

**Public**  
**Key Decision - Yes**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** UK Shared Prosperity Fund Update

**Meeting/Date:** Overview & Scrutiny (Performance & Growth)  
1 March 2023

Cabinet  
21 March 2023

**Executive Portfolio:** Cllr Sam Wakeford, Executive Councillor for Jobs,  
Economy & Housing

**Report by:** Kate McFarlane, Corporate Director (Place)

**Ward(s) affected:** All

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### **Executive Summary:**

This report provides an update on the programme of activity funded through the new UK Shared Prosperity Fund (UKSPF) in Huntingdonshire.

### **Recommendation(s):**

Cabinet is requested to:

- Note the progress made in developing this new programme of UKSPF activity to support the delivery of the best outcomes for our residents, businesses and place.

## **PURPOSE OF THE REPORT**

- 1.1 To provide an update on the proposed activities to be delivered through the new UK Shared Prosperity Fund (UKSPF) programme in Huntingdonshire that supports the delivery of council priorities and alignment with other external funding streams to maximise opportunities to deliver the best outcomes for our residents, businesses and place.

## **BACKGROUND**

- 1.1 The UKSPF is a central pillar of the UK government's Levelling Up agenda and provides £2.6 billion of new funding for local investment by March 2025. All areas of the UK will receive an allocation from the Fund via a formula. The Fund will allow areas to target funding where it is needed most; building pride in place, supporting high quality skills training, supporting pay, employment and productivity growth and increasing life chances against the three UKSPF investment priorities of:
- **Communities and Place:** enabling places to invest to restore their community spaces and relationships and create the foundations for economic development at the neighbourhood-level. The intention of this is to strengthen the social fabric of communities and thus support in building pride in place.
  - **Supporting local business:** enabling places to fund interventions that support local businesses to thrive, innovate and grow.
  - **People and Skills:** enabling funding to help reduce barriers to employment and support people to move towards employment and education.

## **UKSPF Funding Allocations & Approvals**

- 1.2 The Department for Levelling Up, Housing and Communities (DLHUC) oversee the Fund at UK level. The lead Authority in Cambridgeshire is the Cambridgeshire and Peterborough Combined Authority (CPCA) with the CPCA in receipt of core UKSPF allocation to 2024-25 of £9,872,624. This includes a fixed 4% of the allocation for programme administration and should cover legal, finance and staff costs. A further £3,999,186 has also been allocated to the CPCA to support the government's flagship Multiply programme, to support adults to improve their numeracy skills.
- 1.3 Across Cambridgeshire an agreed allocation model has resulted in Huntingdonshire District Council receiving £1,878,645.43, after a fixed 4% programme admin is removed, this 4% is to be split equally between the council and the CPCA. In addition, £304,749.89 of the Huntingdonshire allocation has been set aside to support Cambridgeshire wide priorities as summarised in Table 1 below.

**Table 1. Funding breakdown**

	<b>Amount</b>
Huntingdonshire Allocation (minus fixed 4% admin fee)	£1,878,645.43
Contribution to Cambridgeshire wide priorities	£304,749.89
Remaining for Huntingdonshire based activity	£1,573,895.54

- 1.4 The Cambridgeshire & Peterborough Investment Plan, which included proposed activities in Huntingdonshire was submitted to Central Government in August 2022 following approval at the CPCA Board on [27 July 22](#). The Investment Plan which was approved by Central Government on the 5 December 2022 outlines the rationale for investment, activities and output and outcome indicators.
- 1.5 In late December 2022 the council received a draft Funding Agreement from the CPCA. At the time of writing this Funding Agreement remains subject to negotiation as is the case for all District Councils. Delegated approval to enter into this Funding Agreement was granted at the Cabinet meeting on the 12 December 2022.

### **Initial UKSPF Project Activity**

- 1.6 A total of eight projects are scheduled to be delivered through the UKSPF investment in Huntingdonshire. The projects are listed below with fuller detail on the proposed activities and progress to date at Appendix 1.
- **Green Business Grants** – Support for SMEs to move towards net zero by reducing carbon emissions and energy costs.
  - **Start Up & Entrepreneurship** - Support for pre-start and early-stage ventures to help entrepreneurs gain the skills and knowledge needed to apply for funding and launch their new business idea.
  - **Business & Intellectual Property Centre (BIPC)** - Support to the BIPC in Huntingdon to provide free access to resources, intelligence, databases and services to early-stage start-ups, new start-ups and SMEs.
  - **Manufacturing Digitisation** – Continuation of a dedicated support programme for our heritage and foundation sector of manufacturing, supporting local SMEs in the sector to improve productivity and efficiencies.
  - **Active Travel Feasibility Studies** - To produce up to five route feasibility studies to support future external funding bids for new active and sustainable travel routes in Huntingdonshire.
  - **Ramsey Great Whyte Improvements** – Delivery and promotion of proposed new Market/ Agriculture Hub and surrounding public realm improvement, community development events and activities alongside capital funding secured separately from the CPCA.

