

Margate Digital Levelling Up Fund bid

Cabinet	17 June 2021
Report Author	Louise Askew, Director of Regeneration
Portfolio Holder	Cllr Reece Pugh, Deputy Leader and Cabinet Member for Economic Development
Status	For Recommendation
Classification:	Unrestricted
Key Decision	No
Ward:	All wards in Margate

Executive Summary:

Thanet has the opportunity to bid into the Government's Levelling Up Fund as it is a Priority One area. This report recommends the submission of a bid for Margate on the basis of the information outlined in the report. The timescales are incredibly tight, with a deadline of submission on the 18 June, 2021.

This submission of a bid to the Levelling Up Fund for Margate is strongly aligned to the Margate Town Deal, and builds on the proposal for education, skills and employment pathway opportunities in the Margate Town Investment Plan. This funding will support the delivery of a state of the art digital skills and training provision in the town centre which will undoubtedly support the whole district's economic recovery and levelling up of its communities, both in terms of training opportunities and pathways, as well as increasing footfall in the high street.

Recommendation(s):

Cabinet is asked to agree the following recommendations:

1. Approve submission of a Levelling Up Bid to the 18 June, 2021 deadline;
2. Delegate authority to Chief Executive and the Leader, for final sign-off of the Levelling up Bid;
3. The Council will not make a financial contribution in any form within the 10% financial contribution encouraged in the prospectus, and this will be contributed by EKC Group.

Corporate Implications

Financial and Value for Money

The Levelling Up Fund encourages a minimum financial contribution of 10% which can come from a local authority or other third party (public or private sector). This funding cannot be “in kind”. Any contribution made must be in the form of an actual financial contribution. The Council will not be providing a financial contribution to the MargateDigital project.

Legal

There are no legal implications arising directly from this report. The draft bid document will be shared with the Legal Department by way of consultation.

Corporate

The Levelling Up Fund is a competitive funding programme being run by the Ministry of Housing, Communities and Local Government (MHCLG). Therefore, multiple bids submitted by the Council will be competing bids to the Government. Thanet is a priority one area, and the submission of a bid for Margate, on the basis of the area’s unemployment and attainment statistics and need for levelling up will provide a good case for a successful submission.

A submission to the Levelling Up Fund supports the Council’s corporate priority for Growth, including encouraging the rejuvenation of our high streets and providing opportunities to people for skills and training, particularly young people.

Equality Act 2010 & Public Sector Equality Duty

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

CORPORATE PRIORITIES

This report relates to the following corporate priorities: -

- Growth
- Communities

1.0 Introduction and Background

1.1 The Margate Town Deal Board submitted the Town Investment Plan on 11 December, 2020 with a total ambitious investment ask of £29m. and received their Heads of Terms proposal from MHCLG on 9 March, 2021 outlining an in principle offer of up to

£22.2m investment for the town. The Board and Council as the Accountable Body accepted these Heads of Terms on 24 March 2021

- 1.2 Within Intervention 1: Scaling Margate's Creative Production and Skills of the bid includes the establishing a Creative Land Trust for Margate. The Creative Land Trust will help safeguard Margate's creative sector through security of tenure within key buildings in the town centre. Important to this intervention is the delivery of education, skills and employment pathways for young people, and those wishing to retrain to support the wider sector.
- 1.4 Since the submission of the Margate Town Investment Plan East Kent College has identified an opportunity to deliver the 'MargateDigital' campus. It will be a specialist industry-focused college purposefully positioned in Margate as a vibrant centre of creativity. Delivering the campus in the High Street will also provide footfall and repurposing the town and utilising large vacant properties that are not attracting retail uses.

2.0 Levelling Up Fund priorities

- 2.1 Thanet was identified as a Priority One area for the Levelling Up Fund, the priority was identified through a number of different metrics. Step one measured the 'need for economic recovery and growth', including productivity, measured using gross value added (GVA) per hour; 16+ Unemployment rate; and skills, measured using the proportion of the working-age population without a national vocational qualification (NVQ). Step 2 included measures 'need for improved transport connectivity' (in England only) and 'need for regeneration' in addition to 'need for economic recovery and growth'. The need for improved transport connectivity was based on average journey times to employment centres by car, public transport and bike. The need for regeneration is based on commercial and dwelling vacancy rates. In order to band the district areas an index was created and further information can be found [here](#).
- 2.2 The Levelling Up Fund is intended to support investment in places where it can make the biggest difference to everyday life, including deprived towns and coastal communities. Central Government recognises that there are significant economic differences across the country, and tackling these and driving prosperity as part of 'levelling up' in different regions is a priority. The Fund will focus on capital investment in local infrastructure and will prioritise bids that invest in regeneration and growth in places in need and areas of low productivity and connectivity.
- 2.3 The Fund will focus investment in projects that require up to £20m of funding, with some larger transport schemes being considered. The local authority is required to consult a range of local stakeholders, potential relevant local stakeholders and partners include local businesses, public transport providers, police and emergency services, community representatives, environmental representatives and universities and FE Colleges. It is also suggested that where relevant, we should also consider how to reach stakeholders from harder to reach communities. The stakeholder engagement will need to be evidenced in the Bid. MP's are also required to back one

bid in their area that they consider to be a priority, and provide written support of that bid.

