

APPENDIX B

LEVELLING-UP FUND ROUND 2 BID BY BABERGH DC – SUMMARY OVERVIEW

June 2022

About the fund / BDC previous bid

- The Levelling Up Fund is designed to invest in **infrastructure that improves everyday life across the UK**. The £4.8 billion fund **will support town centre and high street regeneration, local transport projects, and cultural and heritage assets**. The fund runs until 2024/25.
- It is now into its second round of bidding with applications to be submitted by noon on **06 July 2022**. The funding scheme is overseen by several government departments working collaboratively so no one single department decides bid approvals. UKG has explicitly said it is not committing to any further bidding rounds past Round 2.
- Babergh DC led a £6.363m Round 1 bid in June 2021, working closely with SCC Highways, for the **same package it is now re-submitting for Round 2**. Central government debrief confirmed that BDC's first bid was a 'strong strategic fit' and with the reasonable confidence of assessors that it could be delivered.
- It is a **capital only fund** and package bids of up to three separate projects aligned to deliver the aims of the fund (up to a **maximum value of £20m** combined). The themes are **REGENERATION > TRANSPORT (SMALLER/LOCAL) > CULTURE & HERITAGE**

Priority place indexing and support

- Local Authority areas are indexed into **three levels of dependency/needs** assessment.
- Category 1 areas (determined as most in need) received additional capacity funding grants of £125k to help them prepare LUF bids including procuring external economist and other specialist support. Babergh District receive nothing as **indexed as Category 3 (lowest)**. The Regeneration Team are leading co-ordination of bid preparation for the District, again with input from SCC Highways colleagues. The Team has commissioned some external expert support on specific elements, albeit limited, and using the work already underway for Hamilton Road Quarter masterplanning. This involves architect, cost consultant, chartered surveyor and WSP transport consultants for transport element.
- Constituency MPs can support bids in their area at two levels – higher priority pro-forma support or general stakeholder/representative letter (lower weighting). James Cartlidge MP has signed off his priority-level support for the LUF2 package, and he fully supported the previous unsuccessful bid.
- Bids will be evaluated on basis of 4 criteria:

Characteristics of Place (including priority index category) > Strategic Fit > Economic Case > Deliverability

What are we bidding for in Round 2?

Two aligned Sudbury projects as per Round 1 (one Regeneration and one Transport):

1. Hamilton Road Quarter Mixed-use (cinema and leisure led) Regeneration – new homes, retail, leisure and commercial space with enhanced public realm connectivity and thoroughfare created linking Great Eastern Road to King Street/Church. Removing the existing bus station and eyesore

derelict brownfield land to consolidate regeneration site and de-risk for investment. An updated concept masterplan was shared (in a private session) with the town council on 14 June 2022 and public engagement at the 'What Next for Sudbury' event at Town Hall took place between 16-18 June. The LUF element for HRQ regeneration is remaining property acquisitions, which are eligible for support under the fund, and a small contribution towards secure cycle storage at the Kingfisher Leisure Centre (40 spaces).

2. Bus and active travel improvements (is an iteration of the previous Pinch Point DfT bid in 2019) – improved junctions and flow including new mini-roundabout at the 'Waitrose' Great Eastern/Station Road junction, opening up new on-street bus stops and infrastructure at more convenient routes and locations around the town. This will improve community opportunity to use public transport, benefit bus operator efficiency, better support town assets/businesses and improve air quality whilst reducing carbon emissions.

Other information about the bid

- Tactically we will again bid in the £6m-£8m range given Babergh's 'lowest' dependency rating. Final bid figure not available at time of reporting.
- Specifically, the regen project bid will include acquisition of remaining properties in the regeneration area to de-risk the site further, including moving bus station to on-street, for securing external developer and investment. We cannot share this information detail as commercially sensitive and active negotiations ongoing. Only successful bids application forms are published (redacted) in due course.
- We may, subject to further business case and approvals, consider using Babergh Growth as development partner for Phase 1 (predominantly residential part of scheme). For phase 2 will re-market to procure a developer.
- Stakeholder support for the LUF bid is being sought, including STC letter of support, and continuing input into design refinements from group work and engagement opportunities will continue.
- Suffolk are also pulling together a county bid on a larger transport scheme of active travel and related local projects for the County, but these are mainly focused on Ipswich locality. This does not impact our District bid, which is under a separate 'constituency' provision.
- The bidding process is complex and resource intensive with robust end-to-end forecasts on programme management, costs, delivery strategy, economic case, value for money and impacts/benefits expected by UK Government. Getting a strong and well-evidenced bid together in time has been a significant challenge but we are confident that we will put forward the best case and opportunity possible for Sudbury.