

POLICY AND RESOURCES COMMITTEE – 18 JULY 2022

PART I

7. UK SHARED PROSPERITY FUND 2022-25 (CED)

1 Summary

- 1.1 In February 2022 HMG Levelling Up, White Paper was published, which sets out how opportunity will be spread more equally across the UK.
- 1.2 In order to support the ambitions of the Levelling Up Paper, the Government has allocated £2.6bn through the UK Shared Prosperity Fund (UKSPF) over 3 years. Three Rivers District Council has been awarded £1m for 2022-25.
- 1.3 In order to access the 2022-25 allocation of funding, Three Rivers District Council is required to submit a Local Investment Plan, by 1 August 2022, outlining those local priorities that the Council wishes to focus on. The Investment Plan will include a high level outline of the interventions and investments that the funding will prioritise, together with an overview of the expected outputs and outcomes.
- 1.4 This report makes recommendations for the allocation of the funding within Three Rivers which if agreed will then be used to develop the required Investment Plan.

2 Details

- 2.1 The UKSPF is the Government's domestic replacement for the European Structural and Investment Programme (ESIF). The UKSPF aims to contribute to the 'Levelling Up' agenda by providing financial assistance to boost productivity, tackle geographical inequalities and improve life chances, especially in deprived areas.
- 2.2 The four Levelling Up objectives are to:
 - 2.2.1 Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
 - 2.2.2 Spread opportunities and improve public services, especially in those places where they are weakest
 - 2.2.3 Restore a sense of community, local pride and belonging, especially in those places where they have been lost
 - 2.2.4 Empower local leaders and communities, especially in those places lacking local agency
- 2.3 Government's stated primary goal of the UKSPF is to build pride in place and increase life chances across the UK. This aligns with Levelling Up White Paper 'missions', particularly: 'By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.'
- 2.4 The UKSPF was launched on 13 April 2022, providing £2.6 billion of funding for local investment by March 2025. A further £179 million will be managed centrally by the Department of Education to improve adult numeracy through the 'Multiply' Programme

- 2.5 The aim of the scheme is to support the UK government's Levelling Up commitment through three investment priorities:
- 2.6 **Communities and place.**
- 2.6.1 Strengthening our social fabric and fostering a sense of local pride and belonging, through investment in activities that enhance physical, cultural and social ties and access to amenities, such as community infrastructure and local green space, and
- 2.6.2 Building resilient, healthy and safe neighbourhoods, through investment in quality places that people want to live, work, play and learn in, through targeted improvements to the built and natural environment innovative approaches to crime prevention.
- 2.7 **Supporting local business.**
- 2.7.1 Creating jobs and boosting community cohesion, through investments that build on existing industries and institutions, and range from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.
- 2.7.2 Promoting networking and collaboration, through interventions that bring together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.
- 2.7.3 Increasing private sector investment in growth-enhancing activities, through targeted support for small and medium-sized businesses to undertake new-to firm innovation, adopt productivity-enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.
- 2.8 **People and skills** (funding under this priority is available in the third year)
- 2.8.1 Boosting core skills and support adults to progress in work, by targeting adults with no or low level qualifications and skills in maths, and upskill the working population, yielding personal and societal economic impact
- 2.8.2 Reducing levels of economic inactivity through investment in bespoke intensive life and employment support tailored to local need. Investment should facilitate the join-up of mainstream provision and local services within an area for participants, through the use of one-to-one keyworker support, improving employment outcomes for specific cohorts who face labour market barriers.
- 2.8.3 Supporting people furthest from the labour market to overcome barriers to work by providing cohesive, locally tailored support including access to basic skills.
- 2.8.4 Supporting local areas to fund gaps in local skills provision to support people to progress in work, and supplement local adult skills provision e.g., by providing additional volumes; delivering provision through wider range of routes or enabling more intensive/innovative provision, both qualification based, and non-qualification based. This should be supplementary to provision available through national employment and skills programmes.
- 2.9 For each Investment Priority there are a set of 'Interventions' with associated outputs and outcomes. Investment Plans for the UKSPF are required to select some or all the Interventions and this will become the basis for the future use of the funding.

Investment Plan

- 2.10 TRDC is required to submit an Investment Plan by 1 August 2022. The Investment Plan will feature three broad Sections
- 2.10.1 Local context: Setting out local evidence of opportunities and challenges through the lens of the three investment priorities.
- 2.10.2 Selection of outcomes and interventions: Identifying the outcomes that the Council wishes to target based on local context, and the interventions to prioritise. These should be clearly linked to local opportunities and challenges.
- 2.10.3 Delivery: Setting out the process for delivering the fund including governance and resourcing
- 2.11 The Investment Plan itself is not required to set the detail of specific projects that will be supported by the funding but rather sets out a justification for investment against the interventions selected from the pre-determined list.

