

## EXECUTIVE 10<sup>th</sup> November 2022

<b>Report Title</b>	<b>UK Shared Prosperity Fund</b>
<b>Report Author</b>	George Candler, Executive Director of Place and Economy
<b>Lead Member</b>	Councillor David Brackenbury, Executive Member for Growth & Regeneration

<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	

### List of Appendices

**Appendix A:** Proposed interventions and allocations for UKSPF Core Funding in North Northamptonshire

#### 1. Purpose of Report

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- 1.1. As part of the Government's wider Levelling Up agenda, North Northamptonshire has been allocated funding through the UK Shared Prosperity Fund (UKSPF). The funding is designed to support areas to invest in three priorities – Communities and Place, Local Business and Skills.
- 1.2. This report sets out the progress made to date towards unlocking the allocated funding through the submission of Investment Plans and seeks approval of further detailed plans and initiatives.
- 1.3. This report seeks approval to submit the Rural England Prosperity Fund addendum to secure allocated funding.

## 2. Executive Summary

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- 2.1. The UKSPF is a central pillar of the UK Government's Levelling Up agenda and a significant component of its support for places across the UK<sup>1</sup>. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competitive process.
- 2.2. There are three key elements to the UKSPF: (1) Core UKSPF, (2) Rural England Prosperity Fund (REPF) and (3) Multiply.
- 2.3. (1) The Core UKSPF Investment Plan was submitted in August 2022 and the announcement from Government is due shortly. North Northamptonshire has been allocated £4,835,332. The Investment Plan sets out the high-level priorities for the area. This report seeks approval of more detailed interventions.
- 2.4. (2) The Rural England Prosperity Fund was launched in September 2022, with the requirement that NNC submit a Rural Addendum to access its allocation of £1,161,812 by 30<sup>th</sup> November 2022. This report sets out the priorities for this funding, to support both local rural communities and businesses in rural areas.
- 2.5. (3) The Multiply Investment Plan was submitted in June 2022 and Government have now confirmed the allocation of £1,909,635. This funding is targeted at supporting adult numeracy programmes.

## 3. Recommendations

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- 3.1 It is recommended that the Executive:
  - a) Approve Core UKSPF interventions and allocations set out in Section 4 and **Appendix A**, and delegate authority to the Executive Member for Growth & Regeneration in consultation with the Executive Member for Housing, Communities & Levelling Up and the Executive Director of Place & Economy to agree further details of delivery and related initiatives, including any contracts, funding agreements and/or variations to allocations
  - b) Delegate authority to the Executive Member for Growth & Regeneration in consultation with the Executive Member for Rural Communities & Localism, and Executive Director of Place & Economy to submit the Rural England Prosperity Fund addendum.
  - c) Delegate authority to the Executive Member for Growth & Regeneration in consultation with the Executive Members for Rural Communities & Localism; and Housing, Communities & Levelling-Up in consultation with the Executive Director of Place and Economy to consider and agree the

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<sup>1</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

Rural Addendum with priority interventions for submission by 30<sup>th</sup> November 2022.

### 3.2 Reasons for Recommendations:

- To enable projects to commence delivery and enable Year 1 spend by 31<sup>st</sup> March 2023
- To facilitate preparation work to commence on Year 2 and Year 3 interventions and related initiatives
- To ensure that the Rural addendum, with priority interventions, is submitted before the deadline of 30<sup>th</sup> November to enable North Northamptonshire to secure its allocated funding

### 3.3 Alternative Options Considered:

- The Council did not submit an Investment Plan or does not submit a Rural addendum, meaning that the area is not able to access its allocation resulting in the loss of significant funds and related outcomes and benefits

## 4. Report Background

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4.1. The UKSPF is a central pillar of the UK Government's Levelling Up agenda and a significant component of its support for places across the UK<sup>2</sup>. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.

4.2. Places are empowered to identify and build on their own strengths and needs at a local level, focusing on **pride in place** and **increasing life chances**.

4.3. There are three elements to the Shared Prosperity Fund:

- Core Funding
- Rural England Fund
- Multiply

#### Core Shared Prosperity Fund

4.4. North Northamptonshire has been allocated £4,835,332 of Core UKSPF. This is a mix of both revenue and capital funding.

