

Report To: Cabinet

Date of Meeting: 07/11/22

Report Title: UK Shared Prosperity Fund (UKSPF)

Report By: Pranesh Datta, Economic Development Manager

Key Decision: Yes

Classification: Open

Purpose of Report

To advise cabinet of UK Shared Prosperity Fund (UKSPF), Investment plan and seek delegated authority to implement the programme, subject to government approval (expected early November 2022). A summary of the submission to government is provided in Appendix 1.

Recommendation(s)

1. To seek delegated authority to the Managing Director or relevant nominee, in consultation with the Leader to:
 - Sign Memorandum of Understanding with Department of Levelling Up Housing and Communities (DLUHC)
 - Sign any relevant service level agreement with delivery partners
 - Allocate the UKSPF to eligible costs in line with the funding scheme aims and investment plan (see Appendix 1 – below)

Reasons for Recommendations

1. To ensure that the government's UK Shared Prosperity Fund (UKSPF) is used to best effect in Hastings and particularly the targeted area identified.

Introduction

1. This report seeks; delegated authority for the Managing Director or relevant nominee, to commence spend of the UKSPF in line with the council's UKPSF Investment plan.

UKSPF

2. The UKSP fund is one of a suite of grant programmes to support the government's levelling up programme. It is closely linked to the levelling up white paper and focusses more on revenue grants rather than the other larger capital grant schemes such as the Levelling up and towns fund programmes.
3. The fund replaces the European Structural and Investment Fund and forms part of the government's Levelling Up agenda. The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. There are three investment priorities: communities and place, support for local businesses and people and skills. Full details can be found here: [UK Shared Prosperity Fund: prospectus](#)
4. Rather than competitive grants programme all lower tier authorities have been allocated an amount across 3 years, with a combination of revenue and capital elements.
5. Hastings Borough Council has been allocated £1,000,000 from the UKSPF fund across 3 years, in line with other lower tier authorities in the South East. The council is responsible for delivering an investment plan for approval by the UK government, and for delivery of the fund thereafter, and will be expected to act as accountable body to include all management, administration, and governance of the programme.
6. The government has encouraged working collaboratively with local partners to deliver the investment plan and prevent duplication of provision. The investment can be used across a range of activities however must relate to any of the three priorities below, all which link to various missions detailed in the Levelling Up White Paper:
 - i. Communities and Place
 - ii. Supporting Local Businesses
 - iii. People and Skills (also being delivered nationally in 2022/23 & 2023/24 by "Multiply")
7. The council consulted the Hastings Local Strategic Partnership (LSP) and other stakeholders to develop the Investment plan and submitted to government at the end of July 2022. The expectation is for the plan to be approved by DLUHC in early November 2022.
8. The Government also launched the Levelling Up Parks Fund in early August 2022. A submission has been made for the fund of up to £85,000 (to be spent by the end of financial year) towards improving parks and open spaces in the Broomgrove (Lower Super Output Area 0005A) area. The neighbourhood was specifically identified by the government as needing investment and where officers determined such a project could be delivered. Officers have also asked the government to align the two initiatives together.
9. Management Allowance of 4% within UKSPF will be used to cover HBC internal support costs.

Hastings Investment Plan Proposal

10. The investment plan will support to a greater or larger extent the following Investment Priorities:

- i. Communities and place
- ii. Supporting local business
- iii. People and skills

Communities and Place

11. The investment plan identified the following opportunities within Communities and Place, which could be taken forward as projects/ activities:

- The focus of investment will primarily be in one of the most deprived neighbourhoods in the Borough (Broomgrove) with a holistic approach to improving health and wellbeing and economic inequalities. The area was also identified by the government for investment under its Levelling Up Parks Fund (see item 8 above). The UKSPF programme is also being targeted towards Broomgrove to ensure meaningful and visible benefits are delivered to residents living in that neighbourhood as far as possible.
- Learn from engagement and partnerships from successful programmes such as ESIF Community Led Local Development CHART and Big Local that have been delivered in the most deprived areas of town.
- Nurture the multiple partnerships that exist in our town - public, private, and community-led organisations and working collaboratively with housing associations, voluntary sector, public health bodies and cross-council departments to tackle deep-rooted problems in the targeted area.
- Adopt a whole systems approach to health equity, wellbeing, and prosperity
- Work with community centres to support services and access to affordable healthy food and positively respond to the cost-of-living crisis
- Enhance key green spaces in the most deprived neighbourhoods – focusing on community led design to create playful landscapes – encouraging play and learning for all ages and encourage wider use by hosting creative, holistic activities within the space
- Recognise the importance of green space in health and wellbeing outcomes
- Harness the creativity and heritage of the town to inspire and animate through community engagement interventions
- Support community organisation resilience in the face of the rising cost of living crisis