TRDC's Allocation

- 2.12 Funding has been allocated to local authorities using a formula rather than a competition, with TRDC being awarded £1m over three years to be distributed as follows.

Allocation	2022/23	2023/24	2024/25
Minimum Capital	£9,403	£24,447	£143,584
Maximum Revenue	£80,863	£156,085	£545,620

- 2.13 Allocation of up to 4% is assumed within the allocation by default to undertake necessary Fund administration
- 2.14 In addition to the fund allocation, the Council will have access to £20,000 to support the costs of initial preparatory work for the UKSPF, including developing the local investment plan for submission.
- 2.15 The Fund can be used flexibly to support interventions via:
- 2.15.1 Grants to public or private organisations.
- 2.15.2 Commissioning third party organisations.
- 2.15.3 Procurement of service provision.
- 2.15.4 In-house provision.
- 2.16 Whilst Local Authorities are encouraged to provide match funding this is not mandatory. Where match funding does exist it is required to be included in the Investment Plan.
- 2.17 Payments for statutory duties or work that is fully funded by other sources cannot be covered by UKSPF.
- 2.18 It is expected, on the current government timetable, that funding will be released to the District in October 2022, following approval of the Investment Plan. Any

underspend at the end of each financial year would need to be returned as it may not be carried forward.

Governance

- 2.19 It is proposed that this project is managed by the Community Partnerships Unit, supported by the wider Corporate Management Team, who will co-ordinate the necessary work to prepare and submit the Investment Plan, accept and monitor the budget and administer the scheme and its interventions including the completion of the relevant Government returns.
- 2.20 It is proposed that the available £20,000 and the 4% administration allocation is used to support initial preparatory work for the UKSPF through provision of additional staff resources within the Community Partnerships Unit to administer the scheme.
- 2.21 It is proposed that the Chief Executive, in consultation with the Leader of the Council, be given delegated authority to finalise the Investment Plan submission, administer and deliver the UKSPF.
- 2.22 An overview of the TRDC UKSPF proposed priorities upon which the Investment Plan will be built is provided as Appendix 1 for members' consideration

Stakeholder Engagement

- 2.23 A working group of TRDC officers was set up on announcement of the UKSPF to begin exploring funding opportunities in order to ensure UKSPF was utilised across different teams able to support the objectives of the fund.
- 2.24 TRDC has consulted partners, including those prescribed by the UKSPF prospectus such as the local MP, through the Local Strategic Partnership, in order to understand local need and priorities and the feedback received is reflected in the investment priorities presented in this report.
- 2.25 The fund makes it clear that explicit contact must be made with the MP. There is a section in the Local Investment Plan that specifically asks whether the plan has the MPs support and if not, to detail any reasons why this is the case. Officers will continue to liaise with the MPs office for comment as the Investment Plan is developed.
- 2.26 TRDC is an active partner within the Hertfordshire-wide network of Councils with whom the UKSPF has been extensively discussed. Opportunities to collaborate with and complement the work of other districts, the county council and the LEP have been and will continue to be explored.

3 Options and Reasons for Recommendations

3.1 Option 1:

Accept the proposals as presented in this report. This option is recommended as it enables the Council to use its allocated £1m over the three years on projects, as identified in Appendix 1, that will make a positive difference across Three Rivers District and, in particular, for those communities within the District who are most in need.

3.2 Option 2:

Amend the proposals and reconsider. This is not recommended as timescales for submitting the plans are extremely tight with submission of the Investment Plan required by 1 August 2022.

3.3 Option 3:

Don't take part in the UKSPF scheme. This is not recommended as there would be no benefit to Three Rivers District.

4 **Policy/Budget Reference and Implications**

4.1 The recommendations in this report are within the Council's agreed policy and budgets.

4.2 The recommendations in this report relate to the achievement of the performance indicators in Table 1 below and will increase performance against these indicators.

4.3 As part of the development of the Investment Plan, new performance indicators may emerge and these will be presented for consideration through the usual Corporate and service planning processes later in the year.

Table 1

CP19	Number of people receiving support from the Community Support Service
CP50	Climate Emergency and Sustainability Action Plan
LL30	Number of attendances at a project supporting vulnerable people
LL39	Number of new trees planted by TRDC Trees and Landscapes Officers – New PI
LL41	Percentage of people reporting an increase in physical activity levels following attendance at a Three Rivers District Council activity

5 **Community Safety, Public Health, Customer Services Centre, Communications & Website, Risk Management and Health & Safety Implications**

5.1 None specific to this report, however, the proposed delivery of the UKSPF will have a positive human, economic and environmental impact on Three Rivers District.

5.2 Each project will undertake its own impact assessments and an overall Assessment will form part of the Programme Management of the Fund as a whole through the preparation and monitoring of the Investment Plan.

5.3 As with any project there is and will be associated risk. A risk register will be created with the UKSPF Local Investment Plan and any risks resulting from this will be included in the risk register and, if necessary, managed within these plans.

