

Report of the Strategic Director of Place to the meeting of Executive to be held on 4 October 2022

U

Subject: Levelling Up Fund Round 2

Summary Statement:

The purpose of the report is to update members on the schemes submitted by Bradford as part of the Round 2 of the Levelling Up Fund covering Bradford South, Bradford East, Keighley and Shipley constituencies building on the district's previous success in Round 1.

In addition this report is requesting approval to progress with limited feasibility work prior to the outcome of the Government appraisal, where this would be required to meet delivery timeline if successful.

EQUALITY & DIVERSITY:

The Levelling Up Fund is designed to invest in infrastructure that improves everyday life across the UK. Through this next round of the Levelling Up Fund, the UK government aims to invest directly in communities across all parts of the UK. The impact of the investment is focused on unleashing productive power and boosting pride in place.

Jason Longhurst
Strategic Director for Place

Portfolio: Regeneration, Planning and Transport

Report Contact: Angela Blake, Assistant Director Economy & Development
Phone: (01274) 432589
E-mail: angela.blake@bradford.gov.uk

Overview & Scrutiny Area:
Regeneration and Environment

1. SUMMARY

The purpose of the report is to update members on bids submitted by the district for Round 2 of Levelling up and bids cover Bradford South, Bradford East, Keighley and Shipley constituencies. The report provides details of the ambitious set of proposals developed for the district, designed to build on the unique opportunity of the City of Culture and Net Zero to grow Bradford economy, promoting the district as a place to work, live and visit.

In March 2022, Government launched its prospectus for Round 2 of the Levelling Up Fund, with guidance issued in April 2022. The Levelling Up Fund invests in local infrastructure that has a visible impact on people and their communities, including investment in, transport schemes, urban regeneration projects and cultural assets.

The second round of the Fund is open to all Parliamentary Constituencies in the UK that were not successful in Round 1 of the Fund. Bradford had one successful bid as part of the first round of funding. For the second round the majority of funds will focus on investment in projects requesting grants of up to £20 million. However, there is some scope for investing in higher value projects. Bids of up to £50 million will be considered by exception for large transport and large culture projects or programme, with significant social and economic impact. It is expected that government will support only two large scale bids.

This report outlines the ambitious set of proposals developed and submitted by the district, with bids attracting over £ 100 million in funding if successful, including one large scale bid for £50M with exceptional economic and social impacts. If successful, the combined projects provide an opportunity to address longstanding challenges across the district, providing in excess of 500 jobs, up to 325,000 sqm of redeveloped land, with the largest bid potentially providing up to £1Bn of social economic benefit to the district if successful, and some projects providing a return on investment of up to £5 for every £1 spent.

The range of proposals are designed to build on the best opportunity to level up in the country, optimise the opportunity of the City of Culture and Net Zero to grow Bradford economy and promote the district as a place to work, live and visit, as well as providing significant and tangible benefits to residents

2. BACKGROUND

Levelling Up Fund Round 1: Squire Lane Welling Being and Enterprise Centre

The first round of the Levelling Up Fund was announced at the 2020 Spending Review to support communities in realising this vision. Focusing on capital investment in local infrastructure, building on and consolidating prior programmes such as the Local Growth Fund and the Towns Fund, the first round of the Levelling Up Fund supported £1.7 billion of projects in over 100 local areas across all corners of the UK.

Bradford was successful in securing £20m in the first round for a Health and Wellbeing Centre in Bradford West. The Squire Lane Wellbeing and Enterprise Centre will transform a derelict four-acre site into a key community asset offering

health, leisure, enterprise and business facilities. The project developed with a range of Health partners, has already completed the first phase of enabling works, the first stage in developing this important community asset.

Following a successful workshop with key stakeholders, plans for the centre have reached RIBA Stage 1. Now the scope of work is fixed, work is progressing on the Business Plan which will develop the centres and the facilities management model. It's anticipated that the project will move to RIBA Stage 2 (Concept Design) in early in October, followed by procurement of a construction contractor.

Levelling up Round 2

The purpose of the Levelling Up Fund is to invest in local infrastructure that has a visible impact on people and their communities including a range of high value local investment priorities, local transport schemes, urban regeneration projects and cultural assets.

The Fund is open to all Parliamentary Constituencies in the UK that were not successful in in Round 1. The fund will focus investment on local projects which require less than £20 million of funding, with scope for a small number of bids up to £ 50million

As with the first round of funding the Fund will focus on three investment themes.

