



**REPORT of
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

**To
STRATEGY AND RESOURCES COMMITTEE
14 JULY 2022**

LEAD SPECIALIST PROSPERITY RESOURCE OPTIONS

1. PURPOSE OF THE REPORT

- 1.1 To set out need the need for an extension to the Lead Specialist Prosperity role, to enable the Council to continue delivering the work of the UK Shared Prosperity Fund and Levelling Up Fund 2.

2. RECOMMENDATIONS

- (i) That Members support the recommendation of an initial nine-month extension to the existing Lead Specialist Prosperity contract, retaining current resource until October 2023.
- (ii) That Members note that if appropriate, this role will be considered and included in the Strategy, Performance and Governance Directorate 2023-2024 Growth Bid as a permanent addition to the Council's workforce structure.

3. SUMMARY OF KEY ISSUES

- 3.1 The role of Lead Specialist Prosperity commenced on the 4 October 2021. The initial aim of this role was to ensure Welcome Back and Covid Economic Recovery funding was utilised within the short timeframe given by Government. It also supports partnership working and engagement with local businesses.
- 3.2 The Officer successfully delivered the required activities, however, their work progressed swiftly into co-ordinating the Council's response to supporting the Levelling Up Fund Round 2 bid and co-ordinating the development of the Council's UK Shared Prosperity Fund Investment Plan. Both opportunities were reported to the Strategy and Resources Committee on 25 May 2022 and a further update report is due to be considered by this Committee, see Agenda Item 9 (UK Shared Prosperity and Levelling Up Funding Update).
- 3.3 The UK Shared Prosperity Fund (UKSPF) is part of the UK Government's levelling-up agenda and will provide £2.6 billion of new funding for local investment by March 2025. All areas of the UK will receive an allocation via a funding formula rather than a competition; meaning it is a guaranteed investment. Funding will be allocated to Mayoral Combined, Greater London Authority and District / Unitary Local Authorities as a Lead Local Authority for their area.
- 3.4 The UK Government's Levelling-Up Fund was announced by the Chancellor at the 2020 Spending Review. It is a fund jointly managed by HM Treasury, the Department for Levelling-Up, Housing and Communities and the Department for Transport. It is worth £4.8 billion and is intended to support capital investment

projects in town centre and high street regeneration, local transport projects, and cultural and heritage assets which must be bid for via a competition.

- 3.5 Both the UKSPF and LUF2 are considerable programmes of work with demanding timeframes.
- 3.6 Our current resource structure does not provide the capacity to carry out this additional work without extending the current contract that is in place.
- 3.7 The draw down from ringfenced council reserves would be £57,000.
- 3.8 Where possible external capacity funding will contribute to the £57,000.

4. CONCLUSION

- 4.1 UKSPF and Levelling Up Round 2 present a significant opportunity for the District to support, through direct investment, in our economy, businesses, communities, cultural and heritage assets, regeneration and transport infrastructure and the Council should invest what is needed in making these opportunities successful.
- 4.2 Resource within the Council and external capacity will be required to complete the work required to submit the necessary bid and investment plan.

5. IMPACT ON STRATEGIC THEMES

- 5.1 UKSPF supports the Council's Place Outcomes of: 'Promote civic pride and maintain the District's environmental quality', 'Work with partners to maintain and improve the District's resilience to the effects of climate change'; Prosperity Outcomes of 'Enabling future economic investment and new jobs', 'Supporting existing local businesses', 'Enhancing and promoting the District's visitor economy' and Community Outcomes of 'Building on the strengths of our communities and what they can do to support themselves and help each other to thrive'.
- 5.2 Levelling Up Fund supports the Council's Place Outcomes of 'Promote civic pride and maintain the District's environmental quality', 'Reduce impacts of waste disposal and pollution on the environment', 'Work with partners to maintain and improve the District's resilience to the effects of climate change', 'Deliver the housing the District Needs' and 'Deliver sustainable growth and new infrastructure through development'; Prosperity Outcomes of 'Enabling future economic investment and new jobs', 'Supporting existing local businesses', 'enhancing and promoting the District's visitor economy' and Community Outcomes of 'Building on the strengths of our communities and what they can do to support themselves and help each other to thrive'.
- 5.3 Both UKSPF and Levelling-Up also support our Performance and Value Outcomes of: 'Finance & Income', 'Governance', 'Performance' and 'Meaningful Engagement'.

6. IMPLICATIONS

- (i) **Impact on Customers** – For the UKSPF, any application process will be designed to enable community groups and businesses to engage with a fair bidding process to ensure there is significant customer benefit from its outputs. A successful bid to the Levelling-Up fund could deliver capital projects that end up being used by and benefit residents, businesses, special interest groups and visitors.

- (ii) **Impact on Equalities** – For the UKSPF, any application process will be designed to enable all community groups and businesses to engage with a fair bidding process to ensure there is significant customer benefit from its outputs. This process will meet the Public Sector Equality Duty. A successful bid to the Levelling-Up fund must demonstrate how it has considered the Page 31 Public Sector Equality Duty in delivering capital projects that end up being used by residents, businesses, special interest groups and visitors.
- (iii) **Impact on Risk** – With UKSPF, future spend is at risk, so it is vital that programme activity is aligned and adequately reported to the funder to ensure compliance. The programme will work to reduce the impact to the economy and communities from Covid19. The Council faces increased reputation risk if it fails to deliver to the expectations of stakeholders. With Levelling Up Funds, as it is a funding competition, projects identified to be part of the bid, could remain undelivered in the event a bid is unsuccessful. The complexity of the bidding process and the assurances needed post award could increase pressures on resources or require people with different skills and this is a responsibility of our establishment to adequately manage. The council faces an increased reputation, financial and compliance risk if any of the projects within the fund are not delivered on time, or to budget.
- (iv) **Impact on Resources (financial)** – Council reserves are required to ensure it can respond to the capacity allocation for the authority and to undertake preparatory work to develop high quality funding submissions.
- (v) **Impact on Resources (human)** – The initial coordination work for UKSPF work will be undertaken by the Lead Specialist Prosperity for the remainder of their contract. The coordination will be reviewed and reallocated as necessary afterwards. Levelling Up Round 2 Funding Bid is being coordinated by Strategy, Policy and Communications Manager given the investment priorities linked to place-based activities including transport, town centre regeneration and culture & heritage. Both are being supported by resources drawn from the wider organisation, although depending on the complexity of the funding bids, it may be necessary to procure further specialist human resources to ensure the Council is able to submit a high-quality proposal and continue to deliver existing service priorities.
- (vi) **Impact on the Environment** – Interventions supported by UKSPF will need to take account of other local and national policies and priorities – including the government’s commitment to reach Net Zero by 2050 and clean growth, and complement other UK, national or local provision. This will make sure that funding is effectively targeted. Projects funded via Levelling Up Round 2 should be aligned to and support net zero goals, including those set out in the UK government’s net zero strategy and sector-specific plans. Projects are encouraged to demonstrate low or zero carbon best practice; adopt and support innovative clean tech and/or support the growth of green skills and sustainable supply chains.
- (vii) **Impact on Strengthening Communities** - The projects funded by either fund will seek to ensure the Council strengthens engagement with communities to shape and deliver significant benefits from outputs.

Background Papers:

[UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/90422/UK_Shared_Prosperty_Fund_prospectus.pdf)

[Levelling Up Fund Round 2: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/90422/Levelling_Up_Fund_Round_2_prospectus.pdf)

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