

Public
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Huntingdonshire UK Shared Prosperity Funding

Meeting/Date: Overview & Scrutiny (Performance & Growth)
7 December 2022

Cabinet
12 December 2022

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

Report by: Kate McFarlane, Corporate Director (Place)

Ward(s) affected: All

Executive Summary:

This report provides an overview of the new UK Shared Prosperity Fund (UKSPF) and outlines proposed areas of activity to be delivered in Huntingdonshire that are included in the Cambridgeshire and Peterborough UKSPF Investment Plan that remains subject to approval by Government.

Cabinet is asked to endorse the proposed areas of activity and approve the recommendations to ensure appropriate delegations are in place to progress UKSPF project activity at pace to maximise opportunities to deliver the best outcomes for our residents, businesses, and place.

Recommendation(s):

Cabinet is requested to:

- Endorse the submission of the programme of Huntingdonshire wide UKSPF activity.
- Delegate authority to the Corporate Director (Place) in Consultation with the Executive Councillor for Jobs, Economy & Housing and Executive Councillor for Finance and Resources to make amends to Huntingdonshire programme activity following feedback from the Department for Levelling Up, Housing and Communities and/ or Cambridgeshire & Peterborough Combined Authority on the proposed programme of activity in response to any changes arising from the Autumn 2022 Budget.

- Delegate authority to the Corporate Director (Place), the S151 Officer and Head of Legal Practice in Consultation with the Executive Councillor for Jobs, Economy & Housing and Executive Councillor for Finance and Resources to:
 - a) enter into the Funding Agreement with the Cambridgeshire & Peterborough Combined Authority to enable the delivery of the Huntingdonshire UKSPF Programme, including the Rural England Fund.
 - b) enter into all relevant and necessary grant Funding Agreements and contracts for the successful delivery of the Huntingdonshire UKSPF Programme, including the Rural Fund.
- Delegate authority to the Corporate Director (Place) and the S151 Officer in Consultation with the Executive Councillor for Jobs, Economy & Housing and Executive Councillor for Finance and Resources to re-allocate UKSPF and Rural Fund to existing or new activity to ensure the Huntingdonshire allocation is fully utilised by March 2025.

1. PURPOSE OF THE REPORT

- 1.1 To provide an overview of the proposed activities to be delivered through the UK Shared Prosperity Fund (UKSPF) in Huntingdonshire that support the delivery of Council priorities and align with other external funding streams to maximise opportunities to deliver the best outcomes for our residents, businesses and place.

2. BACKGROUND

- 2.1 Following the Government's Levelling Up White Paper published in February 2022 and many previous references to UKSPF as the successor fund for the EU structural funds, the UK Government published the UKSPF prospectus on 13 April 2022.
- 2.2 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. It is intended to help places across the country deliver enhanced outcomes whilst recognising that even the most affluent parts of the UK contain pockets of deprivation and need support.
- 2.3 The fund will allow places 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. Local Authorities, working with stakeholders, will define their own local priorities within the Government's published framework.

The three UKSPF investment priorities are:

- **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, supporting 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 the barriers some people face to employment and support them to move towards employment and education.

UKSPF Funding Allocations

- 2.4 The Department for Levelling Up, Housing and Communities (DLHUC) will 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.

- 2.5 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

	Amount
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

- 2.6 The funding is a mixture of revenue and capital with the capital component increasing over the first 3 years as a minimum element in the allocations, this minimum level of Capital spend in each year is 10% in year one, 13% in year 2 and 20% in year 3 of the indicative allocation as shown below. It should be noted that this profile may change in light of the Autumn 2022 Budget.

Table 2. Spend profile with capital and revenue split

	2022/23	2023/24	2024/2025	Total
Revenue	£169,980.71	£328,629.39	£805,834.52	£1,304,444.62
Capital	£18,886.75	£49,105.54	£201,458.63	£269,450.92
Total	£188,867.46	£377,734.93	£1,007,293.15	£1,573,895.54

Rural England Prosperity Fund

- 2.7 In September 2022 Government announced a further element of UKSPF, Rural England Prosperity Fund (REPF), known as the rural Fund to improve productivity and 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 for capital spend in rural areas. 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](#). The deadline for the submission of additional Rural Fund information is the 30th November 2022. The CPCA are responsible for this submission.
- 2.8 At the time of writing the proposed interventions to deliver against the Council's priorities are still being developed. Likely areas of focus will be supporting rural businesses with grants, piloting how to improve rural digital connectivity to deliver community benefits and investment to improve rural buildings achieve net zero. Due to the tight timeframes available minimal specific engagement has taken place with stakeholder and rural communities, with engagement primarily via Cambridgeshire ACRE and soundings from rural businesses. However, feedback received

from residents, on what is most important to them as part of the development of a new Huntingdonshire Place Strategy, Huntingdonshire Futures has been considered. Details of this are available at www.huntingdonshirefutures.net. As the proposed interventions are further developed engagement with relevant stakeholders will be scheduled.

