

Report of	Meeting	Date
Director of Change and Delivery (Introduced by Leader of the Council and Cabinet Member (Policy, Reform and Communications))	Council	Wednesday, 19 July 2023

## South Ribble UKSPF Programme

Is this report confidential?	No
Is this decision key?	Not applicable

### Purpose of the Report

1. To provide members with an overview of the UK Shared Prosperity Fund (UKSPF) framework for South Ribble Borough Council.

### Recommendations to Council

2. To approve the UK Shared Prosperity Fund Delivery Framework for South Ribble in order to progress delivery of the fund and to begin commissioning of the programmes within it.
3. To accept £3,367,878 of the UKSPF from the UK Government.
4. To delegate authority to the Section 151 officer in consultation with the Leader of the Council to take the necessary decisions and actions required to accept the allocation of funds, as well as to implement and administer the scheme and with relevant Cabinet Members on all related plans in accordance with the requirements and priorities of the UKSPF prospectus and fund.

### Reasons for recommendations

5. It is important to have a clear framework and principles for delivery of UKSPF aligned to the requirements of the fund and endorsed by Members. However, it may be necessary to adjust delivery to ensure that funds are allocated where they can have most impact and remain responsive to opportunities as they arise throughout the timescales of the programme.
6. To ensure momentum within the delivery timescales and reduce the chance of delay, which would raise the risk of not spending the full allocation or achieving the necessary outcomes and outputs. It is therefore appropriate for the authority to

approve final delivery plans to be delegated to the Section 151 officer in consultation with the Leader of the Council.

### Other options considered and rejected

7. No other options have been considered, as it is essential to have clear governance and decision-making routes in place that comply with the requirements of the UKSPF programme.

### Executive summary

8. Following the launch of UKSPF in April 2022, the Council was invited to submit an Investment Plan by August 2022, setting out the local priorities and outcomes it wished to achieve, aligned to the interventions of the Fund which has an overarching aim to build pride in place and increase life chances.
9. The Council received notification from the government in December of its allocation for 2022/2023 and the indicative allocation for 2023/2024 – 2024/2025. UKSPF provides funding for a three-year period, April 2022 – March 2025. South Ribble Borough Council was allocated £3,367,878 of UKSPF for this period. The Council also received £20k capacity funding to support the development of the Investment Plan.
10. Due to the value, complexity and time limited nature of the UKSPF, the general approach adopted for year one of the programme was to align the fund with existing Council activity that supported UKSPF priorities, particularly where it would bring 'added value'. Further work has been undertaken to develop the actions for 2023-25 which will be designed and scoped to ensure delivery within the timescales of the programme. This report sets out a framework for delivery of the UKSPF programme, including the interventions, outputs, outcomes and spend profile.

### Corporate priorities

11. The report relates to the following corporate priorities:

An exemplary council	Thriving communities
<b>A fair local economy that works for everyone</b>	<b>Good homes, green spaces, healthy places</b>

### Background to the report

12. UKSPF is one of a number of funds aligned to the Levelling Up agenda and forms the Government's domestic replacement for the European Structural and Investment Fund (ESIF) and European Regional Development Fund (ERDF), which the UK ceases to participate in beyond 2023. These programmes have been essential for local regeneration, business support, employment and skills.
13. The UKSPF programme has an overarching aim of building pride in place, reducing inequalities and increasing life chances across the UK with 3 key investment priorities identified:

- i. **Communities and Place** – fostering a sense of pride and belonging through improvements to enhance physical, cultural and social ties and amenities including community infrastructure, green space and community-led projects. The emphasis is on resilient and safe neighbourhoods.
  - ii. **Supporting Local Businesses** – Creating jobs and boosting community cohesion by promoting networking, collaboration and interventions that bring stakeholders together and stimulate innovation and growth. The emphasis is on small and medium sized businesses to work together, using low carbon technology to grow exports.
  - iii. **People and Skills** – boosting core skills and access to work across the working age population to promote economic inclusion and reduce economic inactivity. This is supplemented by the national ‘multiply’ funding which focuses on improving numeracy.
14. UKSPF is designed to complement not duplicate other provision and it is recommended that the wider funding landscape for People and Skills is considered to ensure that funding is effectively targeted and delivered efficiently. This includes at a local and national programme level such as DWP/Job Centre Plus activity and Adult Education budget. It should be noted that activity around People and Skills could not take place until year 3 of the programme. It has since been confirmed that underspend from year 1 can be used to deliver skills activities in year 2, however year 3 funding cannot be brought forward. Due to the late nature of the announcement, the majority of Lancashire councils are not intending on undertaking skills programmes until year 3. This provides additional time to develop the proposals for year 3 that focus on meeting the local employment and skills needs and deliver the key objective within the Economic Strategy.

