

Report

Cabinet

Part 1

Date: 16 June 2021

Subject: Levelling Up Fund – Northern Gateway

Purpose To seek approval to submit a bid to UK Government for Levelling Up funding for a regeneration scheme within an area identified as the Northern Gateway within the adopted Master Plan.

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Ward Stow Hill

Summary The UK Government has launched a £4.8 billion Levelling Up Fund which is aimed at levelling up communities across the UK. This is a competitive bidding process and up to £20m of capital funding is available for regeneration and cultural investment schemes, and a maximum of £50m for transport investments. The deadline for the submission of bids in the current round is 18th June 2021. Subsequent bidding rounds will be available going forward and funding is available until 2024/25.

The City Centre Master Plan was adopted in January 2019 and identified three areas of focus in the City Centre. The Northern Gateway encompasses the area around the train station and extends to High Street, Bridge Street and parts of Upper Dock Street. A particular area of focus for regeneration has been the area around the entrance to the train station. As a mainline station this is a key gateway into the City Centre. However, the public realm in this area warrants further enhancement in order to both welcome and clearly direct people into the core of the City Centre.

It is therefore recommended that Newport City Council submit a bid to UK Government for up to £20m of funding to support placemaking and investment opportunities in the Northern Gateway area and the improvement of public realm in the Queensway, Cambrian Road, Bridge Street area. The gateway area into the City Centre from the train station should be fit for purpose and reflective of the quality of place we are trying to achieve for our visitors and residents.

Proposal Cabinet are requested to approve the submission of a Levelling Up Funding bid for the Northern Gateway area of the City Centre.

Action by Acting Head of Regeneration, Investment and Housing

Timetable Immediate

This report was prepared after consultation with:

- Chief Executive
- Head of Law and Regulation
- Head of Finance

- Head of People & Business Change
- Public Services Board

Signed

Background

UK Government has announced that £4.8 billion of Levelling Up Funding (LUF) is available until 2024/25. This will be open to all areas of the UK and aims to invest in infrastructure that improves everyday life but has been prioritised for areas which have the most significant need. All areas of the UK have been given a priority category based on the following criteria:

- Need for economic recovery and growth;
- Need for improved transport connectivity; and,
- Need for regeneration.

Newport has been placed in Priority category 1 (highest need). Whilst all areas have been categorised, and preference will be given to Category 1 areas, this is a competitive bidding process and funding will be awarded on the strength of the bid and the ability to meet the funding timescales.

Funding bids can cover three distinct areas:

- **Transport investments** including (but not limited to) public transport, active travel, bridge repairs, bus priority lanes, local road improvements and major structural maintenance, and accessibility improvements. UK Government are requesting proposals for high-impact small, medium and, by exception, larger local transport schemes to reduce carbon emissions, improve air quality, cut congestion, support economic growth, and improve the experience of transport users.
- **Regeneration and town centre investment**, to upgrade eyesore buildings and dated infrastructure, acquire and regenerate brownfield sites, invest in secure community infrastructure and crime reduction, and bring public services and safe community spaces into town and city centres.
- **Cultural investment** maintaining, regenerating, or creatively repurposing museums, galleries, visitor attractions (and associated green spaces) and heritage assets as well as creating new community-owned spaces to support the arts and serve as cultural spaces.

Bids should be supported by the Member of Parliament for the area. MPs can support only one bid which they see as a priority (transport bids are excluded from this). The number of bids that a local authority can make will relate to the number of MPs in their area. For Newport we can submit three bids as follows:

- Newport West Constituency
- Newport East Constituency
- Transport

Each bid can total up to £20m Capital funding only and in exceptional circumstances a transport bid may range between £20m and £50m. A minimum contribution of 10% match funding must be included in the bid. This can come from a local authority or other third party (public or private sector).

Timeline

Bids must be submitted to UK Government by noon on the 18th June 2021 and UK Government have given an indication that they will make an announcement on the successful bids by the end of Summer/ early Autumn this year. All funding provided by LUF must be spent by 31st March 2025.

Further bidding rounds are expected later this year for funding for 2022/23 onwards. Newport is therefore able to submit new proposals for other schemes going forward. However if we are successful with the Northern Gateway bid, we would be unable to submit another bid for sites in the same constituency area.