Huntingdonshire Investment Priorities

- 2.9 The Cambridgeshire & Peterborough Investment Plan, which included proposed activities in Huntingdonshire was approved at the CPCA Board on [27 July 22](#) and submitted at the beginning of August 2022. This high-level plan allocates the available fund to pre-defined interventions which were set out in Government guidance, each with pre-set output and outcome indicators. The Investment Plan is currently being reviewed by Government, with a formal response anticipated in late 2022.
- 2.10 The UKSPF investment in Huntingdonshire will directly deliver against the Council priorities outlined in paragraph 5.1. It will enable funding to continue activity that was previously funded by other organisations via European funding and would otherwise have ceased, it will maximise impacts by bringing external funding streams together, add value to existing activities, deliver new interventions and investment to support future opportunities to secure further external funding.
- 2.11 The Huntingdonshire priorities were developed following engagement with local businesses and business intermediaries, recognised organisations in the voluntary & community sector, drawing from draft masterplans and in consultation with Cabinet. Local MPs and their constituency offices were briefed on the emerging priorities on the 1 July 2022 and their feedback taken on board.
- 2.12 A total of 9 projects were originally included within the Huntingdonshire section of the Cambridgeshire & Peterborough Investment Plan, however this has reduced to 8 with the merger of Visitor Economy activity into the Vibrant Communities project. In identifying these projects consideration has been given to investing in Council priorities, availability of other funding, deliverability and benchmarking of unit costs. The Huntingdonshire projects in receipt of UKSPF funding are therefore summarised in table 3 below.

Table 3. Summary of Huntingdonshire UKSPF projects

Project Title	UKSPF Priority	Brief Description	Delivery Method	Funding
Reaching for Net Zero	Supporting local business	Supporting SMEs to reduce their carbon footprint, increase their utilities costs and become net zero with a net zero plan and capital grants for implementation.	To be commissioned (led by Cambridge City)	£320,000
Start Up & Entrepreneurship	Supporting local business	Intensive support for pre-start and early-stage ventures via a series of workshops designed to help candidates through the process, equipping them with the skills and knowledge they need to apply for funding and launch their new business idea.	To be commissioned (HDC)	£100,000
Business & Intellectual Property Centre	Supporting local business	Business and IP Centres across Cambridgeshire and Peterborough Libraries provide vital market intelligence/data and support services to earlier stage new start-ups, start-ups and SMEs. This project will continue this support, particularly in supporting new start-ups in the underrepresented female/ BAME groups.	Direct Award	£75,000
Manufacturing Digitisation	Supporting local business	Dedicated programme of support and funding to our manufacturing sector to improve productivity and efficiencies of local SMEs through free consultancy advice on integrating new technologies.	To be commissioned (HDC)	£280,000
Active Travel Feasibility Studies	Place & Communities	Commission to produce up to five route feasibility studies to support future external funding bids for new active and sustainable travel routes in Huntingdonshire.	To be commissioned (HDC)	£150,000
Ramsey Great Whyte Improvements	Place & Communities	HDC have submitted a CPCA LGF bid to deliver the improvements to the Great Whyte. A project consisting of a proposed new Market / Agriculture Produce Hub for local producers, retailers and businesses and delivery of circa 600 m2 public realm around the Produce Hub. This revenue investment will provide funding to promote the facility, to support community development and events and activities.	To be agreed	£220,835
Vibrant Communities	Place & 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 up footfall and build on success from the Welcome Back Fund. This is linked to a	Allocations to towns & villages (See MTP paper, item 5 at Cabinet 12 Dec 2022)	£155,000

		broader range of capital focussed interventions.		
Community Based Employment & Skills	Place & Communities	Engaging economically inactivity 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.	Allocations to Recognised Organisations (ROs)	£273,061
				£1,573,895.54

2.13 The Council will ensure that the UKSPF 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 a future funding agreement.

2.14 Given the breadth of the interventions and linkages with existing activity it should be noted that some of the projects will fall within existing programmes of activity to ensure we maximise operational efficiencies and delivery of benefits sought. For example, the Ramsey Great Whyte Improvements project and Vibrant Communities form part of the Market Towns Programme (MTP) and will also feature MTP December 2022 update, item 5 at the 12 December 2022 Cabinet meeting.

