

Blaby District Council

Cabinet Executive

Date of Meeting	7 November 2022
Title of Report	UK Shared Prosperity Fund This is not a Key Decision and is on the Forward Plan
Lead Member	Cllr. Terry Richardson - Leader of the Council
Report Author	Planning & Strategic Growth Group Manager
Corporate Priority	All Priorities: A Place to Live; A Place to Work; A Place to Visit; People Strategy; Medium Term Financial Strategy (MTFS)

1. What is this report about?

- 1.1 This report provides information on the UK Shared Prosperity Fund (UKSPF) and seeks approval for Year 1 projects to be developed and funded.

2. Recommendation(s) to Council

- 2.1 To approve the allocation of UK Shared Prosperity Fund against a programme of Year 1 projects, subject to confirmation of funding.

3. Reason for Decisions Recommended

- 3.1 To enable the Blaby District Council allocation of UK Shared Prosperity Fund to be spent in accordance with the submitted Investment Plan.

4. Matters to consider

4.1 Background

The UK Shared Prosperity Fund (UKSPF) is part of the Government's Levelling Up agenda. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula. It is intended to help places across the country deliver enhanced outcomes by reducing inequalities and bridging gaps in the provision of opportunities.

The UKSPF guidance states that it will support the Government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency

Underneath the overarching aim of building pride in place and increasing life chances, there are three UKSPF investment priorities:

- Communities and Place
- Supporting Local Business
- People and Skills

There are detailed objectives associated with each of these priorities which are aligned to the relevant Levelling Up White Paper mission. Further detailed information is available here:

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

Funding Allocations

Every area of the UK will receive a funding allocation paid to lead local authorities, and Blaby District Council will receive an allocation in the sum of £2,115,168. It was originally indicated that this would be paid in September, but no further dates have been provided. As a lead local authority, we will have responsibility for the full management of the fund including assessing and approving applications, processing payments and day-to-day monitoring. Within the total fund allocation, 4% (£84,606) is earmarked for expenditure on resources to help with this management.

The allocation is conditional upon a number of requirements being met, and the key one of these was the production of an Investment Plan. This was signed off by Council in July and submitted to Government.

Key Stages

The UKSPF was launched in April, and the timescales for the work required have been short from the outset. Resources have been mobilised from within existing teams and some external support was secured.

The key stages are broadly compromised of the following:

- Establishing resources and governance structure
- Setting the local context – data analysis, identifying challenges and inequalities

- Establishing the priorities and required interventions
- Developing the delivery mechanisms / projects
- Submitting the Investment Plan
- Developing the delivery mechanisms / projects
- Delivering the projects
- Monitoring and reporting
- Ongoing consultation with stakeholders

Most of these work streams are ongoing, with the exception of the Investment Plan which has been submitted.

One of the aims of the UKSPF is to contribute to a better evidence base for supporting interventions in local areas. The collation and analysis of local data and evidence is an extremely important stage in developing an Investment Plan, and a mandatory requirement for drawing down the funding allocation. Work has been undertaken since April to understand the data and evidence for Blaby District, and what this tells us about the local challenges and intervention requirements.

This information, which was presented to Council in July and included within the submitted Investment Plan, has been used to inform the consideration of a longlist of projects. These projects have been put forward both internally by officers, and externally by a range of organisations.

The UKSPF funding has been allocated for 3 years between 2022 and 2025, with a pre-set expenditure profile set out (see section 7 below). The profiled expenditure for 2022/23 is currently required to be spent by the end of March 2023, and therefore it is necessary to agree the Year 1 projects as soon as possible.

These projects have been assessed against the UKSPF criteria and a range of other factors including:

- Can they realistically spend the allocation by the end of March 2023.
- Does the Council have the resources in place to deliver the projects, and if not can additional resources be built into the project.
- Are the timescales for delivery realistic, for example are we dependent on recruitment or procurement.
- Are they likely to have stakeholder support based on the consultation undertaken.

Following an assessment of potential projects, as set out above, a proposed Year 1 project list has been finalised which is attached at Appendix 1.

Work to further develop and deliver these projects continues, as does the development of projects for years 2 and 3. Further reports will be brought to Cabinet to seek approval for projects for 2023/24 and 2024/25.

Governance and Consultation

It will be necessary to ensure that the fund is properly managed, and this will require careful monitoring of expenditure against each of the projects. In addition, a reporting framework has been set which requires returns to be submitted to Government.

To facilitate this, it is proposed that a small internal officer working group be established. This group will monitor and co-ordinate projects, oversee any performance returns to Government, liaise closely with key Members, and make recommendations to Cabinet regarding projects.

In addition, the UKSPF guidance requires us to ensure stakeholder input and consultation through a Local Partnership Group (LPG); although it does not define what this should look like. Having carefully considered this, the proposal for satisfying this requirement is:

- One or two workshops/forums a year to brief stakeholders on the programme and seek views
- Use of the dedicated UKSPF area of the website to share project information
- Dedicated and frequent communication via platforms such as social media
- Updates and discussion at existing groups – ie Business Breakfasts and Parish Liaison Group meetings
- Briefing and updating the MPs

The proposed governance arrangements are set out in Appendix 2.

Resources

To date the significant amount of work required to get to the current position has been undertaken with the help of some external support. This has been funded by a separate amount of money (£20,000) to be paid to us specifically for the purposes of developing an Investment Plan and programme.

It is now necessary to consider how to manage and monitor the programme going forward, and 4% of the overall UKSPF allocation is available for this purpose. It is proposed that a fixed-term Programme Co-ordinator role is created. This post-holder could for example co-ordinate the LPG, monitor projects, work with project leads to provide performance returns, etc. This would ensure that the programme could be properly managed, whilst also recognising the broad range and scope of projects.

It is recognised that the UKSPF money has not yet been paid, and therefore recruitment would only commence on confirmation that funding is being provided to avoid any at risk spend.

4.2 Proposal(s)

Taking all of the above into consideration, it is proposed that

- A Local Partnership Group is established as set out above, to ensure robust consultation and stakeholder input.
- Approval is granted by Cabinet for the Year 1 projects set out at Appendix 1 (with delivery subject to confirmation of funding).
- A fixed-term Programme Co-ordinator role is created to manage and co-ordinate the UKSPF programme (recruitment subject to confirmation of funding).

4.3 Relevant Consultations

In developing Investment Plans, lead local authorities are required to undertake stakeholder consultation. To ensure that we can properly consult on our emerging Investment Plan, preferred projects, and ongoing emerging projects, we have put in place plans which are set out at 4.4 with a stakeholder workshop held in July and a further session held in October. The feedback from this consultation has actively shaped the proposed Year 1 Projects.

Following the announcement of the fund, officers have been working closely with a range of stakeholders and organisations. This has been essential in ensuring that we can properly identify the evidence, challenges, and potential projects.

4.4 Significant Issues

There are no significant issues directly arising from this report.

5. What will it cost and are there opportunities for savings?

- 5.1 The UKSPF criteria requires expenditure to be split across the three years on a 'tapering up' basis. This results in the following yearly allocation inclusive of 4% resources/admin element:

Year	Tapering	Allocation
2022/23	12%	£256,695
2023/24	24%	£513,390
2024/25	64%	£1,345,083
Total		£2,115,168

In addition, a proprietary sum of £20,000 has also been allocated to each Lead Authority to cover any expenditure on preparing their Investment Plan in line with the fund's prospectus. This sum has been used to appoint an external consultant to assist with preparing the Investment Plan and supporting documents for submission to central government. Therefore, there are no costs to the Council arising from this report.

6. What are the risks and how can they be reduced?

6.1 The risks and proposed mitigation are set out in the table below:

Current Risk	Actions to reduce the risks
Lack of stakeholder support for Year 1 projects	Stakeholder engagement workshop and feedback session held. Robust governance
Project delivery within Year 1	Project plans developed with project leads and an internal officer group established to monitor progress
Funding not received from government	No projects will commence or recruitment started until funding has been confirmed
Lack of capacity to deliver projects	Projects involving Blaby District Council staff will have management costs built in and have been planned into officer work programmes
Increase in project costs due to inflation or other pressures	Any project issues will be reported through the working group and consideration will be given for allocation of further funds in Year 2 and Year 3

7. Other options considered

7.1 The other option is to not allocate any funding to a programme of Year 1 projects, however this would result in the allocation for 2022/23 potentially being lost.

8. Environmental impact

8.1 There are no implications directly arising from this report. The environmental impacts from each of the projects which receive funding will be carefully considered at the appropriate time.

9. Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern. Furthermore, the proposed Year 1 projects will have positive impacts in terms of public health and access to additional services.

10. Appendix

10.1 Appendix A – Proposed UKSPF Year 1 Projects

10.2 Appendix B – Proposed Programme Governance Arrangements

11. Background paper(s)

- 11.1 There is a suite of documents available on the Gov.uk website.
Council Report July 2022 and associated appendices

12. Report author's contact details

Cat Hartley Strategic Growth & Planning Manager
Catherine.hartley@blaby.gov.uk 0116 272 7727