4.5. To unlock this allocation, NNC had to submit a high-level Investment Plan, setting out the challenges and opportunities facing the area which can be addressed through the UKSPF funding, focussed around three priority themes:

- Communities & Place

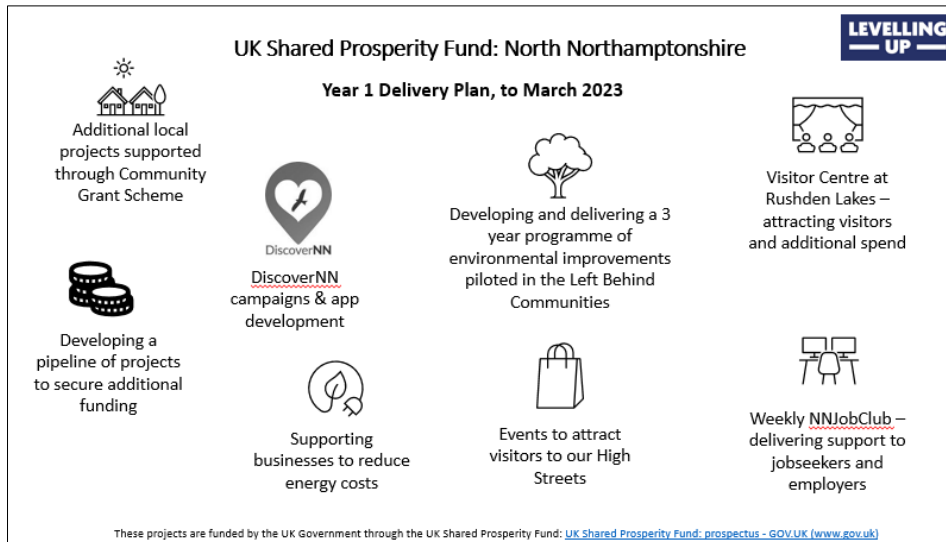
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<sup>2</sup> <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

- Supporting Local Business
  - People & Skills
- 4.6. A wide-ranging engagement exercise was undertaken, including a series of meetings with key partners and a survey which received 191 responses from a range of local people, community groups, town and parish councils and local businesses. The aim of the engagement was to obtain views from a wide spectrum of stakeholders as to the challenges and opportunities that should be prioritised for this investment. This spanned both urban and rural communities. Officers also conducted a thorough review of all relevant strategies (including the Council's Corporate Plan), and analysed data from a wide range of sources, including the South East Midlands Local Enterprise Partnership (SEMLEP) Business Survey.
- 4.7. At its meeting on 16<sup>th</sup> June 2022, the Council's Executive delegated authority to a Panel of Executive Members to develop and submit the Investment Plan.
- 4.8. A UKSPF Panel was established, made up of five Executive Members with responsibility for Growth & Regeneration (chair); Housing, Communities & Levelling-up; Children, Families, Education & Skills; Adults, Health & Wellbeing; and Sport, Leisure, Culture & Tourism.
- 4.9. Following a series of meetings, the Panel agreed the priority interventions and the indicative allocations for North Northamptonshire. The Investment Plan proforma was submitted on 1<sup>st</sup> August 2022, with endorsement of local MPs. An announcement from Government is expected imminently.

#### Year 1 Delivery

- 4.10. Work has continued since the submission to develop more details of Year 1 delivery. This is to ensure that NNC is well placed to start implementation as soon as an announcement is made. It will also help to minimise the risk of returning any underspend at the end of each financial year or the programme period.
- 4.11. Priorities for Year 1 interventions and allocations (see **Appendix A**) are as follows:
- Deliver an ambitious programme
  - Activity and impact must be visible to residents and businesses
  - Projects should be low risk to minimise slippage
  - Important to build capacity in Year 1 to inform and support investment in Years 2&3