Supporting Local Business

12. The investment plan identified the following opportunities within Supporting Local Business, which could be taken forward as projects/ activities:
- Promote networking, collaboration, and best practice to bring businesses together and share knowledge transfer
 - Deliver active outreach within the most deprived wards
 - Build on our strongest sectors including manufacturing, construction, and creative industries
 - Support local businesses, entrepreneurs, communities, and individuals, recognising that entrenched disadvantage in particular places reinforce itself, and that individual success stories can inspire the local community
 - Support business growth- pre-start up, start up and growth stages
 - Identify employment trends (including self-employment and enterprise) opportunities for local people, making sure the current market fulfils the needs for supply and demand for local jobs and that this supports the wider supply chain
 - Specific entrepreneurial support within local economic sectors (e.g., Creative industries, leisure, tourism, and social enterprise)
 - Build on existing localised business support
 - It is recognised some business support activities may need to be on a borough wide basis. This is employment opportunities relates to where people work rather just live. A proportion of the fund could therefore contribute towards a service on helping to retain and expand existing business in the whole borough.

People and Skills

13. The investment plan identified the following opportunities within People and Skills, which could be taken forward as projects/ activities:
- Build on foundations of programmes such as CHART CLLD (Hastings and Rother EU funded employment support programme) to support those furthest from the labour market with wrap-around support, helping to foster trust and create pathways to skills/ employment
 - Nurture the multiple partnerships that exist in our town - public, private, and community-led organisations and working collaboratively with housing associations, the voluntary sector, public health bodies and cross-council departments to tackle deep-rooted problems
 - Adopt a community led approach to skills and learning, which uses the whole systems approach
 - Recognise positive health and wellbeing outcomes as key to skills pathways

- Focus on building trust and dismantling barriers to skills/ employment through confidence building, volunteering, improving health and wellbeing and working as a team.
- Valuing enrichment activities and volunteering as the first step in engagement to skills progression

14. Appendix 1 - UKSPF Investment Plan Summary – sets out in summary the planned expected types of interventions which responds to the types of outputs and outcomes set by the programme. An indicative budget is also set out responding to the cashflow expected to be released by the programme.

Government budget allocation on an annual basis

15. Each allocation will comprise both revenue and capital funding. For Hastings the allocations are as follows:

Core UKSPF	Total	Capital
2022-23	£90,022	Min 10% £9,022
2023-24	£180,044	Min 13% £23,405
2024-25	£729,935	Min 20% £145,98
M&A 4%	@ £13,333 per year + £20,000 one off initial set up cost	

Timeframes of the programme

16. Are as follows:

- The investment plan will be approved from November 2022 onwards.
- There is no allocation for 'people and skills' until year three.
- Delivery is from April 2022 so can proceed at risk prior to government approval.
- Contracting and commissioning in Nov- January 22/23.
- Proposed projects will commence February – March 2023.
- Programme ends March 2025

Timetable of Next Steps

17. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Approval of	Approval from	Nov 2022	Pranesh Data

Investment Plan	DLUHC Sign MoU Allocation of funds	Nov 2022 Nov 2022	
Contracting & Commissioning projects	Recruitment of Officer / M&A Commissioning process Projects Start	Nov / Dec 2022 Nov- January 22/23 February – March 2023	Pranesh Datta

Wards Affected

Baird (Broomgrove)

Policy Implications

Reading Ease Score: 44.8

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Y
Crime and Fear of Crime (Section 17)	Y
Risk Management	N
Environmental Issues & Climate Change	Y
Economic/Financial Implications	N bringing additional funding into to the council
Human Rights Act	N
Organisational Consequences	fund includes officer capacity to oversee compliance/ coordinate programme in addition to 4% M&A
Local People's Views communities to shape interventions	Y included opportunities for local partners and
Anti-Poverty deprived wards	Interventions will focus on one of the most
Legal Service Level Agreement for any delivery partner arrangements	Legal will require signing of MoU and possible

Additional Information

Appendix 1 - UKSPF Investment Plan – Summary

Introduction

The UKSPF Fund is one of a suite of grant programmes to support the government's levelling up programme. It is closely linked to the levelling up white paper and focusses more on revenue grants rather than the other larger capital grant schemes such as the Levelling up and towns fund programmes.

The fund replaces the European Structural and Investment Fund and forms part of the government's Levelling Up agenda. The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. There are three investment priorities: communities and place, support for local businesses and people and skills. Full details can be found here: [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672122/UK_Shared_Prosperty_Fund_prospectus.pdf)

Background

Hastings Borough Council has been allocated £1,000,000 from the UKSPF fund across 3 years, in line with other lower tier authorities in the South East. The council is responsible for delivering an investment plan for approval by the UK government, and for delivery of the fund thereafter, and will be expected to act as accountable body to include all management, administration and governance of the programme.

