

Strategy and Resources Committee

26 July 2022

UK SHARED PROSPERITY FUND

Head of Service: Victoria Potts, Head of Place Development
Wards affected: (All Wards);
Urgent Decision?(yes/no) No
If yes, reason urgent decision required:

Summary

The Government recently launched the Shared Prosperity Fund which grants every local authority in the UK an allocation of funding for a three- year period up to March 2025.

The Council has been allocated £1million for the three-year period (the smallest amount that can be allocated) with the majority of the funding being available in the final funding year (2024-25).

To secure the funding the Council must submit a Prosperity Fund Intervention Plan by the 1 August 2022 to the Department for Levelling Up, Housing and Communities (DLUHC) setting out how the council will spend their funding allocation and how this aligns with the aims of the funding set by Central Government.

Recommendation (s)

The Committee is asked to:

- (1) To Agree the interventions set out in Paragraph 2.6 of this report to be included in the submission of the Epsom and Ewell Shared Prosperity Fund Intervention Plan to the Department for Levelling Up, Housing and Communities (DLUHC).

1 Reason for Recommendation

- 1.1 To enable the Council to secure up to £1million of funding to assist in delivering projects / services over a three-year period. An additional £20,000 has been made available to each local authority to undertake initial preparatory work for the Fund.

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2 Background

- 2.1 The Shared Prosperity Fund was launched as part of the government's levelling up agenda.
- 2.2 All local authority areas of the UK have received an allocation of funding for a three-year period up until March 2025. It is essentially a replacement for some EU funding streams. The Fund can be used to support investment in interventions that start from 1 April 2022.
- 2.3 Epsom and Ewell Borough Council have been allocated £1million over a three-year period (the lowest amount an LPA can receive). The availability of funding is not evenly spread over the funding period, with most of the funding being available in the final year (2024/25) as shown in table 1 below.

Table 1 – EEBC Spending Profile

| Year | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------------|-------------------|--------------------|---------------------|
| Total Funding allocation (£) | 54,255 | 108,511 | 837,234 |
| Maximum revenue spend (£) | 48,829.50 | 94,404.57 | 669,787.20 |
| Minimum capital spend (£) | 5,425.50 (10%) | 14,106.43 (13%) | 167,446.80 (20%) |

- 2.4 As the lead local authority, we will receive the allocation to manage, including assessing and approving applications, processing payments and day to day monitoring. We can use 4% of the funding that we receive for administration over the three-year period.
- 2.5 In addition to the allocation of £1million, £20,000 has been made available to each local authority to undertake initial preparatory work for the Fund.

What can the fund be spent on?

- 2.6 The government state that the overarching aim of the funding is to build pride in place and increase life chances. Three core themes are identified:
 - Community and Place

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- Supporting Local Business
 - People and Skills
- 2.7 The government have produced an '[interventions list](#)' identifying the types of projects / initiatives that the funding can be used for under each of the above themes.
- 2.8 The government have prescribed specific 'outputs' and 'outcomes' that interventions should deliver. For each intervention detailed, we must demonstrate how the intervention satisfies at least one of the defined 'outputs' and 'outcomes'.
- 2.9 The Fund can be used flexibly to support interventions via:
- grant to public or private organisations
 - commissioning third party organisations
 - procurement of service provision
 - in-house provision

What is the process for securing funding?

- 2.10 We are required to prepare and submit the following to the government:
- An Investment Plan
 - An Indicative Deliverables spreadsheet
 - An Expenditure Profile spreadsheet
- 2.11 We must submit all three of the above to the government by the 1 August 2022, setting out how we will spend the funding and how it satisfies the governments defined outputs and outcomes.
- 2.12 We are required to establish a local partnership group with local stakeholders to enable them to support us in developing the investment plan. A local partnership group was established, and the group met virtually on the 1 July 2022.
- 2.13 In addition, MPs should be closely engaged in the design and delivery of the Fund and are expected to review the investment plan prior to submission. The council invited the local MP to the stakeholder meeting detailed above.

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- 2.14 Following the submission of the Investment Plan, the Department for Levelling Up, Housing and Communities (DLUHC) will consider it and if approved the council will sign an MoU with DLUHC that will require formal reporting every 6 months on projects. In addition, we will be required to submit a report to DLUHC prior to each additional payment being received.

How is the council intending to spend its funding allocation?

- 2.15 The Epsom and Ewell Shared Prosperity Fund Intervention Plan will set out how the Council is intending to utilise the funding to deliver the objectives of the funding. The breakdown of projects to be funded is detailed below by financial year.

2022/23

- 2.16 In the first year of the programme £54,255 is available, of which at least 10% must be spent on capital. The projects recommended for funding are detailed below:

- Local Cycling and Walking Infrastructure Plan (LCWIP) – Phase 1. These are blue-prints of walking and cycling routes within an area that have been assessed as meeting Department of Transport (DfT) standards. The document can help the council secure funding for improvements to walking and cycling infrastructure. This project would fall under intervention E14 ‘funding to support feasibility studies’. The County Council have committed funding to cover two-thirds of the cost of this project. Epsom and Ewell Borough Council would be contributing the remaining third.
- Liveable Neighbourhood Plans (LNP) will be prepared in tandem with the LCWIP. Liveable Neighbourhoods cover a range of highway and public realm interventions such as pocket parks, ornamental lighting, speed reduction measures, point closures etc. The purpose is to enable residents to reclaim their streets so that they can use the space more effectively with measures that could reduce noise, improve air quality, reduce traffic speed and volume. This project would fall under intervention E14 ‘funding to support feasibility studies’. The County Council have committed funding to cover two-thirds of the cost of this project. Epsom and Ewell Borough Council would be contributing the remaining third.
- Climate Change projects to enable improvements to be made to community buildings that would reduce carbon emissions. This project would fall under intervention E2 ‘Funding for new, or improvements to existing, community and neighbourhood infrastructure projects.

