Subsidy Control Act 2022 any commissioned works funded by the grant will need to be procured in compliance with the Council's Contract Procedure Rules and appropriate advice from STAR Procurement sought in order to comply with the Public Contracts Regulations.

Risk Management:

Risks associated with the project are set out at Section 4.

Access to Information:

Not confidential

Background Information:

The background papers relating to this report can be inspected by contacting Mike Reed – Head of Major Programmes



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1. INTRODUCTION

- 1.1 The Council has identified Denton Town Centre, as one of its priority areas to deliver the objectives of the Tameside Inclusive Growth Strategy 2021-26 in making our town centres hubs for living, culture, employment and services supporting a sustainable retail sector.
- 1.2 Denton Town Centre has benefited from significant investment in recent years, including delivery of the Tameside Wellness Centre, new housing development and the growth of the evening economy. Despite this investment, the Town Centre is being impacted by national market trends in the retail sector, increasing cost pressures on businesses, the poor condition and/or underutilisation of prominent buildings, varying quality of public realm and a disconnection between key assets.
- 1.3 In June 2022 Executive Cabinet approved the submission of a bid to the Fund for Denton Town Centre. This bid was prepared in the context of an emerging wider strategic vision for the Town, consistent with the Council's emerging Tameside Town Centres Framework, supporting existing and planned investment. This will in turn help to deliver a catalytic economic and social impact to the local community.

2. DENTON LEVELLING UP FUND BID

- 2.1 As part of the March 2021 budget, the Government announced £4.8 billion of 'Levelling Up Funding' ('The Fund') over four years (up to 2024-25), committed to a holistic, place-based approach to funding projects and programmes across the country. The Council submitted a bid of £16.8m for Denton Town Centre to Round 2 of the Fund on 28 July 2022 (**Appendix 1 and 2**). On 19 January 2023 it was announced that the bid had been unsuccessful in Round 2 of the Fund.
- 2.2 On 20 November 2023 it was announced that for Round Three of the Fund, the Government has undertaken an assessment of the highest scoring bids that did not receive funding in Round Two. Following an assessment process the Denton Town Centre bid has been selected as one of the projects nationally to be funded through Round Three of the Fund and therefore Council has been provisionally awarded £16.8m, subject to project validation, subsidy control checks, and departmental sign-off.
- 2.3 The bid to the Fund was designed to be an economic driver that delivers a genuine levelling up opportunity supporting national, GM and Tameside strategic policies. Contributions will accrue from enhancing sustainable travel and supporting the continued regeneration of Denton as a modern hub that more effectively serves its local catchment.
- 2.4 The bid for Denton was focused on public realm and active travel improvements to further strengthen the links across the Town Centre. This will also ensure all of the benefits from the significant new investment and development that is taking place in Denton such as new residential development at Crown Point and the new Denton Wellness Centre are fully captured. Further capital investment is also sought at the Festival Hall site and Denton Town Hall to make best use of the Council's estate. This will help the Town Centre to reach its full potential and deliver further comprehensive regeneration, attracting additional footfall and investment.

- 2.5 The interventions that will now be funded (subject to project validation checks) are set out in Table 1 below.

Table 1: Proposed Interventions

Proposal	Description	Funding £'m
A57 Crown Point and public realm	<ul style="list-style-type: none"> ▪ Provision of public realm improvements, improved pedestrian and cycle routes and cycle parking across the town centre. ▪ Support the Denton MCF Crown Point scheme proposals. 	13.8
Festival Hall	<ul style="list-style-type: none"> ▪ Funding towards work at the Festival Hall site to provide a long term sustainable future for this location that supports the wider neighbourhood. 	2.2
Denton Town Hall	<ul style="list-style-type: none"> ▪ Funding towards improvements to Denton Town Hall supporting increased use. 	0.8
TOTAL		16.8

- 2.6 The bid is supported by match funding that the Council has been successful in securing from TfGM of £1,950,000 via the Active Travel Fund (ATF) for the Crown Point A57 Mayors Challenge Fund (MCF) scheme, providing an improved environment for walking and cycling.
- 2.7 The award of funding to Denton Town Centre provides a significant opportunity in bringing all of the above together as part of a comprehensive emerging vision for Denton which will seek to capitalise on and develop further the growing evening economy in the Town Centre and further explore the full potential of Council assets, such as the Town Hall and Festival Hall, to provide a wider mix of uses.