- **Vibrant Communities** - To support events (arts, culture, skills, seasonal & environmental events) in town centres and large villages as part of a wider package of activity to increase footfall and build on the success from the Welcome Back Fund
- **Community Based Employment & Skills** - Engaging the economically inactive via key community nodes providing tailored and targeted support, including a focus on mental health & wellbeing, volunteering as a route to employment and progression pathways to further develop skills and employment through existing mainstream provision.

## **RURAL ENGLAND PROSPERITY FUND**

- 1.7 In September 2022, Government announced a further element of UKSP, Rural England Prosperity Fund (REPF), known as the Rural Fund to improve productivity, strengthen the rural economy and rural communities. This funding is again routed through the CPCA, with Huntingdonshire being allocated £957,788.00 for the period 2023 to 2025. This is capital funding only. There are some additional interventions available, but the priorities are limited to the UKSPF Communities and Place and Local Business Investment priorities. Details of the fund can be found here [Gov.uk: Rural England Prosperity Fund: prospectus](#).
- 1.8 On the 30<sup>th</sup> November 2022 the proposed activities to be funded across eligible Districts in Cambridgeshire were submitted to DLHUC by the CPCA.
- 1.9 The Rural Fund is different to the initial UKSPF allocation in that match funding is required, via an intervention rate for each business or organisation in receipt of REPF.
- 1.10 The proposed activities for Huntingdonshire are shown below, the exact scope of the projects are still being developed. Therefore these descriptions, outputs and outcomes measures are taken from the REPF guidance to indicate areas of focus.

**Table 2: Proposed REPF activities**

<b>Title</b>	<b>Description / Objectives</b>	<b>Indicative Funding</b>	<b>Outputs</b>	<b>Outcomes</b>
Rural Businesses	Capital grants for small scale investment in micro and small enterprises in rural areas to boost jobs, community cohesion and private sector investment. This could for example include capital funding for net zero infrastructure, diversification and conversion of farm buildings to other commercial uses.	£350,000	<ul style="list-style-type: none"> <li>• Number of businesses supported</li> </ul>	<ul style="list-style-type: none"> <li>• Jobs created/safeguarded</li> <li>• New businesses created</li> <li>• Businesses adopting new technology/processes</li> </ul>
Rural Communities	Capital grants for investment and support for digital infrastructure for community facilities to strengthen social	£258,000	<ul style="list-style-type: none"> <li>• Number of organisations receiving grants</li> </ul>	<ul style="list-style-type: none"> <li>• Jobs created/safeguarded</li> </ul>

	fabric and fostering pride in place. Activities must align with Cambridgeshire's Gigabit Programme.		<ul style="list-style-type: none"> <li>• Number of facilities supported</li> </ul>	<ul style="list-style-type: none"> <li>• Increase users of facilities</li> <li>• Improved perceptions</li> </ul>
Rural Communities	Capital grants for investment in capacity building and infrastructure support for local civil society and community groups. Activities could include community energy schemes, EV charging points, nature-based solutions	£300,000	<ul style="list-style-type: none"> <li>• Number of EV charging points</li> <li>• Number of community energy projects funded</li> </ul>	<ul style="list-style-type: none"> <li>• Improved perceptions of facilities or amenities</li> </ul>

- 1.11 The council is working with the CPCA and eligible District Councils to identify potential delivery routes and opportunities for joint procurement activity. Confirmation that the Rural Fund submission to Central Government has been successful is still to be received.
- 1.12 Further work is required to develop the Rural Fund project. This includes dialogue with key partners to refine the scope of the projects. At the time of writing staff resource has been prioritised on developing those UKSPF projects where funding has been confirmed.
- 1.13 The council will ensure that the UKSPF and the Rural Fund allocation is effectively managed as a programme ensuring spend against agreed funding profiles and delivery of agreed outputs, with regular reporting to the CPCA in line with Funding Agreement.

### **COMMENTS OF OVERVIEW & SCRUTINY**

- 1.14 This update report is being provided at the request of the Performance and Growth Scrutiny Panel from the meeting on the 7 December 2022. Any further comments from the 1 March 2023 Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

### **KEY IMPACTS / RISKS**

- 1.15 **Budget management risk:** At a time of rapidly rising costs it is important to ensure spend within budget, in line with the agreed funding profile and that financial regulations are complied with. Mitigation measures include individual project funding profiles which will be agreed along with an overall programme funding profile. Ongoing monitoring of actual spend versus profile will inform financial claims submitted in accordance with DLUHC and CPCA claiming and reporting requirements.
- 1.16 **Programme Timescales risk:** This is an ambitious programme of delivery, however the timescales in Huntingdonshire are the same across the country. Mitigation measures include individual project plans which will inform an overall programme plan incorporating design to delivery. This will be continually reviewed and will incorporate key delivery and funding milestones.