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- 2.17 The projects for funding in Years 2 and 3 must be submitted as part of the Intervention Plan at this stage although there is more uncertainty about the proposal that could be funded through the SPF in these years. However, the Government does enable the Council to amend the Interventions proposed to reflect emerging changes in circumstances and priorities. This is particularly welcome given the uncertainty at an international, national, and local level which may impact on the interventions that the Council may wish to deliver in these later years.
- 2.18 At this stage and for the submission of the Intervention Plan, it is recommended that the following initiatives are included for years 2 and 3. The proposals will be brought back to Committee for years 2 and 3 as options as interventions develop in light of local circumstances at the time.

2023/24

- 2.19 In the second year of the programme £108,511 is available, of which at least 13% must be spent on capital. The projects recommended for funding are detailed below:
- Liveable Neighbourhood Plans – completion of project commenced in 2022/23
 - Climate Change projects to enable improvements to be made to community buildings that would reduce carbon emissions. Continuation from 2022/23.
 - Cultural activities programme. This could include Arts and Cultural Festival for the Borough or the development of a series of self-directed tours highlighting the many historical landmarks, heritage assets and cultural offerings.
 - Employment Hub. It is proposed that funding is used to enable the continuation of the employment hub that supports young residents (aged 18-24) claiming Universal Credit, whilst also expanding the offer to individuals in other age groups. The hub provides access to a wide range of support from skills development to securing employment.

2024/25

- 2.20 In the final year of the programme £837,234 is available, of which at least 20% must be spent on capital. The projects recommended for funding are detailed below:
- Public realm / infrastructure improvements. This could include capital schemes identified by the completed LCWIP and LNP (funded in proceeding years) and / or schemes detailed in the Infrastructure Plan supporting the Local Plan or the Epsom Town Centre Masterplan.

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- Climate Change projects to enable improvements to be made to community buildings that would reduce carbon emissions (continuation from 2023/24).
- Employment Hub (continuation from 2023/24)
- Digital Skills Programme – To complement the work of the Employment hub a digital skills programme will be developed to increase the level of digital inclusion of the borough's residents.

3 Risk Assessment

Legal or other duties

3.1 Equality Impact Assessment

- 3.1.1 The projects to be funded could have positive impacts upon equalities, for example by improving walking and cycling infrastructure.

3.2 Crime & Disorder

- 3.2.1 The projects to be funded could have positive impacts upon crime and disorder, for example the improvements to CCTV infrastructure proposed.

3.3 Safeguarding

- 3.3.1 None arising from this report.

3.4 Dependencies

- 3.4.1 The funding will only be released for the first year once approved by the government and subsequent will only be released once we have submitted a report to DLUHC.

3.5 Other

- 3.5.1 None arising from this report.

4 Financial Implications

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- 4.1 The financial implications of this report are that the approval of the Shared Prosperity Fund Intervention Plan will result in additional funding being available to the council (both revenue and capital) to fund projects or programmes. In addition, £20,000 is being made available to the council to fund the preparation of the Intervention Plan and the council will be able to retain up to 4% of the funding approved for monitoring purposes. The Council expects to apply the £20,000 and 4% elements to cover existing internal staff resources working on the Shared Prosperity Fund.
- 4.2 The proposed projects are deliverable within the Shared Prosperity Funding envelope.
- 4.3 **Section 151 Officer's comments:** Financial implications are set-out in the body of the report.

5 Legal Implications

- 5.1 Need to consider Cabinet Office Grants Standards if providing grants to public or private organisations.
- 5.2 **Legal Officer's comments:** A Risk Register should be created for the UK Shared Prosperity Fund. All spend associated with the Fund will need to comply with Public Procurement Regulations 2015, Council's constitution policies and procedure.

6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities:** The following Key Priorities are engaged:
- 6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** If approved, the Intervention Plan will deliver schemes that will have beneficial climate and environmental impacts.
- 6.4 **Sustainability Policy & Community Safety Implications:** If approved, the Intervention Plan will deliver schemes that will have beneficial sustainability and community safety implications
- 6.5 **Partnerships:** the Intervention Plan has been prepared with key stakeholder (partners) and some of the interventions identified will be delivered and / or co funded by partners.

7 Background papers

- 7.1 The documents referred to in compiling this report are as follows:

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- Shared Prosperity Fund Prospectus:
<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus#funding-places-will-receive>
- Shared Prosperity Fund Interventions List:
<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-interventions-outputs-and-indicators/interventions-list-for-england>
- Shared Prosperity Fund – Intervention, Objectives, Outcomes and Outputs (England):
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1068875/UKSPF_England_Outputs_and_Outcomes.pdf