2.4 This round of funding will focus on smaller transport projects, town centre and high street regeneration; and support for maintaining and expanding cultural and heritage assets:

- 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. We 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. This is not relevant to the MargateDigital proposal.
- Regeneration and town centre investment, building on the Towns Fund framework 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

2.5 Investment is expected to focus on supporting high priority projects that will make a tangible impact in local areas, and it is recognised that priorities for investment will vary from area to area. Projects should also be aligned to and support the Government's Net Zero goals.

2.6 To apply to the first round of the Levelling Up Fund, bids must be submitted to the MHCLG by noon on Friday 18 June 2021. Projects are required to demonstrate investment or begin delivery on the ground in the 2021-22 financial year, and all funding provided from the Fund to be spent by 31 March 2024. The [full prospectus](#), [FAQ's and technical notes](#) can all be found online.

3.0 Margate Digital Levelling Up Fund Bid

3.1 35% of Thanet's Lower Super Output Areas (LSOA) are in the top 10% most deprived LSOAs nationally - that is out of 32,844. The average for Kent is 6%. Of Thanet's 18 LSOA in the top 10% of most deprived areas, two thirds are in the wider Margate town and the other third are in the wider Ramsgate town.

3.2 In April 2021 Thanet had an unemployment rate of 9.7% , which was an increase from 2020 when it was 7.4% and an increase from April 2019 when it was 5.3%. However, the relaxing of restrictions, and undoubtedly the fact that we are heading into a busy season for Thanet, there was a decrease of 1.3% since March 2021. In comparison the claimant count for out of work benefits in April 2021, compared to

Thanet's 9.7%, was 5.9% in Kent, 5.3% in the South East and 6.4% in Great Britain. There are some areas of Thanet that are above the district average. Three of Margate's wards are above the average, with one at 13.2% and two over 18%.

- 3.3 These figures, alongside the fact that 35% of LSOAs in Thanet in the top 10% most deprived, highlights not only why central Government is focusing on areas like Thanet in its levelling up agenda, but also why Thanet District Council should be submitting proposals and bids to these programmes.
- 3.3 In order to make a significant step change for the whole of Thanet, the most deprived places in the district need regeneration support in order to 'level up'. Margate has a significant opportunity through the Margate Town Deal, it is therefore proposed that to build on this investment, a bid for MargateDigital should be submitted to the Levelling Up Fund. The investment opportunity across Thanet is significant, and will benefit Thanet's communities tremendously in this period of recovery required due to the Covid 19 Pandemic.
- 3.4 EKC Group is proposing to deliver more than 1,500 m² of cutting edge, industry relevant training space; it is projected to deliver to more than 200 learners in its first year of operation – primarily 16 to 19-year-olds; the campus will deliver a range of qualifications including T Levels, HNDs and HNCs. Their Vision for the centre is:
- Influence the future through creative thinking and technology, exploiting the point at which these sectors meet and overlap;
 - Inspire a diverse range of people into these rewarding sectors through a variety of access points, learning modes and career-relevant courses;
 - Be agile and future-facing, ensuring everything we do is highly relevant and anticipates industry need;
 - Provide industry-ready graduates of the highest calibre.
- 3.5 The aim for the centre is to deliver transformational benefits for Margate including:
- Inward investment from companies eager to access skills;
 - Raising aspirations for young people in the area;
 - Education acting as the golden thread in weaving together industry and learning;
 - Adult retraining opportunities ensuring upskilling and reskilling;
 - The centre will also support SMEs with support in digital marketing, and achieving optimal ROI in the digital environment.
- 3.6 EKC Group proposes that The Margate School, which is an independent not-for-profit liberal arts school based in and for Margate will take 500 sq m of space. Together they will offer a new design-based postgraduate and professional development provision there, with expanded Fabrication Laboratory (FabLab), VR and related knowledge exchange facilities.

4.0 Options

- 4.1 Submitting the proposal to the Levelling Up Fund will support the delivery of the Margate Town Deal Investment Plan and the regeneration and repurposing of the high street. There are very few funding programs that allow for capital investment for regeneration. If submitted to this round it will enable delivery alongside the Margate Town Deal, Intervention 1: Scaling Margate's Creative Production and Skills.

4.2 Thanet can submit more than one bid as it is covered by two MP constituency areas. The Council has already approved the submission of a Ramsgate Future Levelling Up bid, however the MP for Thanet North has approved the submission of a bid for his constituency area, and the support and proposal from an MP for this programme of funding is incredibly important.

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Corporate Consultation

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Legal: