

# Brighton & Hove City Council

## Strategy, Finance and City Regeneration Committee

## Agenda Item 12

**Subject:** Procedure for Allocating Shoreham Harbour Eco-towns Funding

**Date of meeting:** 22 June 2023

**Report of:** Executive Director Economy, Environment and Culture

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**Ward(s) affected:** South Portslade

### For general release

#### 1. Purpose of the report and policy context

- 1.1 In 2010/11 , Eco-towns funding was secured to support sustainability initiatives in Shoreham Harbour and was split across the two main authorities – Adur District Council and Brighton & Hove City Council. The city council has held the £460k capital funding for the sustainability projects.
- 1.2 It was requested by the unanimous resolution on the ‘Re-assignment of Eco-towns Funding’ report at July 2022 Policy and Resources, that ‘a report be brought back to Policy & Resources Committee detailing how the (Eco-towns) funds will be allocated’.
- 1.3 This report sets out and seeks agreement to the procedure for identifying projects for Eco-towns fund, which was discussed and agreed at Shoreham Harbour Leaders’ Board in February 2023.

#### 2. Recommendations

- 2.1 That Committee agrees the procedure set out in paragraph 3.7 to allocate £460k of Eco-towns capital funding across the Shoreham Harbour Area.
- 2.2 That Committee agrees to amend the July 2022 resolution to delegate authority to the Assistant Director for City Development and Regeneration to agree the detail of spend in consultation with the Chair of Strategy, Finance and City Regeneration Committee.

#### 3. Context and background information

- 3.1 In 2010-11 £750k of Government EcoTowns funding was secured to support sustainability initiatives in Shoreham Harbour. It was split across the two main local authorities, Adur Council and Brighton & Hove. £290k revenue funding was received primarily to deliver the Shoreham Harbour Joint Area Action Plan (JAAP); and £460k capital was received for funding sustainability projects.
- 3.2 The grant was made under section 31 of the Local Government Act 2003, which provides that the payer may determine the purpose of the grant and the circumstances in which it must be repaid. The conditions of the grant are that:
- It may be used only for the purposes that a capital receipt may be used. These purposes are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and would include the use of the grant to meet capital expenditure.
  - The annual declaration is made as per paragraph 3 of the conditions.
- 3.3 It was resolved (as amended - emboldened) at Policy and Resources Committee on 7 July 2022 (see appendix) that:
- (i) That Committee agrees re-assignment of EcoTowns capital funding to climate change and biodiversity projects across the Shoreham Harbour Area **and that a report is brought back to Policy & Resources Committee detailing how the funds will be allocated;**
- (ii) That Committee Agrees indicative governance arrangements set out in paragraph 3.7 and delegates authority to the Assistant Director for City Development and Regeneration to agree the detail with the relevant authorities in consultation with the **Group Spokespersons** of Policy & Resources Committee.
- 3.4. It was therefore agreed (in para 3.7 of the July 22 P&R Report) that Governance of the fund is carried out through the existing bodies used to take forward projects in the area and determine past spend of the revenue element of the grant:
- **Shoreham Harbour Project Board** – Senior Officer representation from each authority and Shoreham Port Authority (SPA). The Officer Project Board will prepare and agree options and proposals for spend of the Eco Towns Grant to go to Shoreham Harbour Leaders’ Board for agreement.
  - **Shoreham Harbour Leaders’ Board** – is composed of senior elected councillors of the member authorities and the Chief Executive of SPA. The Board has decision making powers and will have oversight of implementation of capital spend.
- 3.5 It was also agreed that the objectives of the funding are required to align with the sustainability objectives and themes in the adopted Shoreham Harbour Joint Area Actions Plan (see background documents – summary of objectives in appendix 1, P&R Report).

3.6 Since July 2022, joint work has been undertaken by officers of the City Council and Adur District Council (ADC) to define the procedure for spending the fund. A report setting these out was subsequently agreed at Shoreham Harbour Leaders' Board in February 2023 (see appendix 2).