- 1.17 **Programme Resources risk:** The programme itself has multiple projects which have to be managed simultaneously and via different delivery mechanisms. Mitigation measures include programme management resource established, staff assigned clear roles and responsibilities, high level programme resource plan developed, reporting via agreed governance routes and communications strategy with stakeholders.

### **LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES**

- 1.18 The delivery of the UKSPF aligns to Huntingdonshire District Council's Corporate Plan which sets out the council's objectives, key actions and performance measures. The current 2022/23 Corporate Plan is a transitional, interim plan at the start of a new four-year administrative term. The council's objectives are:

- **Tackling Climate Change and caring for the environment** with UKSPF investment looking at future active sustainable travel routes and supporting businesses to reduce their carbon emissions through business advice and grants to deliver physical improvements to buildings.
- **Enhancing employment opportunities and supporting businesses** with UKSPF activity supporting residents who want to start a business, through entrepreneurship programmes and SMEs in the manufacturing sector being assisted to improve productivity and digital technologies.
- **Supporting needs of residents** through a programme of engagement and support focussed on Employment & Skills engaging economically inactive through community based groups and community locations.
- **Strengthening our communities** by investing UKSPF to support vibrant communities.

### **LEGAL IMPLICATIONS**

- 1.19 The council are in receipt of a draft Funding Agreement. This has been reviewed by the council's legal team, senior officers and members in line with the delegation recommendations and is awaiting final issue by the CPCA.
- 1.20 Individual contracts with delivery partners will also be subject to review by the council's legal team, senior officers and members in line with the delegation recommendations.

### **RESOURCE IMPLICATIONS**

- 1.21 There are a number of delivery mechanisms for the individual projects. In the main, projects will be managed by existing staff resource or via additional resource built into project costs, with some funded from UKSF or other sources given the alignment of some activities. The council will receive £39,138.44 to support overall programme management over three years. This is the maximum amount available and staff time spent on programme management will be claimed from this.
- 1.22 The UKSPF programme will be managed by the Regeneration & Strategic Housing Team alongside the Market Town Programme. This brings

together expertise in the delivery of external funding. Individual project managers will lead projects from different teams within the council with clear reporting and working through established programme and project management reporting structures.

### **HEALTH IMPLICATIONS**

- 1.23 As set out in the Community (Transition) Strategy 2021-23, Huntingdonshire District Council are committed to supporting residents through a positive and ongoing working relationship with local communities. Delivery of the Community and Skills employment based project will support economically inactive residents via key community nodes providing tailored and targeted support, including focus on mental health & wellbeing, volunteering as a route to employment and progression pathways to further develop skills and employment through existing mainstream provision. Support in these areas will directly contribute to positive health outcomes.

### **ENVIROMENT AND CLIMATE IMPLICATIONS**

- 1.24 The council has a duty to ensure we continue to promote an environmentally positive recovery following the Covid-19 pandemic. We also have a duty to deliver sustainable place making. The council has direct control of only a tiny proportion of all the carbon emissions within Huntingdonshire. We can however adopt a key role to influence the district, demonstrating good practice, whilst setting policies and strategies to influence businesses and communities to tackle climate change at the same time as enabling sustainable living and growth. These principles are embedded within the identified UKSPF investment priorities.
- 1.25 In October 2022 the council passed a Cost of Living and Climate Change motion that recognises that the current cost of living and climate crises require joint attention to support the wellbeing of residents and businesses. In passing this motion, the council committed to not only the delivery of a Climate Strategy but also that in making decisions on investment and delivery we will wherever possible seek to contribute to positive environmental and social benefits. In February 2023 the council will formally approve the recognition of a Climate Crisis and Ecological Emergency, the adoption of the council's Climate Strategy in response to the Climate Emergency and the adoption of the initial Climate Action Plan.

### **EQUALITIES**

- 1.26 The council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 1.27 Good planning and effective regeneration can improve environments and opportunities for communities experiencing disadvantage. Planning which does not adequately engage with or consider the needs of local communities is unlikely to improve their life chances and may further entrench area-based disadvantage.

## **REASONS FOR THE RECOMMENDED DECISIONS**

- 1.28 To provide an update on the development of the Huntingdonshire UKSPF Programme as requested by the Performance and Growth Scrutiny Panel at their meeting on the 7 December 2022.

## **LIST OF APPENDICES INCLUDED**

Appendix 1: Overview of Huntingdonshire District Council UKSPF Project Activity

## **BACKGROUND PAPERS**

UK Government guidance on UKSPF is available at:

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>

CPCA UKSPF Investment Plan is available at: [Agenda Item No \(cmis.uk.com\)](#), [Document.ashx \(cmis.uk.com\)](#) and [Document.ashx \(cmis.uk.com\)](#)

Cabinet Paper, December 2022: [Report Template for Cabinet / Committee Reports \(huntingdonshire.gov.uk\)](#)

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