- 4.12. Year 1 includes leveraging existing initiatives which align with the UKSPF interventions. Activities include an enhanced Community Grant scheme managed by NNC, preparatory work to develop a programme for creating and improving local green spaces in local communities (including the three 'left behind communities' in North Northamptonshire), and feasibility studies to shape future delivery and a help create a robust pipeline of project activity, including new capital schemes.
- 4.13. Amongst initial feasibility study work in Year 1 a Masterplan is to be developed together with a funding strategy for the North Northants Greenway (NNG). The aspiration is that the NNG will become one of the largest active travel networks in the UK linking towns, rural communities and major visitor attractions in the area. The Masterplan will set out the long-term strategy and the aims and objectives of the NNG. In addition, it will have a series of individual dynamic sub-area plans which will be regularly updated. It will be used to secure funding, drive the promotion and opportunities for the NNG, influence and shape policy, be recognised as a Supplementary Planning Document, detail how the NNG supports other NNC strategies and priorities (including health, recreation, leisure, tourism, wellness, culture, and active travel) showcase advantages for landowners, include Biodiversity Net Gain and how this can positively impact green infrastructure.
- 4.14. Funds will also be used to commission work to develop a formula for securing Section 106 developer contributions for the NNG. This formula can then be part of the Masterplan and provide a robust framework for NNC to negotiate green infrastructure contributions, ensuring future development in the area has green infrastructure planned from the outset.
- 4.15. Another major focus for Year 1 is continued support for the visitor economy and local businesses and attractions in the sector. This builds on grant funding provided by NNC to the sector through Additional Restrictions Grant (ARG).

- 4.16. NNC has worked with West Northamptonshire Council to commission a baseline audit of the sector in Northamptonshire. This will underpin work on a new Visitor Economy Strategy in 2022/23. Work on the audit will be complete by the end of 2022 and includes an analysis of attractions and facilities for visitors. This will identify strengths, and any gaps and weaknesses in the current offer. The audit also includes a 'user survey'. The purpose of this survey is to enable a better understanding of how the area and its offer are perceived by visitors.
- 4.17. The focus of the capital allocation for Year 1 is the transformation of the existing unit at Rushden Lakes into the DiscoverNN Tourist Information Unit. The centre will be an innovative collaboration between NNC and the Crown Estate (owners of Rushden Lakes). It will create a new hub for the area's tourism offer and expand on NNC's key aim of creating 'A place where everyone has the best opportunities and quality of life'. The centre will use the strapline '#WhereWillYouGoNext?' to highlight the unique and exciting offer that combines community engagement, access to education, wellness, exhibition space, and a retail space while also encouraging visitor footfall across local visitor attractions.
- 4.18. The project envisions to work with existing partners such as the University of Leicester and Creating Tomorrow Trust to provide learning and volunteering opportunities for all. Centre staff, volunteers and students will be visitor-focussed, providing exceptional customer service to visitors and helping create bespoke itineraries for days out across North Northamptonshire.
- 4.19. The unit will be converted into a striking and visual space that will encourage photographs, engagement on social media and push the DiscoverNN app. The capital project will include the creation of a highly visual bench and backdrop at the entrance. This will be used for visitors to take photos and share on Instagram, Facebook, and Twitter. Engagement will be encouraged through the use of hashtags on social media to answer the question "Where will you go next?".
- 4.20. UKSPF will provide the essential capital required to fund the start-up of the project. The centre will be accompanied by a business plan targeting income generated through advertising, event space hire and retail sales commission and will result in the project being self-sustaining by Year 3.
- 4.21. Year 1 investment will also include 'capacity-building' for organising events which encourage more footfall to local high streets and town centres, activities to support local arts, cultural, heritage and creative activities, and a festival campaign to encourage visits and exploring the local area. This includes organising a North Northamptonshire Festival in 2023 to showcase the area, and further development and promotion of the DiscoverNN app.
- 4.22. Initial support for businesses in Year 1 will focus on decarbonisation and energy efficiency to reduce impact and costs, mindful of the immediate challenges faced by many local companies. This will complement the support commissioned by NNC and WNC via SEMLEP through the Green Recovery and Innovation grant scheme [Green Recovery and Innovation Grants are](#)

[available for SMEs in North and West Northamptonshire - SEMLEP Growth Hub – www.semlepgrowthhub.com/grip.](http://www.semlepgrowthhub.com/grip)

- 4.23. Support and advice for ‘start-up’ businesses and businesses in their early stages of growth is important as research by the British Library indicates that this has a major impact on survival rates. It is also an area where there has traditionally been no mainstream provision through the SEMLEP Growth Hub or other providers. It is proposed that this gap should be addressed with £150k support for start-ups’ commissioned in both 2023/24 and 2024/25 with this offer to be available from April 2023.
- 4.24. Proposed interventions and allocations for the Core UKSPF in Year 2 and Year 3 are set out in **Appendix A**.