Regeneration of the Northern Gateway area

The City Centre Master Plan adopted in 2019 kick started a significant period of regeneration and an aspiration to deliver a number of strategic regeneration projects across the City Centre. This included the development of new hotels and office space aimed at bringing economic resilience, creating opportunities and raising the profile of the city to those wishing to visit or invest. New mixed tenure housing has been created to enable more people to live in a city centre location. A number of

transformational schemes are underway or in the pipeline for the area identified as the Northern Gateway, including the refurbishment of the Newport Indoor Market and Market Arcade, the proposed creation of a co-working and incubator hub in the Information Station building and the provision of a new active travel footbridge between Devon Place and Queensway. The council has committed to ongoing growth and regeneration of the city centre as highlighted in the Corporate Plan and Well-being Plan and bold steps are being taken to deliver this.



UK Government have allocated a small amount of funding to local authorities to support the development of LUF bids. An area of regeneration has been identified in the environment around the Newport train station, within the Newport West Constituency area. As a mainline station this is a key gateway into the City Centre however this feels divorced from the City's leisure and retail offer. The public realm around the train station is dominated by roads and the main routes into the City Centre are mainly hard surfaced with sparse greenery. With investment in placemaking, the area will act as a focal point for investment that spreads opportunity throughout the City



The LUF bid for the Northern Gateway area will focus on improving the public realm area around the train station and extends to High Street, Bridge Street and parts of Upper Dock Street. It focusses on place making and opening up opportunities for further investment and development.

THE MASTERPLAN



Artist's Impression of Bridge Street



Artist's Impression of Cambrian Road



The Levelling Up fund enables Newport to complement and support the significant regeneration progress that is being made on key buildings within the Northern Gateway area. By improving public realm, investing in placemaking and encouraging new development in this gateway area of the City Centre, it will boost confidence in Newport as a place to live, work and visit.

Financial Summary

The total funding available for regeneration schemes is £20m. The detailed costs of the proposals are being finalised but it is expected that the bid will request the full £20m. There is a requirement for a 10% match funding. This match funding can come from a local authority or other third party (public or private sector) but cannot be "time in kind." It is intended to use existing and pipeline schemes in the Northern Gateway area as the match funding as these are directly linked to the public realm improvements for the area.

Acceptance of any grant will require clarity and certainty on match funding at that point. As well as the plan above, the Council has £4m of unallocated capital headroom and could be utilised if needed, as a further option.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
UK Gov rejects the bid	L	M	The LUF is a competitive bidding process and whilst Newport is a priority one area, we are not the decision makers on this funding. In the event of an unsuccessful bid, whilst this would represent a set back in our plans to progress with regeneration of the Northern Gateway area, we are able to resubmit bids in future rounds.	Acting Head of RIH

Links to Council Policies and Priorities

This development would be in keeping with the adopted Local Development Plan, Economic Growth Strategy, City Centre Master Plan, Corporate Plan and Local Well-being Plan.

Council Commitments / Priorities

This proposal meets the following commitments and well-being objectives of the council as specified in the Corporate Plan 2017 – 2022

Thriving City

- Real progress on transforming Newport city centre through placemaking and investment.

Well-being Objectives

1. To improve skills, educational outcomes and employment opportunities

The opportunity to improve the gateway to the City Centre and stimulate investment will provide residents with greater access to employment.

2. To promote economic growth and regeneration whilst protecting the environment

Enhanced public realm and investment will present a more attractive environment for people living, working and visiting the city centre. This will increase footfall and grow confidence in potential investors that Newport city centre is an ideal location for their business.

3. To enable people to be healthy, independent and resilient

The public realm improvements will promote improved physical and mental health and wellbeing as it will give people an attractive environment to meet in which is in an accessible location with good transport links.

4. To build cohesive and sustainable communities

Cohesive communities are those which are able to meet and support each other. Improvements and development opportunities with the Northern Gateway area can act as a focal point for local groups and individuals to come together.

Options Available and considered

- 1) Approve the submission of a Levelling Up Funding bid for the Northern Gateway area of the City Centre.
- 2) Do not agree to submit a bid for Levelling Up Funding for the Northern Gateway area.

