

UK Shared Prosperity Fund

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REPORT OF	Councillor Philip Jackson Leader of the council and portfolio holder for economy, Net Zero, Skills and housing.
SUBJECT	UK Shared Prosperity Fund
STATUS	Open

CONTRIBUTION TO OUR AIMS

UK Shared Prosperity Fund will contribute to the Council's 'Stronger Economy' and 'Stronger Communities' by supporting interventions across the themes of Communities and Place, Supporting local business, and People and Skills. Interventions funded through the UK Shared Prosperity Fund will be fully aligned to the Council Plan and will complement and enhance other activities across the borough.

EXECUTIVE SUMMARY

This report provides an update to Economy Scrutiny on the delivery of the UK Shared Prosperity Fund (UKSPF), which was launched by government in April 2022.

UKSPF is an allocated fund based on population size and a needs-based index. North East Lincolnshire Council (NELC) has been awarded a total of £6,244,819 which is allocated as £962,714 to support adult numeracy interventions (Multiply), and £5,282,105 for core UKSPF

The following update deals solely with the core funding of £5,282,105. Funds are allocated across the three-year programme 2022/23 – 2024/25 and are a mix of both revenue and capital funding. UKSPF replaces all European funding streams.

The primary goal of UKSPF is to build pride in place and increase life chances and beneath this are the following priorities – Community and place (a mixture of culture/communities/voluntary sector) Supporting local businesses, and people and skills. People and skills projects can only be supported in year 3.

The UKSPF programme is now ready to launch, pending approval from government on the Investment Plan submitted in July 2022.

MATTERS FOR CONSIDERATION

This report has been submitted to update Economy Scrutiny on the progress and delivery plan for UKSPF to March 2025.

1. BACKGROUND

- 1.1 NELC was allocated £5,282,105 of core UKSPF to develop a programme of capital and revenue activities and interventions which align with the governments three priorities of Community and Place, Supporting Local Business, and People and Skills.

- 1..2 The development of an Investment Plan for North East Lincolnshire included the creation of a Local Partnership Group, comprising representatives from the Development and Growth board, members of VCSE, local business, and community project leaders. The purpose of the group was to agree the local barriers and opportunities across the priority themes.
- 1..3 Working groups for each priority area, led by a NELC officer, considered activities which aligned with the Council priorities, local need, and menu of interventions as provided by the Department for Levelling Up, Housing and Communities (DLUHC), with a focus on deliverability, collaboration, and sustainability.
- 1..4 In addition, an online information portal and survey was launched to collect feedback on what is important to our residents, businesses, and providers. The information was viewed by 509 people, and 101 people completed the survey. The results of the survey were used to ensure intervention opportunities align with local need.
- 1..5 The priority interventions submitted in the Investment Plan for North East Lincolnshire are listed below, and these will form the basis of an open call for projects which align with the outputs and outcomes across these priority areas.

Communities and Place
E2: Community & neighbourhood infrastructure projects
E6: Local arts, cultural, heritage & creative activities
E8: Campaigns to encourage visits and exploring of local area
E11: Capacity building & infrastructure support local groups
E12: Community engagement schemes, local regeneration
E15: Digital connectivity for local community facilities
Supporting Local Business
E17: Development & promotion of visitor economy
E20: R&D grants supporting innovative product & service development
E22: Enterprise infrastructure & employment / innovation sites
E24: Training hubs, business support offers, incubators & accelerators
E29: Supporting decarbonisation & improving natural environment
E30: Business support measures to drive employment growth
People and Skills
E34: Courses including basic, life & career skills
E40: Retraining support for those in high carbon sectors

- 1..6 Allocations across the three years are as follows.

Y1 (22/23)	£641,032
Y2 (23/24)	£1,282,064
Y3 (24/25)	£3,359,009

1..7 From these allocations, government recommends a minimum capital spend per annum of 10% in year 1, 13% in year 2, and 20% in year 3. The Investment Plan submitted asks for 10% in year 1, and 20% in years 2 and 3.

1..8 People and skills interventions can only be supported in year 3 of the scheme, and where they cannot be funded through Multiply. The exception to this is voluntary led projects currently funded through European Social Fund (ESF) which are at risk of ending before year 3.

2. NEXT STEPS

2.1 It was agreed that Year 1 activities should be, where appropriate, a continuation of Community Renewal Fund (CRF) projects. The reason for this was that CRF was the pilot scheme for UKSPF, a competitive process, and a much-reduced scheme due to timings of the fund. These schemes are as follows.