3. NEXT STEPS

- 3.1 Due to the time that has passed since the application was submitted there is a need to review the scope of the interventions to take account of changes since the original bid. DLUHC will require a short project validation check to confirm that the original bid has not changed significantly, is still deliverable by March 2026, and still represents value for money. The provisional award of funding is for the interventions set out within the original bid so the money cannot be used to support activity that is substantially different. For any changes in the scope of the interventions that need to be considered then further discussions will be required with DLUHC as part of the project validation.
- 3.2 Since the submission of the original LUF2 bid in July 2022 the circumstances in relation to the use of Festival Hall have changed. The bid envisaged the potential to use Festival Hall as a location for the West Locality Family Hub, providing public front line services within the Town Centre. As the original bid was unsuccessful, this use has since been provided at an alternative location, (Greenside Lane, Droylsden, with supporting facilities at Tameside Wellness Centre, Denton). Furthermore, other Council services that had been envisaged as occupiers at a refurbished Festival Hall have since been accommodated elsewhere. Therefore, there is a need to revisit the scope of intervention at the Festival Hall site to ensure it provides a long term sustainable future for this location that supports the wider neighbourhood. This could ultimately result in the site being repurposed for an alternative use with the LUF funding utilised for enabling works that bring a new development forward, potentially working with a partner willing to bring forward a residential scheme that addresses identified housing needs. This will require initial discussion with DLUHC as part of the project validation process.

- 3.3 The specific scope of works for Denton Town Hall will need careful consideration to ensure that the funding available supports the best long term use of the space as a civic and cultural anchor, including the provision of community space with more flexibility. As the detailed design work for public realm improvements and the Denton MCF Crown Point scheme is progressed it will need to be mindful of any lessons learnt through the delivery of recent walking and cycling schemes in the Borough.
- 3.4 If the project validation checks are successful then the Council will need to agree and sign the relevant grant funding documentation and agreement to enable the Council to deliver the programme of works for Denton Town Centre and drawdown associated funding.
- 3.5 The delivery of this grant funding will support the regeneration of Denton. Contributions to economic growth and the delivery of national, GM and Tameside strategic policies will accrue from enhancing sustainable travel, improving public realm and the regeneration of civic and cultural facilities.
- 3.6 A robust governance process is required for the delivery of the regeneration programme. This will be ultimately overseen by the Council's Executive Cabinet who will have final decision-making responsibilities for the delivery of individual projects. Executive Cabinet will approve the entering into of any relevant funding agreements, approval the overall approach to delivery and receive regular monitoring and updates on progress as appropriate.
- 3.7 To support delivery of the Denton LUF programme an internal Project Officer Group, chaired by the Council's Director of Place, Julian Jackson and Senior Responsible Officer, Mike Reed will be established to ensure input from specialist Council officers who will facilitate delivery of the programme. The Project Officer Group will be supported by individual Task and Finish groups for Strategic Property (including Festival Hall and Denton Town Hall) and Public Realm and Active Travel (including public realm works and the Crown Point MCF scheme).
- 3.8 Collectively these groups will liaise regularly with Andrew Gwynne MP and the Denton Elected Members and inform the Council's Executive Cabinet as the decision making body for the programme, with regular updates also provided to the South Neighbourhood Forum as appropriate.
- 3.9 On-going performance and reporting on capital works will be provided via the Strategic Planning and Capital Monitoring Panel as part of the Council's Capital Programme.

4. RISK MANAGEMENT

4.1 The main project risks associated with delivery of the interventions and Denton Town Centre Regeneration Programme have been identified in the table below.

Risk Area	Detail	RAG Rating	Mitigation	RAG Rating
Procurement	Lack of capacity in the consultancy sector to undertake the work.	Yellow	Early engagement with STaR procurement to understand the most appropriate procurement routes.	Green
Financial	Project validation not met or conditions attached to funding agreement may not be acceptable.	Red	Early engagement with DLUHC in relation to project validation and terms and conditions.	Yellow
Financial	Insufficient budget to complete the scope of works required.	Red	Early engagement with internal Council teams and external partners to clearly understand requirements.	Yellow
Programme	Lack of resource capacity to undertake workstreams in line with programme timescales.	Red	Requirements for any additional delivery resource following recent capital grant funding awards is currently being reviewed.	Yellow

5. CONCLUSION

5.1 The funding secured provides a significant financial contribution to Denton Town Centre and a proactive approach to the delivery of future inclusive growth. The interventions supported by the Fund will support delivery of the Council's strategic priorities as set out in the Tameside Corporate Plan, Tameside Inclusive Growth Strategy and the emerging Homes, Spaces, Places, Plan.

6. RECOMMENDATIONS

6.1 As set out at the front of the report.