6 **Financial Implications**

6.1 There are limited financial implications to the funding other than those outlined in paragraphs 2.12 to 2.17 above;

7 **Legal Implications**

- 7.1 All spend associated with the Fund must be
- (a) compliant with the Public Contracts Regulations 2015
 - (b) follow the Council's constitution and procedures
 - (c) adhere to grant rules, processes and procedures as and where relevant.
 - (d) comply with specific government guidance on UKSPF and subsidy control which is expected to be published later in the summer .

8 Equal Opportunities Implications

8.1 Relevance Test

Has a relevance test been completed for Equality Impact?	Yes
Did the relevance test conclude a full impact assessment was required?	Yes

Impact Assessment

- 8.2 The UKSPF is designed to address many issues facing residents and communities across the District, in particular the Investment Priorities of Communities and Place and People and Skills will set out to address economic and social inequalities as part of the Levelling Up agenda. Each project will undertake its own specific IA and an overall IA will form part of the Programme Management of the Fund as a whole through the preparation and monitoring of the Investment Plan.

9 Staffing Implications

- 9.1 Delivery of the UKSPF and its related interventions will require staff resources from the Community Partnerships Unit, as well as other Council departments.
- 9.2 As outlined in paragraph 2.19 above and in Appendix 1 it proposed to make use of a small proportion of overall fund allocation to provide one additional FTE staff resource on a fixed term basis for the duration of the Fund programme.

10 Recommendations

That the Committee agree:

- 10.1 The priority projects listed in Appendix 1 for inclusion in the Three Rivers, UK Shared Prosperity Fund, Local Investment Plan.
- 10.2 That delegated authority be granted to the Chief Executive, in consultation with the Leader of the Council, to take the necessary decisions and actions required to finalise and submit the required Investment Plan and accept the allocation of funds, and then to implement and administer the scheme and all related plans in accordance with the requirements and priorities of the prospectus and fund.

Report prepared by: Emma Sheridan, Head of Community Partnerships

Data Quality

Data sources: UKSPF guidance

Data checked by: Shivani Dave

Data rating:

1	Poor	
2	Sufficient	x
3	High	

Background Papers

- [UKSPF Prospectus](#)
- [UKSFP Allocations](#)
- [UKSPF Interventions list for England](#)
- [UKSPF List of outputs and Indicators for England](#)

APPENDIX 1

List of proposed priorities for the UKSPF Allocation in Three Rivers

Project Name	Project Description	Indicative Spend Profile			
		22/23	23/24	24/25	Total
UKSPF Economic Growth Project Officer	1 FTE to support project management and delivery of the Fund and delivery of associated economic development projects	£29,239	£45,478	£45,478	£120,195
Place Based Health Inequalities Initiatives	To utilise and amplify current healthcare services, to support the work of the Health and Wellbeing Partnership & link in with Leisure - in line with the new Herts Sports Partnership strategy	£5,000	£5,000	£5,000	£15,000
Sustainable Community Hubs	Infrastructure and service support for community anchors based on local need & support for establishing longer term sustainability	£18,300	£40,600	£31,000	£89,900
Watersmeet Programme Development	Support the development of the artistic programme and affordable access to arts and culture	£18,324	£9,454	£15,762	£43,540
Access to Local Sports	Subsidised swimming lessons	£10,000	£10,000	£10,000	£30,000
Enhancement of long term hoardings to contribute positively to the built environment	Working with land owners to improve the visual appearance of long term construction hoardings on sites which are currently undeveloped or to be developed in the future.		£5,000	£5,000	£5,000
Business Communications and Engagement	To support and enhance engagement with local businesses and opportunities within the district		£45,000	£45,000	£90,000
Inclusive Employment	Infrastructure to support young people with learning difficulties to develop skills through work experience which will lead to employment.		£20,000	£20,000	£40,000
Biodiversity Improvements in parks and open spaces	Delivering against the BOA action plan. This includes community bulb and tree planting, wetland creation and restoration of hedgerows			£50,000	£50,000
Rickmansworth Aquadrome	Programme of projects improving the visitor experience and accessibility of the site and future proofing the Aquadrome			£150,000	£150,000
Investment in Play areas, Parks, Open Spaces and Woodlands	Support delivery of the approved Management Plans	£9,403		£142,000	£156,403
Supporting local businesses to decarbonise	Support local businesses to develop and deliver Sustainability and Carbon Reduction plans.			£170,000	£170,000
Total		90,266	180,532	689,240	960,038
UKSPF Projects Allocation		£90,266	£180,532	£689,240	960,038
UKSPF 4% Admin Allocation		£3,761	£7,522	£28,716	39,999
Investment Plan Development Allocation		£20,000	£0	£0	20,000
					1,020,037

Note: The allocation is heavily weighted to Capital funding in the latter years