Specifically, the Fund will support:

- **Transport investments** including (but not limited to) public transport, active travel, bridge repairs, bus priority, local road improvements and major structural maintenance, and accessibility improvements. Proposals for high-impact small, medium and, by exception, large local transport schemes to reduce carbon emissions, improve air quality, cut congestion, support economic growth, and improve the safety, security and overall experience of transport users.
- **Regeneration and town centre investment**, building on the Towns Fund framework to fund the upgrade of eyesore buildings and dated infrastructure; acquire and regenerate brownfield sites; invest in secure community infrastructure and crime reduction; and bring public services and safe, accessible community spaces into town and city centres.
- **Cultural investment** maintaining, regenerating, or creatively repurposing existing cultural, creative, heritage and sporting assets, or creating new assets that serve those purposes including theatres, museums, galleries, production facilities, libraries, visitor attractions (and associated green spaces), sports and athletics facilities, heritage buildings and sites, and assets that support the visitor economy.

All investment proposals must focus on supporting high priority and high impact projects that will make a visible positive difference to local areas.

As outlined above, Government has indicated that they will support up to two large bids of up to £50 million. These bids must be for flagship projects and, in line with the Fund's focus on highly visible interventions to boost local pride in place. Investments in cultural assets must be driven by an evidenced place-sensitive need or opportunity

and have clear outcomes that align with an areas' vision for place-based economic and social development, as well as the health and wellbeing of local people.

Round 2 Submissions

The District has developed and submitted an ambitious set of investment proposals to cover a large part of the district attracting potential funding of over £ 100 million, which if successful will enable Bradford to address a number of longstanding economic and social challenges, provide opportunities for the district to grow and thrive, build on the unique opportunity of City of Culture, showcasing Bradford as a place to live, work and visit, as well as providing significant and tangible benefits to residents. This includes an application to be one of the limited numbers of bids with expectational social and economic impact, supporting Bradford's ambition to be the leading Levelling up and Clean Growth district in the country.

If successful, these bids collectively will provide in excess of 500 jobs, up to 325,000 sqm of redeveloped land, with one bid alone providing up to £ 1Bn of social economic benefit to the district if successful, and some projects providing a return of investment of up to £5 for every £1 spent, starting to unlock the significant untapped potential of the district.

These proposals will compliment and build upon other key investment secured for the district including; Bradford Live, the new and relocated Darley Steet Market, City Village, successful Town Fund programmes for Shipley and Keighley, and the development at Squire Lane.

Bradford South Constituency – Odsal Stadium

This bid unlocks an ambitious masterplan for Bradford South, using sport and culture as a catalyst to transform one of the most deprived areas in the country into an icon of sporting and cultural excellence. The development covers 288,000 m² (28.8 hectares) of Council owned land, including the former Richard Dunn Leisure Centre site and Odsal Stadium. The development includes a 25,000 seat covered sports and entertainment arena, high performance training grounds for Bradford's Football and Rugby League clubs, a Rugby Football Leagues (RFL) National Skills and Education Centre, the National Rugby League Museum, a hotel & conference centre, a solar farm, community grass pitches, car park and pedestrian bridge. The scheme will also link to the proposed Park and Ride scheme. As the largest permanently roofed stadium in England the new venue in Odsal would also become home to other nationally significant sporting such as boxing and enable the city to become a home for major music, entertainment and cultural performances, capitalising on the legacy which will be left by Bradford's successful bid to become UK City of Culture in 2025.

Creating a 25,000 seater stadium aligns with Bradford being City of Culture 2025 and will fulfil the Levelling Up White Paper commitment to 'ensure that access to sporting and cultural excellence is spread more equitably across the UK. Bradford has been identified as the number one location for Levelling Up investment due to its need and potential for growth. This is a once in a generation opportunity to break the cycle of poverty by investing in the future of this community and creating an outstanding venue that the whole community can be proud of and benefit from.

Analysis shows the new complex would attract more than 1.25m visitors a year and lead to £625m visitor spend and more than £1bn of socio-economic benefits for Bradford district. The stadium and elite sports complex would also create 480 full time jobs over a decade. The Bradford South Odsal Stadium proposal is requesting £50m against total project costs of circa £365m with substantial funding expected from private investment. The proposal will also delivery important visitor infrastructure which support the delivery of the City of Culture 2025. The Bradford South proposal will require complex phased delivery as a result of the projects size.

Regeneration at this scale will dramatically improve the health, wellbeing and prosperity of the community and generate sustainable economic growth for the city district. Creating a legacy for City of Culture, supporting Bradford's growing tourism and cultural sectors delivering further spend into the local economy.