Preferred Option and Why

- (1) Approve the submission of a Levelling Up Funding bid for the Northern Gateway area of the City Centre. The funding will enable Newport to complement and support the significant regeneration progress that is being made on key buildings within the Northern Gateway area. By improving public realm, investing in place making and encouraging new development in this gateway area of the City Centre, it will boost confidence in Newport as a place to live, work and visit and will also meet our responsibility under the Well-being for Future Generations Act in terms of Prevention and Integration.

Comments of Chief Financial Officer

Whilst there are no financial implications for submitting this bid, should the bid be accepted at the full £20m, the Council will be required to contribute a minimum of 10% match funding which would equate to £2m. It is expected that this will be able to come from existing or pipeline projects, although this is not yet confirmed and work is being undertaken to work this through. In the event this cannot be utilised, the Council also has £4m of currently unallocated capital funding headroom and could be allocated to this.

In submitting any bid for capital funding which requires match funding, the Council needs to be confident it has the resources to do that and the above shows that to be the case. Acceptance of the grant will require certainty at that point.

In submitting the bid, the Cabinet is essentially prioritising this bid/scheme and therefore is recommended to allocate £2m of the current headroom to this, until work on agreeing what could constitute match funding is finalised.

Comments of Monitoring Officer

There are no specific legal issues at this stage as Cabinet is only being asked to endorse the bid to the UK Government for Levelling-Up grant in relation to the delivery of the Northern Gateway proposals. Any legal issues will be picked up later if the grant is awarded subject to any conditions and there are any other legal matters that need to be addressed as part of the implementation of individual elements of the Plan. The proposals set out in the bid for the regeneration of this Northern Gateway part of the City Centre are in accordance with the Council's general powers of economic and social well-being under section 2 of the Local Government Act 2000 and are also consistent with corporate plan and well-being objectives and the strategic planning objectives set out in the Council's Economic Growth Strategy and City Centre Master-Plan.

Comments of Head of People and Business Change

This proposal has the potential to provide well-being benefits to communities by improving and regenerating the city centre.

The report writer has fully considered the council's well-being objectives and the sustainable development principle of the Well-being of Future Generations Act when developing this report.

From an HR perspective there are no staffing implications to this proposal.

Comments of Cabinet Members

Cabinet Member for Economic Growth and Investment:

The benefits associated with this opportunity cannot be underestimated. Our regeneration efforts in the City Centre have always focussed on the need to improve access to better quality buildings, homes and

spaces for our residents, workers and visitors. Funding from UK Government will enable us to advance our ambitions and create opportunities for further investment in the future.

Local issues

Local Ward Members have been notified of this report.

Scrutiny Committees

None

Equalities Impact Assessment and the Equalities Act 2010

The Equality Act 2010 contains a Public Sector Equality Duty, which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better-informed decision-making and policy development and services that are more effective for users.

Providing an accessible environment which is accessible to all is considered a positive impact.

Children and Families (Wales) Measure

Whilst no specific consultation with younger age groups is relevant, the general comments above regarding the improvement to the northern gateway area of the city also apply to children and young people. Improvements to the city and its public realm will directly benefit younger people as a result.

Wellbeing of Future Generations (Wales) Act 2015

The Well-being and Future Generations (Wales) Act seeks to improve the social, economic environmental and cultural well-being of Wales. Public bodies should ensure that decisions take into account the impact they could have on people living in Wales, in the future. The Council has always sought to engage with residents before taking any decision which may impact upon the delivery of any public service, in accordance with the principles of fairness and legitimate expectation.

The 5 main considerations in respect of the Wellbeing of Future Generations (Wales) Act 2015 are set out below with an explanation of how this project meets these objectives:

- Long term: Improved access and spaces within the city centre and green infrastructure will help improve health, wellbeing and carbon reduction.
- Prevention: Enhancements being proposed will have wider health benefits longer term as more residents and visitors will have access to improved facilities and green infrastructure reducing carbon footprint and improving wellbeing.
- Integration: Improved access and public infrastructure will encourage sustainable travel and aligns with the ambitions set out in the Corporate Plan and city centre Master Plan.
- Collaboration: A partnership approach will be undertaken to ensure that acceptable proposals are developed. This is likely to be with a range of public and private sector partners including the business community.
- Involvement: Consultation with stakeholders will be undertaken ensure that the wellbeing gains are maximised.

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is considered that there would be no significant or unacceptable increase in crime and disorder as a result of the proposed consultation.

Consultation

None

Background Papers

None

Dated: 10 June 2021