### **Fund Priorities and Investment Plan**

15. The UKSPF prospectus specifies 41 interventions across the three investment priorities that lead authorities had to choose from to reflect local priorities. For each intervention there were also a set of outcomes and outputs that had to be selected to demonstrate delivery. Lead authorities were required to submit a proposed Investment Plan in August 2022, identifying the interventions to be prioritised for their area and the outcomes they wish to achieve.
16. Within the Council’s Investment Plan a number of key themes and priorities were identified that formed the context and basis for selecting the interventions, outcomes and outputs. The interventions that form the basis for the South Ribble Borough Council programme are set out in the table below. The approach to delivering the plan includes a balance of reinforcing local delivery, addressing gaps in provision based upon current and forecasted needs / demands and identifying those activities that will benefit from delivery at scale and with a partner.

## Priorities

### Communities & Place

#### Community Resilience

- Tackling pockets of deprivation and inequality, particularly affecting children, and young people with rising levels of food poverty.
- Improving access to services and balancing more equal engagement across diverse urban and rural cultures in the borough
- Building on the South Ribble Together work, increasing our understanding of local communities and designing services based on local need.
- Supporting an aging population to live well thereby reducing pressure on public services particularly health.
- Building on pilots of social prescribing during the pandemic, increasing early intervention to address wider determinants of health.

#### Community Spaces

- Reviving the high streets to retain identity and draw people back into the urban areas building on Town Deal plans.
- Developing the offer at Worden Hall to encourage visitors and share the area's heritage building to foster greater pride in place.
- Developing schemes that are complementary to the Town Deal aspirations, extending benefits to wider areas across the borough.

### Local Businesses

#### Town Centre

- Maximising the opportunity to accelerate and extend Town Deal plans through support for the market and independent traders.
- Promoting shop local behaviours and providing an attractive retail proposition for shoppers and visitors.

#### Visitor Economy

- Delivering the refreshed tourism strategy to encourage visitors post pandemic by promoting key attractions and undertaking regional place marketing to encourage wider profile and investment.

#### Productivity and Sustainability

- Although productivity has been improving it is still lower than regional levels with lower growth in higher productivity sectors. A key challenge is to drive future growth in highly productive sectors through targeted support.
- Retain and expand inhouse business support to facilitate and drive future growth in key sectors.
- Deliver additional grants and advice for key sectors including start-ups.
- Establishing greater dialogue with businesses and promoting collaboration across sectors.

- Developing a tailored approach to developing commercial space for businesses.
- Extending the Community Wealth Building agenda to increase local ownership of business and encourage a greater share in wealth and decision making locally.

#### **Climate Change**

- supporting businesses to reduce emissions and transition to net zero by facilitating knowledge sharing and increasing capability for decarbonisation.

#### **Innovation and exportation**

- investment and support for innovation, continuing to lead and drive new market development.

#### **Recruitment and skills**

- Addressing skill shortages to help ensure the future skills pipeline meets business needs.
- Linking industry with education and training provision to align and incentivise future career pathways.
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### **People and Skills**

#### **Employability**

- Targeting economically inactive cohorts in specific neighbourhoods aligned to areas of deprivation. Particularly there has been increases in unemployment among younger residents.
- Extend employability service and support for businesses to carry out workforce skills analysis.
- Developing digital and high-level skills to meet higher growth sector skill shortages.

#### **Aging workforce**

- Increase digital accessibility among aging population with digital outreach programmes.

17. The Framework for delivering the UKSPF programme is contained in Appendix A. This sets out the interventions, types of projects and allocation of funding for the 3-year programme.
18. A number of the projects highlighted against the interventions in Appendix A will be delivered directly by the Council or the Council will procure or commission organisations that are already established and specialists in providing specific activities that meet the Council's priorities. This includes commissioning of community service providers and specialist business support and advice.

19. In addition, a number of projects will be open for applications from potential delivery partners and businesses. This includes an allocation of £300k (supported by both Chorley and South Ribble Councils) to develop a variety of community initiatives that encourage partners to work together to build community capacity and tackle the wider determinants of health and inequalities in a connected and cohesive local system. This will be administered through the Chorley and South Ribble Partnership. Further details on how this will be accessed will be publicised in due course.

### UKSPF Budget Allocations

20. In December 2022, the Council received approval of its investment plan and confirmation of the funding allocation awarded from UKSPF; the table below shows the allocation over a three-year period:

UKSPF Grant Allocation	Capital Funding £'000	Revenue Funding £'000	Capacity Funding £'000	Total
2022-23	83	326	20	429
2023-24	165	652	-	817
2024-25	434	1,707	-	2,141
<b>Total</b>	<b>682</b>	<b>2,685</b>	<b>20</b>	<b>3,387</b>

21. The UKSPF guidance allows for 4% of the total programme to be used for administration of the funding. This is being used to support the development and delivery of the programme in South Ribble and forming a contribution to posts that are directly involved in the management of the programme.
22. Year one of the UKSPF could support schemes delivered from 1 April 2022. Members will note from the Revenue Budget 2023, Medium Term Financial Strategy and Capital Programme Report 2023-2026 that was presented to Council on the 1<sup>st</sup> March 2023, that due to the value of the UKSPF, complexity and its time limited nature, the general approach adopted when selecting the interventions and to ensure best value for money within year one has been to align existing activity to the fund, particularly where it would bring 'added value'. Additional capital funding has been added to year 1 spend. This is allowed within the rules of UKSPF. Appendix A sets out the framework for delivery including the interventions which have 2022/23 spend allocated to them.
23. Activity for 2023-25 has required detailed design and scoping which continues to be undertaken and a full delivery plan will be set out in due course. Where the Council may wish to procure or commission external services and support to deliver UKSPF priorities, legal advice and assistance will be provided to ensure that all requirements of the fund are met and that the best approach is taken in ensuring value for money in line with the council's financial and procurement processes. This could include Service Level Agreements, grants, competitive grants or full procurement or commissioning processes.
24. Appendix B sets out the allocation of funding against each of the UKSPF investment priorities. Since the submission of the investment plan, project scoping has resulted in some movement of budget across investment priorities to ensure that the funding is being used to have maximum impact whilst meeting UKSPF programme criteria.

The table in Appendix B shows the original allocation, the current allocation and the spend that has occurred in year 1.

### **The Role of Local Partnerships in UKSPF**

25. Lead authorities are tasked with working with a diverse range of local and regional stakeholders to achieve the UKSPF outcomes in their areas. In line with UKSPF requirements, a comprehensive and balanced local partnership group will be a core component of how the fund is administered locally
26. The Chorley and South Ribble Partnership is strongly positioned to undertake a leading role and exists to promote collaborative working across the area and comprises a mix of public, private and third sector organisations representing communities, housing, health, education and business sectors at a strategic level.
27. The Partnership is focused on building strong communities and outcomes for residents by reducing inequalities, making it easier to access local services and strengthening growth in the area's economy. Partners share intelligence, accelerate integration and influence other major players to get the best outcomes for the people of South Ribble. The partnership is also part of a wider integrated governance structure for Central Lancashire and the wider region ensuring links to key policy agendas and decision makers.
28. The primary role of the partnership in UKSPF will be to act in an advisory capacity, receiving regular updates on delivery and providing guidance on strategic fit with local priorities and deliverability. It is proposed that this ongoing involvement will be facilitated through the Chorley and South Ribble Partnership.

### **Climate change and air quality**

29. The work noted in this report impacts on the following areas of climate change and sustainability targets of the Councils' Green Agenda:
  - a. net carbon zero by 2030,
  - b. working with sustainable and green accredited companies,
  - c. improving green areas and biodiversity.

### **Equality and diversity**

30. UKSPF seeks to reduce inequalities in communities, build pride in place and improve life chances. The programme provides the opportunity to consider the latest demographic information, policy context and implications for services in setting out support for those in communities who may have unfair disadvantages in accessing support, services and opportunities.
31. UKSPF is delivered through to 31 March 2025 and as each project is implemented, an equality impact assessment will be undertaken to consider the equality and diversity implications.

## Risk

32. Government had initially indicated that any underspend in each year would be lost, however, due to the delay in funding allocations being confirmed, underspend from 2022/23 can be carried forward into this financial year (2023/24) providing that a credible plan is submitted setting out how it will be utilised in the next year. To help mitigate against this, programme design and delivery for year one has largely been based around existing delivery mechanisms and added value to existing activity.
33. Year two and three activity will need to be carefully monitored and planned to ensure effective use of the fund and that delivery can be completed by the end of the programme, March 2025. There is a risk that if there is underspend at the end of the programme or that projects have failed to deliver within the timescales of the programme, the funding would need to be returned to government.

## Comments of the Statutory Finance Officer

34. Budgets were established within budget setting 2023/24 for UKSPF. Because spend can be of a capital or revenue nature budgets were established within revenue but will require adding to the capital programme where necessary according to the nature of the spend. This will be reported through the quarterly financial monitoring reports.

## Comments of the Monitoring Officer

35. There are no Monitoring Officer concerns with the report. Because of the speed with which we need to move delegated authority is sought for the Section 151 officer in consultation with the Leader to take all necessary steps to make the necessary decisions to accept the allocation of funds as well as to implement the scheme. This must be in accordance with the UKSPF Programme. The overall focus of the programme dovetails with some key priorities and concerns of the council.

## Background documents

Revenue Budget 2023/24, Medium Term Financial Strategy and Capital Programme Report 2023-2026

## Appendices

Appendix A: UKSPF Framework

Appendix B: Funding allocations by investment priority

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