Wider Cambridgeshire & Peterborough activities

2.15 The CPCA are leading the delivery of 3 People and Skills projects starting in year 3 (2024-25), with activity being coordinated by the CPCA Skills team working with all Local Authority Skills Leads over the next 18 months. A needs-based analysis will be utilised to inform the design of projects, the delivery mechanism and deployment on the ground, to ensure the projects deliver the impact where there is highest need and inequality within the Combined Authority's whole geography. The 3 People and Skills projects are:

- **Holistic Online Skills Support:** This investment will see the continuation of Growth Works with Skills, maintaining the Digital Talent Platform with access to resources, diagnostic tools, vacancy listing and candidate matching will maintain support for employers large and small across all six districts. It will also see the integration of Regions of Learning providing people with low skill to access credentials that demonstrate their capability; providing them with opportunity to transition into further or higher education or into work or self-employment. The Regions of Learning platform will continue to develop online credentials via Open Badges, and host opportunities, such as internships and early careers vacancies, on the Talent View platform.
- **Supported Internships:** Consisting of three main areas of activity; Personal Skills Analysis to guide individuals in understanding and identifying opportunities for re-skilling, up-skilling and re-training. Real-world experiences of work through funded internships. Funding will be

provided to employers to provide new work opportunities. Training Needs Analysis to identify re-skilling, up-skilling and inclusive recruitment practices within a business.

- **All Age Careers Service:** Working within the current funding boundaries of the National Careers Services (NCS) and the Careers Enterprise Company (CEC), the service would be expanded to support careers related learning in primary school settings, mirroring the approach used by CEC for older young people and adults. A localised campaign will be launched working with key stakeholders to increase awareness of technical routes. Enhanced provision would be offered to schools allowing them to access provision such as workshops, Science, Technology, Engineering & Maths (STEM) events, and employability skills etc.

2.16 In addition, a final project that has been championed by the Police & Crime Commissioner is a project to prevent and tackle fly-tipping through increased signage, monitoring, education campaigns and sharing best practice.

3. COMMENTS OF OVERVIEW & SCRUTINY

3.1 The comments of the relevant Overview and Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

4. KEY IMPACTS / RISKS

4.1 **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: Individual project funding profiles 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.

4.2 **Programme Timescales risk:** This is an ambitious programme of delivery, with the funding yet to be confirmed even though in 2022/23 Q3. Mitigation: Individual project plans will inform an overall programme plan incorporating design to delivery, this will be continually reviewed and will incorporate key delivery and funding milestones.

4.3 **Programme Resources risk:** The programme itself has multiple projects which have to be managed simultaneously and via different delivery mechanisms. Mitigation: High level programme resource plan developed, programme management resource established, reporting via agreed governance routes and communications strategy with stakeholders.

5. WHAT ACTIONS WILL BE TAKEN

- 5.1 Subject to confirmation of UKSPF Funding and the signing of Funding Agreements with the CPCA the intention is to bring annual update on UKSPF activity. This would also include the approach to the use of any future UKSPF funding beyond 2024/25.

6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

- 6.1 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 recently revised 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.

7. CONSULTATION

- 7.1 The Huntingdonshire UKSPF priorities were developed following engagement with local businesses and business intermediaries, recognised organisations in the voluntary & community sector, drawing from draft masterplans and in consultation with Cabinet. Local MPs and their constituency offices were briefed on the emerging priorities on the 1 July 2022 and their feedback taken on board. The priorities for the Rural Fund are being informed by an online consultation which closed on the 30 October 2022.

8. LEGAL IMPLICATIONS

- 8.1 Once the Cambridgeshire & Peterborough Investment Plan is formally agreed by DLUHC the allocation of funds will be legally covered by a grant agreement between DLUHC and the CPCA. The CPCA will in turn issue a grant Funding Agreement to Huntingdonshire District Council. This Funding Agreement will be subject to review by the Council's legal team, senior officers and members in line with the delegation recommendations.

- 8.2 Individual contracts with delivery partners will also be subject to review by HDC legal team and senior officers and members in line with the delegation recommendations.

9. RESOURCE IMPLICATIONS

- 9.1 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 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, this is the maximum amount available and staff time spent on programme management will be claimed from this.

10. HEALTH IMPLICATIONS

- 10.1 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.

11. ENVIROMENT AND CLIMATE IMPLICATIONS

- 11.1 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, but we can 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 whilst enabling sustainable living and growth. These principles are embedded within the identified UKSPF investment priorities.
- 11.2 In December 2021 the Council adopted a core set of environmental principles, the Council are now committed to the development of a new Huntingdonshire Climate Strategy. 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.

12. EQUALITIES

- 12.1 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.

- 12.2 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.

13. REASONS FOR THE RECOMMENDED DECISIONS

- 13.1 To provide Cabinet with an overview of the breadth of activity proposed to be delivered through the new Huntingdonshire UKSPF Programme and ensure appropriate delegations are in place to progress delivery at pace upon confirmation of Huntingdonshire's allocated UKSPF funding.

14. 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 \(cmis.uk.com\)](#)

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