<p><u>Smarter Energy North East Lincolnshire</u> <u>Lead Organisation – E-Factor & Grimsby Community Energy</u> A programme of business support which promotes and enables energy efficiency across industry by carrying out energy audits and providing businesses with information on energy saving initiatives which result in a CO2 saving. In addition to this a capital grant scheme to support investment in carbon saving initiatives to eligible enterprises.</p>	<p>Capital - £64,103.00 Revenue - £141,290.75 Total - £205,393.75</p>
<p><u>UK Food Valley Pilot (Seafood Sector)</u> <u>Lead Organisation – University of Lincoln</u> Project to test an innovative food sector support programme to develop the industry's skills, innovation capacity and ability to attract new talent, helping to ensure the position of Grimsby's Seafood Cluster as a global hub. The project provides an integrated package of business support to address the sector's key challenges.</p>	<p>Revenue - £103,002</p>
<p><u>Inclusion into Employment Programme</u> <u>Lead Organisation - CPO</u> Project will support a further 32 people between August 22 & March 23. The project will develop pride in place by supporting people who are on the edge of social exclusion before they fall into crisis by providing impactful volunteering experiences.</p>	<p>Revenue - £42,240</p>

<p><u>Keeping the wheels moving with Training in the Logistics sector.</u> <u>Lead Organisation - Modal</u> Providing advice and support to the logistics sector to grow through knowledge transfer, as well as providing staff leadership and management coaching to aid in the recruitment and retention of key personnel.</p>	<p>Revenue - £72,784.55</p>
<p><u>Reignite</u> <u>Lead Organisation - Think Employment</u> Supporting tourism businesses with digital skills to increase opportunities and aiding entrepreneurs to be business ready.</p>	<p>Revenue - £40,000</p>
<p><u>ME Learning</u> <u>Lead organisation – The Equality Practice</u> Providing a confidence building course for women with the aim of getting them into education or work.</p>	<p>Revenue - £46,959.29</p>

2.2 Other year 1 activities include the delivery of culture, leisure and tourism events between December and March to be procured through our tender process, and one eligible skills project. All the year 1 allocation will be utilised across these projects.

2.3 Once approval has been confirmed by government, the programme can be officially launched for projects in years 2 and 3.

2.4 Some elements of the funding will be ringfenced for activities identified during the development of the investment plan which will be procured by the council. These include:

- £300,000 per year for culture, leisure, and tourism events and activities.
- £450,000 across the two years for business support activities currently funded through European Regional development Fund (ERDF)
- One skills project in year 2

2.4 The balance of the fund will be available through an open call for project submissions.

Capital/revenue split	Y2	Y3
Capital	£256,413	£671,802
Revenue	£406,444	£2,015,010
TOTAL	£662,856	£2,686,812

3. RISKS AND OPPORTUNITIES

3.1 Activities for the Year 1 programme could be at risk due to the investment plan

not yet being approved by government. This creates a risk that if the Investment Plan is not approved the council committed to funding it cannot reclaim. However, the alignment to UKSPF by the CRF pilot scheme is such that the risk is minimal, and funds not defrayed cannot be rolled forward into future years.

- 3.2 We are encouraging a collaborative approach to bidding for funding, including cross working with other partnerships and an emphasis on using funds to create sustainable projects to minimise risk.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

4.1 There are positive reputational implications for the Council providing funding to support local communities, event programmes, skills initiatives, and businesses. In addition, interventions will be aimed at raising aspirations, supporting jobs and investment, improving footfall and dwell time, tourism numbers, business opportunities, and community pride.

4.2 An information session was held on 12th October 2022 to share information with all interested parties, and we will continue to engage as the programme launches.

5. FINANCIAL CONSIDERATIONS

5.1 Year 1 interventions have commenced at risk as noted previously to ensure defrayal of year 1 allocation by March 2023.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

6.1 UKSPF covers a wide range of activities across culture, leisure, community groups, the business environment, and skills interventions. All these activities will have a positive impact on children and young people by providing an environment where young people can be involved in leisure and learning opportunities which raise aspirations and increase life chances.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

7.1 Interventions will consider environmental implications and opportunities to ensure sustainability and low carbon initiatives are incorporated at every opportunity.

8. MONITORING COMMENTS

8.1 In the opinion of the author, this report does not contain recommended changes to policy or resources (people, finance, or physical assets). As a result, no monitoring comments have been sought from the Council's Monitoring Officer (Chief Legal Officer), Section 151 Officer (Director of Finance) or Strategic Workforce Lead.

9. BACKGROUND PAPERS

Council Plan

<https://www.nelincs.gov.uk/assets/uploads/2022/02/NELC-Council-Plan-a11y.pdf>

Cabinet report

[Cabinet | Democracy \(nelincs.gov.uk\)](#)

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