Bradford East Constituency – BE Healthy

'BE Healthy' will deliver new community infrastructure for the residents of Bradford East to support healthy and active lifestyles. It will deliver three wellbeing hubs offering expanded and integrated access to health, sports and support services, enabling more residents to engage in active lifestyles and receive treatment earlier rather than later.

Each will create modern, community sport, physical activity and well-being provision:

- A new purpose-built well-being facility will be created on the existing Karmand Community Centre site
- The life expired Greenwood Centre will be replaced with a new purpose-built well-being facility
- Parkside community sports centre will be expanded to deliver a range of health and well-being activities. In addition to this the design will specify specialist provision for cricket, working in partnership with the England and Wales Cricket Board

BE Healthy offers the opportunity to test and implement a new approach to tackle health and deprivation challenges in deprived areas, one which favours sharing resources, local accessibility and better linkages between services. Together the projects present an opportunity to learn lessons about tackling complex deprivation challenges, improving social cohesion and well-being, and maximising social and economic opportunities for disadvantaged groups. In doing so, Be Healthy will tackle multiple determinants of health inequalities and social exclusion in deprived areas of Bradford East and improve health and economic outcomes.

As well as the substantial health and well-being benefits outlined above the scheme is expected to create 40 FTE additional new jobs and provide a return of £5 for every £1 of LUF investment. The Bradford East – BE Healthy proposal requested £19,989,165 of grant funding against a total project cost of £24,097,065.

Keighley Constituency - Enhancing Keighley's engineering, manufacturing, and economic role in the region

The project builds on the successful Towns Fund deal by enhancing Keighley's

engineering, manufacturing and economic role in the region with the following:

Advanced Robotics Engineering Institute (AREI): Project to expand on the Advanced Manufacturing hub for post school qualifications in the Towns Fund bid by providing an additional higher-level facility in partnership with Keighley College & Bradford University to support research & development in areas such as advanced robotics as well as providing some incubation & 'grow on' space for emerging business

Brownfield industrial development sites: Project to support the development/redevelopment of a number of stalled brownfield industrial private sector sites in/around the key policy instrument the Business Development Zones¹ by providing funding managed by the Council the Towns Fund Development Investment Fund (DIF) to address abnormal cost constraints such as groundworks, flood alleviation and site clearance which are causing viability issues

Railway (KWVR): capacity improving projects will be delivered to meet pent-up demand for additional passengers from domestic & international tourism thereby delivering further spend into the economy. Project to support three interventions (signalling upgrade/improvements; restoration of twin tracks between Keighley-Ingrow; Overhaul and develop appropriate accommodation for the Railway's fleet of Diesel Multiple Units (DMU).

The project will deliver accelerated industrial growth through diversification, innovation and product and process development, to benefit existing businesses and establish start-ups, delivery of higher level skills (e.g., HNC/HND, Bachelors' Degrees, Masters, PhDs), supporting residents to obtain better paid jobs and retaining higher skilled, wealthier people in the area, leverage of approximately £26.1 million in follow-on private investment, create 35,220 sqm of industrial floorspace, supporting 780 jobs and generating up to £32.0 million in gross value added (GVA) every year along with additional rail capacity to support and an estimated further £1 million of spend in area per year. This Keighley Enhancing Keighley's engineering, manufacturing, and economic role in the region proposal is requesting funding of £19,814,140 against expected total project costs of project cost £21,914,140

Shipley Constituency (Bingley Town) – Revitalising Bingley

The Bingley scheme will provide a remodelled leisure offer at the existing Council owned Pool building, which is currently closed. This will include: pool, gym, studio facilities, improve disabled access and changing facilities, community café, social space, Bingley Youth Café, cycle storage provision and E-V charging points.

Reopening the pool and providing an enhanced offer will address the issue of affordability of travelling out of area for many in the town, including many clubs and local schools. Community engagement evidences the negative impact the pool closure has had on the wellbeing of the residents and reopening the pool will help address the health metrics where Bingley performs poorly, namely coronary heart disease, cardiovascular disease, and mental health.

Associated with this is a package of public realm works between the Market Square and the pool to links the adjacent Jubilee Gardens and High Street. The public realm works will improve connectivity, accessibility and events space in the town centre. The Market Square, which will be partially covered to increase usability of the space and will be illuminated by photovoltaic panels on the canopy structure. The interventions are designed to increase footfall, dwell time and visitor numbers to the town, attract potential investment and create pride in place.

It is anticipated that the project will deliver 11 new jobs, 1,630 visitors to Bingley, £374,200 per annum added value visitor spend in Bingley, 2,180 leisure centre users from 2028 thereafter. The Revitalising Bingley proposal is requesting funding of £14,462,212 against total expected project costs of £16,069,124.

