
Subject:	UK SHARED PROSPERITY FUND
Meeting and Date:	Cabinet – 6 June 2022
Report of:	Christopher Townend, Head of Investment, Growth and Tourism
Portfolio Holder:	Councillor Trevor Bartlett, Leader of the Council
Decision Type:	Key
Classification:	Unrestricted

Purpose of the report: To update Cabinet on the UK Government's UK Shared Prosperity Fund (UKSPF) and seek agreement for the delivery of the project.

- Recommendation:** Cabinet is requested to:
1. Note the UK Shared Prosperity Fund Prospectus and UK Shared Prosperity Fund Allocations.
 2. Delegate authority and authorise the Strategic Director (Operations and Commercial), in consultation with the Leader of the Council, to take the necessary decisions and actions required to finalise a related investment plan and accept the allocation of funds, as well as to implement and administer the scheme and all related plans in accordance with the requirements and priorities of the prospectus and fund.
 3. Authorise use of the available £20,000 to undertake initial preparatory work for the UKSPF, including developing the local investment plan for submission.
 4. Authorise use of the UKSPF 4% administration allocation to support the productive delivery and administration of the fund.
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1. Summary

- 1.1 The Council's Corporate Plan places a clear focus on regenerating and levelling-up Dover District. The achievement of this aim will involve a range of initiatives and require significant investment from both the private and public sector. The UK Shared Prosperity Fund (UKSPF) and its related priorities are in support of the Council's aims and ambitions to make Dover District a great place to live, work, visit, learn and invest.
- 1.2 This report seeks Cabinet agreement to accept Dover District's UKSPF allocation and for the Council to progress and develop all related and associated opportunities in a productive and timely manner; working across various Council service areas, as well as with local stakeholders and community groups.

2. Introduction and Background

- 2.1 The UK Shared Prosperity Fund (UKSPF) is the Government's domestic replacement for the European Structural and Investment Programme (ESIF).

- 2.2 The UKSPF was launched on 13 April 2022, providing £2.6 billion of funding for local investment by March 2025. [UK Shared Prosperity Fund Prospectus](#).
- 2.3 The aim of the scheme is to support the UK government's Levelling Up commitment through three investment priorities:
- (a) Communities and place.
 - (b) Supporting local business.
 - (c) People and skills (*this cannot be included in years 1 and 2 of the scheme*).
- 2.4 Funding has been allocated to local authorities using a formula rather than a competition, with Dover District Council being awarded the lowest payment of £1m over three years. [UK Shared Prosperity Fund Allocations](#).
- 2.5 There is no set percentage split of how much funding should be spent against each of the three investment priorities, the Council will need to decide how to prioritise interventions.
- 2.6 The Council must:
- (a) work with local stakeholders to create a local partnership group;
 - (b) consult with MPs requesting them to provide an advisory role and invite them to be part of the local partnership group;
 - (c) have an open call for projects; and
 - (d) submit an investment plan by 1 August 2022.
- 2.7 Once approved, the first payment is expected from October 2022.
- 2.8 Working with other places is encouraged in the delivery of the UKSPF but is not mandatory.

3. Investment Plans

- 3.1 The investment plan will feature three broad stages:
- (a) Local context:
Setting out local evidence of opportunities and challenges through the lens of the three investment priorities.
 - (b) Selection of outcomes and interventions:
Identifying the outcomes that the Council wishes to target based on local context, and the interventions to prioritise. These should be clearly linked to local opportunities and challenges.
 - (c) Delivery:
Setting out the process for delivering the fund.
- 3.2 The Fund can be used flexibly to support interventions via:
- (a) grants to public or private organisations.
 - (b) commissioning third party organisations.
 - (c) procurement of service provision.
 - (d) in-house provision.

- 3.3 The guidance states that Local Authorities are encouraged to provide match funding, but this is not mandatory. Match funding can be from private, public and third-party organisations. Any match funding must be included in the investment plan.
- 3.4 Payments for statutory duties or work that is fully funded by other sources cannot be covered by UKSPF.

4. **DDC's Allocation**

- 4.1 Dover District Council has been allocated £1m, to be distributed as follows:

	2022/23	2023/24	2024/25	Total
Allocation	£99,286	£198,572	£702,142	£1,000,000
Minimum capital	£9,929	£25,814	£140,428	£176,171
Maximum revenue	£89,357	£172,758	£561,714	£823,829

- 4.2 The Council will also:
- (a) have access to £20,000 to undertake initial preparatory work for the UKSPF, including developing the local investment plan for submission
 - (b) be able to use up to 4% of their allocation by default to undertake necessary Fund administration, such as project assessment, contracting, monitoring and evaluation and ongoing stakeholder engagement.

5. **Public Procurement**

- 5.1 All spend associated with the Fund must be compliant with the Public Contracts Regulations 2015 and follow the Council's constitution and procedures.
- 5.2 The milestones, expectations and timescales will be set out in a Memorandum of Understanding. There will be a formal reporting request every six months, with qualitative updates on a more frequent basis also required. The following reports are required:
- (a) Data to ensure that allocations are being spent to agreed timescales and milestones.
 - (b) Achievement of outputs and outcomes at the project level at UK Parliament constituency level.
 - (c) A pre-payment annual report.
 - (d) A technical delivery report on aspects such as fraud and risk.