#### Rural England Prosperity Fund (REPF)

- 4.25. In early September 2022, Government announced the launch of the Rural England Prosperity Fund<sup>3</sup>. This is a top-up to the UKSPF and succeeds EU funding from LEADER and the Growth Programme which were part of the Rural Development Programme for England (RDPE). It will support activities that specifically address some of the challenges rural areas face and is complementary to funding used to support rural areas under the core UKSPF.
- 4.26. North Northamptonshire has been allocated £1,161,812 from the fund.
- 4.27. Unlike the core UKSPF, this funding is purely Capital and needs to be managed within existing resources as there is no management allocation. Funding is available from April 2023 to March 2025. As with core UKSPF, any underspends have to be returned.
- 4.28. The Rural Fund provides capital funding to:
- support new and existing rural businesses to develop new products and facilities that will be of wider benefit to the local economy. This includes farm businesses looking to diversify income streams
  - support new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy
- 4.29. The guidance states that this funding should not replace funding plans for rural areas under the Core UKSPF. It is a ‘top-up’ to help address the extra needs and challenges facing rural areas.
- 4.30. This funding must be allocated to projects in rural areas only. Rural areas are defined as *‘towns, villages and hamlets with populations below 10,000 and the wider countryside and market or ‘hub towns’ with populations of up to 30,000 that serve their surrounding rural areas as centres of employment and in providing services.’* This definition therefore includes the whole of North

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<sup>3</sup> <https://www.gov.uk/government/publications/rural-england-prosperity-fund-prospectus/rural-england-prosperity-fund-prospectus>

Northamptonshire outside of the larger towns of Corby, Kettering, Rushden and Wellingborough.

- 4.31. The Council needs to demonstrate how it has engaged with rural stakeholders and have confirmation of support from the local MPs for its' approach. The Addendum also needs support from the Council's Chief Executive and Section 151 Officer.
- 4.32. Engagement and information gathering includes a series of meetings with key rural stakeholders, a thorough review of all responses to the earlier survey and relevant strategies (including the Council's Corporate Plan), analysing data from a wide range of sources including the SEMLEP Business Survey, and reviewing reports on LEADER and RDPE activity in the area.
- 4.33. This report seeks delegated authority for a Panel comprising the Executive Members with responsibility for Growth & Regeneration; Rural Communities & Localism; and Housing, Communities & Levelling-Up in consultation with the Executive Director of Place and Economy, Section 151 Officer and Chief Executive to consider and agree the Rural Addendum with priority interventions for submission by 30 November 2022.

#### 'Multiply' update

- 4.34. The Multiply initiative was announced in April 2022. It aims to improve numeracy skills for adults (aged 19+). The initiative will help people improve their ability to understand and use maths in daily life, home, and work. For example, support will be delivered to help adults improve household finances, help children with homework, make more sense of the facts in the media, or improve numeracy skills specific to a line of work. To achieve that, Multiply will offer a range of options such as free personal tutoring, digital training and flexible courses that fit around people's lives and are tailored to specific needs, circumstances, sectors and industries.
- 4.35. North Northamptonshire submitted an Investment Plan to Government in June 2022 which set out the specific interventions to be delivered. This Investment Plan was endorsed in September and planning for delivery has commenced.

## **5. Issues and Choices**

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- 5.1. Do nothing – the council has the choice to not submit Investment Plans to access its funding allocation. This will mean that it will be unable to access the funding allocated to the area, resulting in a significant loss of funding to local communities and businesses.



