

UK SHARED PROSPERITY FUND UPDATE REPORT

Improvement & Innovation - 28 February 2023

Report of: Detlev Munster - Strategic Head of Commercial and Property

Status: For information

Also considered by: Cabinet 16 March 2023

Key Decision: No

This report supports the Key Aim(s) of:

Supports the priorities 'Our Place' and 'Our Economy' from - Better Together community plan (2022 - 2032)

Supports the Strategic priorities within the Sevenoaks District Economic Development Strategy 2022-27

Portfolio Holder: Cllr. Peter Fleming

Contact Officer: Emily Haswell - Economic Development Officer (Business support and Town Centres) Ext. 7261.

Recommendation to Improvement & Innovation Committee

To recommend that Cabinet be updated on the key programme to be delivered via the UK Shared Prosperity fund, including the Rural England Prosperity fund proposals.

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Reason for recommendation:

The UK Shared Prosperity Fund Investment Plan has been approved by the Department for Levelling Up, Housing and Communities and funding received to commence year one spend. The Rural England Prosperity Fund addendum has been submitted and approval is awaited.

Introduction and Background

- 1 The UK Shared Prosperity Fund (UKSPF) was launched in April 2022 to support the UK Government's commitment to levelling up all parts of the UK aiming to build pride in place and increase life chances.
- 2 Sevenoaks District Council was allocated £1m over the financial years 2022/23 - 2024/25 covering the 3 priorities, Communities and Place, Supporting Local Business and People and Skills. It includes both Capital and Revenue allocations for each funding year.
- 3 The UK Shared Prosperity Fund investment plan was submitted to the Department for Levelling Up in July 2022 and was approved in late December 2022. The approved Local Investment plan states the projects, outcomes, outputs and interventions and detailed financial breakdowns.
- 4 The investment plan submitted was based on consultation and feedback from local stakeholders and had the full support of the District's three MPs. As per the requirements, a local partnership board will be in place to oversee the investment plan's delivery, and this will be based on Sevenoaks District Business Board.
- 5 The UKSPF projects link to activity areas outlined in both the Community plan and Economic Development Strategy and involve a range of partner organisations.
- 6 Within the Local Business Support priority there are projects to be delivered via the West Kent Partnership, which will minimise administration and maximise potential impact of the funding, within this combined approach measures are in place to ensure Sevenoaks funding benefits Sevenoaks District residents and businesses.
- 7 Recruitment for both a UK Shared Prosperity Fund Officer and a Town Centre Project Officer is underway, and both roles are funded through the UKSPF's allocation.
- 8 In September 2023, The Rural England Prosperity Fund was announced providing further funding to support the additional challenges associated with Levelling up rural areas. The allocation for Sevenoaks District was £501,308 for financial years 2023/24 to 2024/25.
- 9 Plans for this funding were outlined in an addendum submitted in November 2022, for which approval is awaited. Funding is expected to be available from April 2023.
- 10 The addendum outlines our proposal to use the REPF funding to create a West Kent rural funding scheme offering capital grants to businesses, community organisations and to support the visitor economy sector. This proposed scheme has been based on feedback from consultation with rural businesses and will incorporate the lessons learned from the LEADER funding scheme. Sevenoaks District funds will be ring-fenced to support Sevenoaks District applications the funding will be overseen by a rural steering group. West Kent Partners have agreed joint funding from the partnership to

recruit a rural project officer to develop and deliver this project, which is essential as the Rural England Prosperity Funding has no administrative allowance.

Other options Considered and/or rejected

- 11 There is no obligation to spend the UK Shared Prosperity Fund / Rural England Prosperity fund allowance, however to not do so would present a missed opportunity. The funding available provides funds for supporting the levelling up agenda, strengthening pride in place, improving life chances in the district and providing additional support to overcome the additional challenges faced in rural areas. Failure to use the allocation may have implications in future funding allocations made and would not represent the best interests of the community.
- 12 The projects within the Investment plan and Addendum, have been based on consultation with end users, businesses, stakeholders and reflect the proposed actions and activities outlined in both the Better Together - Community Plan (2022-25) and the Economic Development Strategy (2022-27) which reflect the commitments in the Council Plan. Projects seek to maximise impact of funding to meet current gaps whilst matching the prescribed mix of funding and producing a wide range of interventions, outcomes and outputs to benefit the District.

Key Implications

Financial

- 13 The Grant funding agreement and Memorandum of Understanding have been signed by the Council and the Government.
- 14 Funding for each financial year will be paid to the local authority in advance. Prior to each year's allocation, a report needs to be submitted on progress against the outputs of the Investment Plan. Lead local authorities may be asked to return any underspends at the end of each financial year, therefore regular financial and performance monitoring will be required.
- 15 Finance for year one has been received as of 1st Feb 23 with an allocation to spend prior to end March, however further information and guidance on monitoring and carry forward of spend is expected to be published soon and requirements for the current financial year may be amended due to delayed approval of investment plans and receipt of further guidance.
- 16 Up to a maximum of 4% of the total allocation can be used for administration of the plan including commissioning services and monitoring. More administration heavy projects have in-built resources included.

Legal Implications and Risk Assessment Statement.

- 17 A signed Memorandum of Understanding and Grant funding agreement is in place following receipt of a grant determination letter, these documents set out detailed fund requirements and obligations and link to the UK Shared Prosperity Fund prospectus which provides comprehensive guidance on project delivery including procurement, publicity and branding and eligibility.
- 18 It is recognised that the fund needs careful monitoring and financial management but the proposed governance structures and resource to support projects built into the programme will mitigate against these risks. No funding will be devolved in order to minimise the risk of not having appropriate monitoring information.
- 19 Failure to deliver programme effectively could result in reputational risk with local Government and stakeholders impacted.

Equality Assessment

- 20 Members are reminded of the requirement, under the Public Sector Equality Duty (Section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and foster good relations between people from different groups. The decisions recommended through the report directly impact on end users. The impact has been analysed and does not vary between groups of people.
- 21 The UK Shared Prosperity Fund investment plan, and the three investment priorities it supports, should have a positive impact on all our residents and businesses. Some initiatives, however, are targeted at specific groups that are in particular need in our community such as the unemployed or those experiencing barriers to employment. Such an approach means we are seeking to positively impact levelling up of opportunity across the District.

Net Zero Implications

- 22 The decision recommended through this report have relevance to the council's ambition to be Net Zero by 2030. Officers believe that the UKSPF Investment Plan will help in reducing carbon emissions. but in summary:
 - A number of projects notably the green grants scheme and the training of retrofit advisers should positively impact local businesses and potentially emissions from Council owned assets
 - Through community mobilisation we will be seeking to raise awareness of Net Zero issues and solutions
 - We are seeking to deliver green infrastructure in our key centres and boost biodiversity

- The Rural England Prosperity Funding will provide opportunities for businesses to gain funding towards improved sustainability.

23 This report provides an update on the progress of the UK Shared Prosperity fund and Rural England Prosperity fund. The plan addresses the most important current and potentially future issues the District and West Kent partners are facing across the investment priorities of Communities & Place, Supporting Local Business and People & Skills. The UK Shared Prosperity Fund Investment Plan has been endorsed by key local stakeholders and approved by the Department of Levelling Up, Housing & Communities.

Appendices

Appendix A - UK Shared Prosperity Fund Update PowerPoint

Background Papers

Detlev Munster

Strategic Head of Commercial and Property