

From: Barbara Cooper, Corporate Director, Growth, Environment and Transport

To: Roger Gough, Leader of Kent County Council

Subject: **Investment of Getting Building Funding in KCC-delivered projects**

Decision No: 20/00085

Past Pathway of Paper: N/A

Future Pathway of Paper: For Cabinet Member decision

Electoral Division: All

Summary:

On 10th June 2020, the Government made a call to Local Enterprise Partnerships (LEP) for shovel-ready schemes that were able to spend in the next 18 months, as a way to stimulate economic recovery and help mitigate the impact that COVID-19 has had on employment levels.

The SELEP Strategic Board confirmed seven Kent projects to be included within the £85m ask of Government. Four of these projects are to be delivered by third-party promoters and are covered by Decision 20/00086. Three projects are to be delivered directly by Kent County Council and are the subject of this report.

This key decision is therefore required to enable grant agreements to be entered into, so that additional Government funding may be secured for these Kent County Council projects from the Getting Building Fund.

Recommendation(s):

That the Leader of the Council agrees to:

Accept the Getting Building Funding under the SELEP terms and conditions.

Agree that the Getting Building Funding (GBF) will be used to support the already approved KCC projects that the South East Local Enterprise Partnership's Strategic Board prioritised to receive GBF at its board meeting on 16 July 2020.

Delegate management of the funding and arrangement for the additional GBF money to the Corporate Director for Growth, Environment and Transport, in consultation with the relevant Cabinet Member.

1. Introduction

1.1 Getting Building Funding was announced by Government on 10th June 2020. The funding is part of the Government's plan to deliver upgrades to local infrastructure and boost skills and help fuel a green economic recovery by investing in shovel-ready housing and infrastructure projects, creating jobs and supporting economic recovery.

- 1.2 SELEP confirmed seven projects within Kent which have been approved by Government for funding.
- 1.3 Since the publication of the Forward Executive Decision for these projects, KCC has been informed by Building Digital UK (BDUK) that one of these projects – the extended Broadband Top Up Voucher Scheme’ needs to be announced by BDUK during the week commencing 7th September. This is the last permissible date for changes to the Rural Gigabit Voucher Scheme (which the top-up voucher is dependent upon) and is required to allow sufficient time for the required broadband connections to be built.
- 1.4 KCC is also acutely aware that the importance of good broadband connectivity has further increased during the Covid-19 pandemic and has become vital for home-schooling, accessing important services and enabling home-working. As such, KCC does not want to jeopardise this essential project and has agreed to bring forward the proposed decision date to enable this project to proceed.

2. Financial Implications

- 2.1 Kent County Council will enter into the following capital grant agreements for the amounts specified:

Project Title	GBF award
Digitally Connecting Rural Kent & Medway	£2,290,152
Thanet Parkway Railway Station	£11,999,000
Javelin Way Development	£578,724

- 2.2 The GBF capital grant funding is provided by the Government via SELEP. It is not KCC funding and can only be spent on these capital projects
- 2.3 The Government has specified that the GBF must be spent by 31 March 2022 or there is a potential that the funding will be clawed back. Appropriate project management oversight is being directed to these projects to minimise this risk.

3. Policy Framework

- 3.1 The GBF investment will help Kent County Council to deliver against its objectives within Increasing Opportunities, Improving Outcomes: Kent County Council’s Strategic Statement (2015-2020). Specifically, the capital grant investment will help deliver these outcomes:
- Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life.
 - Kent business growth is supported by having access to a well skilled local workforce with improved transport, broadband and necessary infrastructure.
 - Kent County Council supports well planned housing growth so Kent residents can live in the home of their choice.
 - Kent’s physical and natural environment is protected, enhanced and enjoyed by residents and visitors.

- To deliver safe and effective transport, ensuring that all Kent's communities and businesses benefit, the environment is enhanced, and economic growth is supported.