The council has submitted an investment plan to DULHC, which broadly set out the strategic interventions, opportunities, and challenges, and budget profile. The Investment plan does not detail any specific projects, and the investment plan and financial breakdown can be amended after submission. This report summaries the investment plan and is subject to change and development following DULHCs assessment and feedback, and community engagement.

Hastings Investment Plan Proposal

The investment plan will support the following Investment Priorities:

- Communities and place
- Supporting local business
- People and skills

Communities and Place

The investment plan identified the following opportunities within Communities and Place, which could be taken forward as projects/ activities:

- Focus on the most deprived neighbourhoods in the Borough with a holistic approach to improve health and economic inequalities (Broomgrove).
- Learn from engagement and partnerships from successful programmes such as ESIF Community Led Local Development CHART and Big Local that have been delivered in the most deprived areas of town

- Nurture the multiple partnerships that exist in our town - public, private, and community-led organisations and working collaboratively with housing associations, voluntary sector, public health bodies and cross-council departments to tackle deep-rooted problems
- Adopt a whole systems approach to health equity, wellbeing, and prosperity
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- Build on foundations of programmes such as CHART CLLD to support those furthest from the labour market with wrap-around support, helping to foster trust and create pathways to skills/ employment
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- Adopt a community led approach to skills and learning, which uses the whole systems approach
- Recognise positive health and wellbeing outcomes as key to skills pathways
- Focus on building trust and dismantling barriers to skills/ employment through confidence building, volunteering, improving health and wellbeing and working as a team.
- Valuing enrichment activities and volunteering as the first step in engagement to skills progression

Interventions & Outputs/ Outcomes

Note: Draft outputs only- subject to change and development following DULHCs assessment and feedback, and community engagement

COMMUNITIES AND PLACE INVESTMENT PRIORITY	<p>E3: Creation of and improvements to local green spaces, community gardens</p> <p>E6: Support for local arts, cultural, heritage and creative activities</p> <p>E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration</p>	<ul style="list-style-type: none"> ○ Neighbourhood improvements ○ local events ○ volunteering opps supported ○ Organisations receiving non-financial support ○ People reached 	<ul style="list-style-type: none"> ○ Increased users of facilities / amenities • ○ Improved perception of facilities/amenities • • ○ Improved engagement numbers
SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY	E24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and accelerators' for local enterprise (including social enterprise)	<ul style="list-style-type: none"> ○ Businesses receiving non-financial support 	<ul style="list-style-type: none"> ○ Jobs created ○ Jobs safeguarded ○ Number of organisations engaged in new knowledge transfer activity
PEOPLE AND SKILLS INVESTMENT	E35: Activities such as enrichment and volunteering to improve opportunities and	<ul style="list-style-type: none"> ○ People supported to participate in 	<ul style="list-style-type: none"> ○ Increased number of people familiarised with employers'

PRIORITY	promote wellbeing.	education <ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> ○ expectations, including, standards of behaviour in the workplace ○ Fewer people facing structural barriers into employment and into skills provision
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Budget

Funding Profile	2022-23	2023-24	2024-25	Total
UKSPF Allocation	£90,022	£180,044	£729,934	£1,000,000

Budget – Interventions

Note: Draft budget only- subject to change and development following DULHCs assessment and feedback, and community engagement:

Investment Priority	Intervention	UKSPF Allocation
Communities & Place	E3: Creation of and improvements to local green spaces	£315,000
Communities & Place	E6: Local arts, cultural, heritage & creative activities	£120,000
Communities & Place	E12: Community engagement schemes, local regeneration	£350,000
Local Business	E24: Training hubs, business support offers, incubators & accelerators	£115,000
People & Skills	E35: Enrichment & volunteering activities	£100,000
Allocation Totals		£1,000,000

Capital / Revenue Split

Allocation Summary		UKSPF Allocation Total Expenditure by Investment					C&P		LB		P&S		Total	
Funding Period:		Communities & Place	Local Businesses	People & Skills	£ Fund Total	% Fund Total	Cap%	Rev%	Cap%	Rev%	Cap%	Rev%	Cap%	Rev%
1	2022/23	£90,022	£0	£0	£90,022	9%	22%	67%	0%	0%	0%	0%	22%	67%
2	2023/24	£145,044	£35,000	£0	£180,044	18%	17%	90%	0%	100%	0%	0%	14%	92%
3	2024/25	£549,934	£80,000	£100,000	£729,934	73%	49%	51%	0%	100%	0%	100%	37%	63%
		£785,000	£115,000	£100,000	£1,000,000	100%								

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