6. **Evaluations**

- (a) The prospectus advises that the Council carry out evaluations of each intervention to demonstrate the effectiveness.
 - (b) The Council is strongly encouraged to build the evidence base on what works for local pride interventions, conducting causal quantitative impact evaluations for certain projects, where feasible.
- 6.2 The Council could be asked to consider staggering interventions to allow the administrators to exploit differences in timing of roll out to learn more about impacts.

7. Prospectus Timetable

When	Activity
22 April 2022	Investment plan platform launch. Contacts for each lead local authority sign up to access the investment plan portal. Investment plan log-ins issued.
April – May 2022	Engagement sessions with local authorities and other local partners to support the investment plan process
April – June/ July 2022	Lead local authorities work with stakeholders to develop local investment plans
Summer 2022	Further guidance published including guidance on monitoring benefits and evaluation, assurance, subsidy control, branding and publicity.
30 June 2022	Investment plan window opens
1 August 2022	Investment plan window closes
July – September 2022	Indicative investment plan assessment period for UK government
October 2022 onwards	Anticipated date for first investment plans to be approved
October 2022 onwards	Anticipated first payment to be made to lead local authorities
March 2025	Three-year funding period ends

8. Proposal for Dover District Council's UKSPF

- 8.1 It is proposed that this project is led by the Investment, Growth & Tourism service who will carry out the necessary work to:
- (a) prepare and submit the Investment Plan.
 - (b) accept and monitor the budget.
 - (c) administer the scheme and interventions and complete the relevant Government returns.
- 8.2 It is proposed that the 4% administration allocation is used to provide resources within the Investment, Growth & Tourism service to administer the scheme.
- 8.3 It is proposed that the available £20,000 is used to undertake initial preparatory work for the UKSPF, including developing the local investment plan for submission. This may include use of an external consultant due to current levels of resources.
- 8.4 It is proposed that the Strategic Director (Operations & Commercial), in consultation with the Leader of the Council, be given delegated authority to administer and deliver the UKSPF.
- 8.5 Initial, draft, Dover District Council UKSPF Investment Plan summary for consultation with MPs and stakeholders (before 'open call for projects' and stakeholder engagement):

Intervention	2022/23	2023/24	2024/25	Total Allocation
Allocation	£99,286	£198,572	£702,142	£1,000,000
Administration 4%	£13,334	£13,333	£13,333	£40,000
1 Town Centre Improvements Deep cleaning, signage, toilets, improved public realm	£35,952	£45,239	To be confirmed. DDC to work with other East Kent Councils to investigate joint projects. Weighted to Skills, Training & Education.	To be confirmed.
2 Business grants Town centre shopfronts and empty properties plus green energy	£20,000	£50,000		
3 Town centre events Music, festivals, entertainment, walking and cycling tours	£10,000	£25,000		
4 Fuel poverty grants Boiler repairs, insulation, desperation (fuel bank foundation vouchers)	£20,000	£35,000		
5 Community grants Arts, cultural, heritage & creative, sports, volunteering / social action projects, educational skills		£30,000		
6 Skills and education Joint project with EK Councils	£0	£0		
	£99,286	£198,572	£702,142	£1,000,000
Minimum capital	£9,929	£25,814	£140,428	£176,171
Maximum revenue	£89,357	£172,758	£561,714	£823,829

9. Risks

- 9.1 As with any project there is and will be associated risk. A risk register will be created with the UKSPF Local Business Plan.

10. Options

- 10.1 Option 1: Accept the proposals as outlined in Item 8 above.
This option is recommended as it enables the Council to use £1m over the three years on projects that will make a positive difference across Dover District.
- 10.2 Option 2: Amend the proposals and reconsider.
This is not recommended as timescales for submitting the plans are extremely tight.
- 10.3 Option 3: Don't take part in the UKSPF scheme.
This is not recommended as there would be no benefit to Dover District.

11. Resource Implications

- 11.1 Delivery of the UKSPF and its related interventions will require significant staff resources from the Investment, Growth & Tourism Department, as well as other Council departments such as Community, Climate Change, Legal, Procurement, Accountancy, Facilities Management, Regulatory Services, Environmental Protection and Property services.
- 11.2 It is proposed to use the available £20,000 to undertake initial preparatory work for the UKSPF, including developing the local investment plan for submission.
- 11.3 It is proposed to use the UKSPF administration allocation (4%) to support the productive delivery and administration of the fund by providing resources within the Investment, Growth & Tourism service to administer the scheme.
- 11.4 It is recognised that strong, bold and innovative leadership of the UKSPF will be required to ensure results and wider benefits.

12. **Climate Change and Environmental Implications**

- 12.1 The proposed delivery of the UKSPF will have a positive human, economic and environmental impact.
- 12.2 Climate change and environmental impacts will be fully considered as part of all related UKSPF interventions.

13. **Corporate Implications**

- 13.1 Comment from the Strategic Director (Corporate Resources): The Head of Finance & Investment has been consulted on this report and has no further comments to make.
- 13.2 Comment from the Solicitor to the Council: The Head of Governance & HR has been consulted during the preparation of the report and has no further comment to make.
- 13.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010: <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

14. **Appendices**

- 14.1 None.

15. **Background Papers**

- (a) [UK Shared Prosperity Fund Prospectus](#)
- (b) [UK Shared Prosperity Fund Allocations](#)

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