3. OTHER CONSIDERATIONS

The anticipated decision date for the outcome of submissions is October 2022, however, we await further guidance as decision dates may be affected by recent changes in government.

Should the projects be successful further work will be required to develop a full project appraisal, and development plan for all the proposals. The programmes are expected to have a tight timeline, with potential clawback of monies not spent within the programme period, therefore effective phasing of the scheme will be critical to success.

This is particularly the case for the Bradford South: Odsal Stadium proposal which will requires more complex phased development due to the size, and more complex funding model encompassing a number of potential funding sources.

4. FINANCIAL & RESOURCE APPRAISAL

The report updates the Executive on recent LUF bid submissions.

This report is not seeking additional funding for these projects at this stage. Some limited feasibility work will continue, and this will be funded from the Project Feasibility reserve with the approval of the Director of Finance, IT & Procurement in consultation with the Leader and Portfolio holder.

Should the Council be successful with any of the bids, then full bid appraisals included financials will be reported to the Executive for approval in due course

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

A detailed risk register has been completed for each project as part of the requirement of the bid submission document.

6. LEGAL APPRAISAL

This report provides information on the four Levelling Up Fund Round 2 bid submissions.

The report recommendation is for further development work to be undertaken on the Bradford South – Odsal Stadium. Any further development work to be carried by external consultants will be subject to compliance with Contract Standing Orders and if the value of the services exceed £213,477 (inclusive of VAT) it will be subject to Public Contract Regulations.

Any contracts with external consultants for Bradford South – Odsal Stadium should contain provisions to limit costs linked to the outcome of the bid.

There are a number of legal issues including Subsidy Control with each of the bids which will need to be addressed should the bids be successful

7. OTHER IMPLICATIONS

7.1 SUSTAINABILITY IMPLICATIONS

There are no significant sustainability implications arising out of this report. These proposals aim to drive the sustainable economic regeneration to deliver long term economic and productivity growth.

7.2 GREENHOUSE GAS EMISSIONS IMPACTS

Proposed interventions will take into account clean growth principle: Investment will support clean growth where possible and, as a minimum, must not conflict with the achievement of the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.

7.3 COMMUNITY SAFETY IMPLICATIONS

All projects are being developed to nationally agreed design standards. These include safety and security standards to support inclusivity, reduce crime and improve road safety and accident prevention.

7.4 HUMAN RIGHTS ACT

There are no Human Right Act implications associated with the contents of this report.

7.5 TRADE UNION

There are no matters relating to Trade Union in this report.

7.6 WARD IMPLICATIONS

The Levelling Up proposals will affect a number of wards with their proposals and specific ward member briefings have been offered to Councillors in the development of the initial proposals.

Bradford East – Greenwood Centre is located in Bolton and Undercliffe Ward.

Parkside Centre is located in Little Horton Ward.
Karmand Centre is located in Bowling and Barkerend Ward.

Bradford South – Odsal Stadium is located in Wyke ward and sits adjacent to Wibsey Ward.

Bingley - the Pool and Market Square are located within the Bingley ward.

Keighley – the project is a constituency wide project, the Stockbridge site is located in Keighley East.

7.7 AREA COMMITTEE ACTION PLAN IMPLICATIONS (for reports to Area Committees only)

If successful, the investment will support delivery of the broad objectives of the Area Committee's Action Plan.

7.8 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

None arising from the contents of this report.

7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESSMENT

There are no issues arising from the Privacy Impact Assessment.

8. NOT FOR PUBLICATION DOCUMENTS

Levelling Up submission documents.

9. RECOMMENDATIONS

Recommended -

that noting the content of this report, members approve further limited development and feasibility work on proposal prior to formal notification of the outcomes of the Government appraisal, where this would be essential to meet delivery timeline if bids are successful. Costs would be funded from the Project Feasibility reserve.

Officers have assessed the 4 proposals and identified that further feasibility work will be required for the large-scale Bradford South proposal to meet required delivery timescale. The Bradford South proposal is a complex project, requiring phased delivery with key interdependency related to the delivery programme of the City of Culture resulting in particularly challenging timescales.

Feasibility work would encompass the Park and Ride proposal, land decontamination, Solar Farm proposal and the development of the Richard Dunn site.

10. APPENDICES

No Appendices

12. BACKGROUND DOCUMENTS

The bid submission documents form the background for this report, however, due to commercial sensitivities within the documents only summary documents are available for review.