4. The Report

- 4.1 On 10th June 2020, the Government made a call to Local Enterprise Partnerships (LEP) for shovel-ready schemes that were able to spend in the next 18 months, as a way to stimulate economic recovery and help mitigate the impact that COVID-19 has had on employment levels.
- 4.2 Consequently, the South East Local Enterprise Partnership (SELEP), via the Kent and Medway Economic Partnership (KMEP), wrote to local stakeholders (including KCC) asking for their shovel-ready scheme suggestions. All forthcoming proposals were then submitted to Government, via SELEP, on 18th June 2020. The accumulated total of these SELEP suggestions equalled £573m.
- 4.3 On 3rd July 2020, the Government informed the South East Local Enterprise Partnership (SELEP) that it would receive £85million of 'Getting Building Fund' (GBF) to deliver 'shovel-ready' schemes. GBF is capital grant funding.
- 4.4 The Government asked SELEP to prioritise its original scheme suggestions for inclusion within the £85m funding envelope. The SELEP Strategic Board met on 16th July 2020 to make its decision.
- 4.5 The SELEP Strategic Board confirmed seven Kent projects to be included within the £85m ask of Government. Four of these projects are to be delivered by third-party promoters and are covered by Decision 20/00086. Three projects are to be delivered directly by Kent County Council. These KCC schemes are:

Project Title	Impact on existing KCC scheme	GBF ask	Existing Decision Number
Digitally Connecting Rural Kent & Medway	Extends the Kent Top-Up Voucher scheme to allow the project to connect more hard-to-reach business and residents with no or poor broadband connectivity.	£2,290,152	18/00024(a)
Thanet Parkway Railway Station	Secures and accelerates delivery with contributions from a range of sources including reduced KCC capital commitment.	£11,999,000	19/00085
Javelin Way Development	Accelerates the delivery of the scheme and mitigates the impact COVID-19 had on the timeline.	£578,724	17/00119

- 4.6 Business cases will be presented to the SELEP Accountability Board for their approval of the funding award. Each project will refresh their existing Equalities Impact Assessment as part of the development of these business cases required for SELEP Accountability Board approval. A Data Protection Impact Assessment is not required, as personal data is not included in the grant agreements or project business cases.
- 4.7 Subject to the necessary approvals being granted, SELEP will require Kent County Council to enter into a grant agreement with Essex County Council (which is SELEP's accountable body) for all schemes awarded GBF by SELEP within KCC's administrative boundary. The grant agreements give Kent County Council the legal and financial responsibility for ensuring the proper use and administration of the funding in accordance with the terms and conditions.
- 4.8 If Kent County Council were to choose to not enter into a grant agreement for the GBF projects selected by the SELEP Strategic Board, the GBF funding could be either (i) retained by central government or (ii) reallocated to other projects by the SELEP Strategic Board.

5. Conclusions

- 5.1 This key decision is required to enable grant agreements to be entered into so that additional Government funding may be secured for these projects. Due to the terms and conditions of the Government's Getting Building Fund, this funding can only be spent on these specific projects.
- 5.2 An earlier than anticipated decision is being taken to enable to rural broadband project to proceed – to accommodate Building Digital UK timescales and recognising the pressing needs of the homes and businesses that this project seeks to help.

6. Recommendation(s)

That the Leader of the Council agrees to:



Accept the Getting Building Funding under the SELEP terms and conditions.

Agree that the Getting Building Funding (GBF) will be used to support the already approved KCC projects that the South East Local Enterprise Partnership's Strategic Board prioritised to receive GBF at its board meeting on 16 July 2020.

Delegate management of the funding and arrangement for the additional GBF money to the Corporate Director for Growth, Environment and Transport, in consultation with the relevant Cabinet Member.

Appendices and background documents:

- Appendix A – Proposed Record of Decision
- Existing Records of Decision
 - [Kent Broadband Voucher Scheme Record of Decision](#)
 - [Javelin Way Development Record of Decision](#)

- [Thanet Parkway Railway Station](#)
- Appendix B – Equalities Impact Assessments
 - [Thanet Parkway EQIA](#)
 - 
EqIA Broadband
Voucher Scheme (00)
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EQUIA.doc

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