## 6. Next Steps

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### Core UKSPF

- 6.1. Whilst confirmation is awaited from Government, work will continue to progress the initiatives outlined in Section 4. Spend will commence following the announcement by Government.

### Rural England Prosperity Fund

- 6.2. Work will continue on the Rural SPF addendum with ongoing engagement with rural stakeholders planned. The Panel of the Executive Members with responsibility for Growth & Regeneration; Rural Communities & Localism; and Housing, Communities & Levelling-Up in consultation with the Executive Director of Place and Economy will agree the Addendum which will be submitted by the 30 November 2022 to unlock the allocated funding. Detailed delivery plans will be prepared. Government decisions on the Investment Plan Addendum are due in January 2023.

## 7. Implications (including financial implications)

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### 7.1. Resources, Financial and Transformation

- 7.1.1 The Shared Prosperity Fund is a great opportunity for the area to secure significant funding which it can target towards best meeting the priorities of its local communities and businesses in support of the wider Levelling Up agenda.

- 7.1.2 Details of the Core UKSPF allocation are set out in Table 1.

Table 1: North Northamptonshire Core UKSPF allocation

<b>SPF</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/15</b>
TOTAL	£586,812.00	£1,173,624.00	£3,074,896.00
Admin (4%)	£23,472.48	£46,944.96	£122,995.84
Remaining	£563,339.52	£1,126,679.04	£2,951,900.16
Capital (min)	£56,333.95	£146,468.28	£590,380.03
Revenue	£507,005.57	£980,210.76	£2,361,520.13

- 7.1.3 To deliver the Core SPF programme, the Council will secure a 4% programme management and delivery fee.

- 7.1.4 For the Multiply initiative, the Council has secured a 10% programme management and delivery fee. This will cover all staff costs, including the support of legal, procurement and finance teams.

- 7.1.5 The Rural England Prosperity Fund allocation for North Northamptonshire is £1,161,812. This is based on the formula previously used for European Union

funding. The funding is phased, 25% is available in the first year (2023/24) with the remaining 75% allocated to Year 2 (2024/25).

7.1.6 There is currently no management fee allocated by Government for delivery of the Rural England Prosperity Fund. This means that the programme must be managed within existing resources and the 4% fee allocated for the Core SPF programme.

7.1.7 Combined, the three elements of the Shared Prosperity Fund have the potential to deliver projects up to the value of £7,906,779 by 31 March 2025.

## 7.2. **Legal and Governance**

7.2.1 NNC will enter into a Funding Agreement with the Department for Levelling Up, Housing and Communities (DLUHC), setting out the requirements of the funding. This will form the basis of the monitoring and reporting of the programme. Progress on the three elements of the Shared Prosperity Fund, and their impact, will be reported to the Executive.

7.2.2 NNC Procurement Strategy will be followed for all projects where procurement is required.

7.2.3 NNC will establish Funding Agreements with all external deliverers which will replicate the requirements of the DLUHC agreement. It will set out reporting requirements. Any applications for Grant Funding will involve the appropriate financial and/or other checks.

## 7.3. **Relevant Policies and Plans**

7.3.1 The Investment Plans support the following Policies and Plans:

- Levelling Up agenda
- Climate change and Net-Zero Carbon agenda
- NNC Corporate Plan
- NNC Capital Plan through feasibility studies to develop a capital project pipeline
- Left Behind Communities

## 7.4. **Risk**

7.4.1 A Risk Register will be developed and maintained for all these funds. It will be kept under review as part of the programme management responsibilities.

## 7.5. **Consultation**

7.5.1 A wide-ranging engagement exercise was undertaken on the priorities for the UKSPF, including a series of meetings with key partners and a Citizenspace

survey which received 191 responses from a range of local people, community groups, town and parish councils and local businesses. The aim of the engagement was to obtain views from a wide spectrum of stakeholders as to the challenges and opportunities that should be prioritised for this investment.

7.5.2 Engagement will continue with key stakeholders and partners as detailed projects are developed.

## **7.6. Consideration by Executive Advisory Panel**

7.6.1 An overview of the Year 1 delivery was presented to the Health & Well-being and Vulnerable People EAP on 14<sup>th</sup> October 2022. The Panel supported a focus on community-led activity, including but not restricted to 'left behind communities', action to address gaps in skills provision, the need to focus on outputs and outcomes, and the importance of monitoring and evaluating the impact of the funding.