3.7 The proposed procedure and framework agreed by the Leaders' Board, as requested by July 22 P&R Committee, is:

- **Location** - projects would be prioritised which lie along travel routes close to the harbour with the theme of green travel corridors and active travel.
- **Eligibility** – that most of the funding is allocated to strategic projects initiated by the regeneration project partners (local authorities and Shoreham Port Authority). Some funding would be reserved for special interest groups, and local community groups within the area. This would bring forward a wide range of projects.
- **Funding Split** – Geographically, approximately one third of the regeneration area is in Brighton and Hove, and two thirds in Adur. It is proposed that the funding split reflects this.

Location	Strategic project fund	Community project fund	Total
Adur	£240k	£60k	£300k
Brighton & Hove	£120k	£40k	£160k

- **Defines minimum and maximum per project** - The creation of a green corridor would seek several projects along the length of the Joint Area Action Plan boundary, therefore it is suggested that £100k would be the maximum available for the strategic project fund. This would mean the fund would not be able to fund large infrastructure projects but instead would focus on adding value. For the community project fund, a minimum allocation of £10k is advised to reduce time spent in administration of the fund.
- **Sets the conditions for funding** - It will be important that allocated funding has certainty of being delivered within a reasonable timescale. Therefore, it is proposed that priority should be given to projects led by established organisations with a track record of project delivery in the area, and that a 2-year timeframe is set for projects to spend a minimum percentage of the funding should be included. Further, that projects should report annually on their progress to the Leaders Board.
- **Applying for the fund** – an application and evaluation process will be devised jointly by the city council and Adur DC and jointly launched and publicised with each authority administering the fund within its own boundaries.

3.8 Finally, following the outcome of the election in May 23, it is proposed that the resolution of July 2022 Policy and Resources Committee is amended to allow delegation of final sign off of spend to the Assistant Director of City Development and Regeneration in consultation with the Chair of Strategy,

Finance and City Regeneration Committee rather than with Group Spokespersons.

#### **4. Analysis and consideration of alternative options**

- 4.1 A number of alternative options were considered by officers at Brighton & Hove CC and Adur DC in developing the proposals/procedure for identifying projects on which to spend Eco-towns capital funding. The proposed options are considered the preferred option.

#### **5. Community engagement and consultation**

- 5.1 The report has been prepared in consultation with the Shoreham Harbour Project Board, of senior officers from BHCC, Adur DC, West Sussex CC and Shoreham Port Authority. A report was prepared setting out the procedure for spending the funds and was agreed at Shoreham Harbour Leaders' Board in February 2023.
- 5.2 Appropriate levels of engagement and communication will be carried out to invite bids for the proposed community project fund.

#### **6. Conclusion**

- 6.1 Committee is requested to agree the proposed procedure for allocating £460k of Eco-towns funding set out in paragraph 3.7 of the report and to agree a minor amendment to the resolution of July 2022 P&R Committee.

#### **7. Financial implications**

- 7.1 There are no direct financial implications arising from this report. The council has held the grant balance for several years for which grant conditions set out in section 3.2; the funding must be used for the purpose that a capital receipt would be used for which includes capital spend; and that an annual declaration is made by the section 151 officer. Where a suitable capital project is identified for use of this grant, a report will be brought back to this committee for approval within the capital programme along with any other funding required.

Name of finance officer consulted: John Lack    Date consulted: 08/06/23

#### **8. Legal implications**

- 8.1 As set out in the report, the grant funding can be spent only in accordance with the grant conditions. The legislative background to the use of the funding is also referenced in the body of the report.

Name of lawyer consulted: Katie Kam    Date consulted 07/06/23:

#### **9. Equalities implications**

9.1 Decisions on spending of the fund will be required to meet equalities duties.

## **10. Sustainability implications**

10.1 Spend of the Eco-towns funding will be required to meet the main principles of sustainability and biodiversity set out in the adopted Shoreham Harbour Joint Area Action Plan.

## **Supporting Documentation**

### **1. Appendices**

1. Re-assignment of EcoTowns Funding Report to Policy and Resources Committee, 7 July 2022.
2. Eco Towns Funding Proposal 2023: Shoreham Harbour Leaders Board, February 2023.

### **2. Background documents**

- 1 Shoreham Harbour Joint Area Action Plan