## **7.7. Consideration by Scrutiny**

7.7.1 The report and topic has not been considered by Scrutiny but can be considered as part of the Forward Plan.

## **7.8. Equality implications**

7.8.1 An Equality Screening Assessment has been completed. Equality implications will also be considered as individual projects are developed further. This funding has the potential to positively impact on several of our communities.

## **7.9. Climate and Environment Impact**

7.9.1 The Core UKSPF Investment Plan has the potential to support projects and initiatives which have a positive impact on reducing climate impact, including working with businesses and the wider community to achieve net-zero carbon emissions and support a shift to renewable energy. The expectation is that wherever possible all initiatives receiving funding support should be aligned with this approach.

## **7.10. Community Impact**

7.10.1 A key priority of this funding is to support communities, locally-led delivery, and develop pride in place. The Investment Plan will support projects and initiatives which have a positive impact on local communities.

## 7.11. Crime and Disorder Impact

7.11.1 The Investment Plan has the potential to support projects and initiatives to support crime prevention and reduction measures across the area.

## 8. Background Papers

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- UK Shared Prosperity Fund Prospectus:  
<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>
- Rural England Fund Addendum:  
<https://www.gov.uk/government/publications/rural-england-prosperity-fund-prospectus/rural-england-prosperity-fund-prospectus>
- Multiply: <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/multiply-in-scotland-wales-and-northern-ireland>

## **Appendix A:**

### **Proposed interventions and allocations<sup>4</sup> for UKSPF Core Funding in North Northamptonshire<sup>5</sup>**

	<u>Year 1 (2022/23)</u>	<u>Year 2 (2023/24)</u>	<u>Year 3 (2024/25)</u>
<b>COMMUNITIES AND PLACE</b>			
<u>E1: Improvements to town centres &amp; high streets</u>	<u>£10,000</u>	<u>£28,500</u>	<u>£30,000</u>
<u>E3: Creation of and improvements to local green spaces</u>	<u>£40,000</u>	<u>£250,000</u>	<u>£1,230,000</u>
<u>E6: Local arts, cultural, heritage &amp; creative activities</u>	<u>£10,000</u>	<u>£50,000</u>	<u>£50,000</u>
<u>E8: Campaigns to encourage visits and exploring of local area</u>	<u>£10,000</u>	<u>£10,000</u>	<u>£20,000</u>
<u>E11: Capacity building &amp; infrastructure support local groups</u>	<u>£100,000</u>	<u>£250,000</u>	<u>£400,000</u>
<u>E14: Relevant feasibility studies</u>	<u>£100,000</u>	<u>£100,000</u>	<u>£100,000</u>
<b>SUPPORTING LOCAL BUSINESS</b>			
<u>E17: Development &amp; promotion of visitor economy</u>	<u>£275,000</u>	<u>£40,000</u>	<u>£40,000</u>
<u>E20: Research &amp; development grants supporting innovative product &amp; service development</u>		<u>£100,000</u>	<u>£100,000</u>
<u>E23: Strengthening local entrepreneurial ecosystems</u>		<u>£150,000</u>	<u>£150,000</u>
<u>E29: Supporting decarbonisation &amp; improving natural environment</u>	<u>£10,000</u>	<u>£50,000</u>	<u>£100,000</u>
<u>E30: Business support measures to drive employment growth</u>		<u>£100,000</u>	<u>£100,000</u>
<b>PEOPLE &amp; SKILLS</b>			
<u>E34: Course including basis, life &amp; career skills</u>			<u>£180,000</u>
<u>E37: Tailored support for the employed to access courses</u>			<u>£100,000</u>
<u>E38: Local areas to fund local skills needs</u>			<u>£150,000</u>
<u>E39: Green skills courses</u>			<u>£100,000</u>
<u>E41: Funding to support local digital skills</u>			<u>£100,000</u>

<sup>4</sup> Excludes NNC management fee (4%)

<sup>5</sup> Excludes management fee