

Surrey Heath Borough Council

Executive

19 September 2023

UK Shared Prosperity Fund Year 1 and 2 Projects

Portfolio Holder: Cllr Kel Finan-Cooke – Economic and Income Development
Head of Service Martin Breeden – Head of Investment & Development
Report Author: Joe Walsh – Economic Development Manager
Key Decision: No.
Date Portfolio Holder signed off the report : 11 09 2023
Wards Affected: All

Summary and purpose

The purpose of this paper is to:

- 1) Update the Executive on the delivery of projects submitted to Government for the second year (April 2023-March 2024) of the UK Shared Prosperity Fund (UKSPF)
- 2) Seek approval from the Executive to develop project proposals for Year 3 (April 2024-March 2025) in line with the recommendation in Annex B.

Recommendation

The Executive is advised to RESOLVE that:

- (i) the progress made on Year 2 projects funded through the UKSPF, as set out at Annex A, be noted;
- (ii) officers develop project proposals for Year 3 in line with priorities outlined in Annex B to this report;
- (iii) officers work alongside Department for Levelling Up, Housing and Communities and the Surrey Heath Partnership to agree funding based on the priorities outlined in Annex B; and
- (iv) a further report be brought to Executive in December 2023 to approve final project recommendations.

1. Background and Supporting Information

- 1.1 After agreement from Executive in July 2022, SHBC submitted its UKSPF Investment Plan to Government in August 2022. The Council was informed in

January 2023 that this has been approved and will receive £1m of funding over 2022/23, 2023/24 and 2024/25.

- 1.2 In July 2022, the Executive agreed that due to the timescales for delivery, only projects already agreed within the SHBC Annual Plan would be supported with UKSPF funding in 2022/23 (Year 1). These have now been delivered.
- 1.3 In March 2023, the Executive agreed Year 2 projects. Annex A provides an overview of these, as well as an update on progress.
- 1.4 Due to the significant amount of spend associated with UKSPF Year 3 (£881,281) it was agreed that a report would be submitted to Executive in September 2023 to agree Year 3 project spend. This is included in Annex B of this report.
- 1.5 Included within the agreed Investment Plan submitted to Government in July 2022 was a list of proposed projects that could be delivered should the Council wish. Given that we still have a level of economic uncertainty, different priorities within our communities and a new council - officers have reviewed the relevance of these projects and produced a revised list (Annex B). The UKSPF guidance allows for changes to be made to the submitted Investment Plan. This includes changes relating to the split between revenue and capital funding.
- 1.6 Where possible, officers will seek to utilise this funding to leverage additional funding from other sources.
- 1.7 It should be noted that this is one off funding from Government and therefore projects will cease in line with this funding concluding. Officers will review other funding opportunities accordingly.

2. Reasons for Recommendation

- 2.1 Officers have engaged with services across the council to review existing and eligible projects and aligned these with current Council priorities.
- 2.2 The recommended approach allows officers to develop projects with confidence that they align with Council priorities whilst adhering to UKSPF guidelines.

3. Proposal and Alternative Options

- 3.1 Executive are able to suggest alternative options. Officers will be required to check these against UKSPF guidance, and review deliverability within the required timescales.

4. Contribution to the Council's Five Year Strategy

- 4.1 All projects being delivered contribute to the delivery of the Council's Five Year Strategy and other Council strategies.

5. Resource Implications

- 5.1 Officers have aligned projects with Council priorities and there are no additional internal resources required for the delivery of these projects.

6. Section 151 Officer Comments:

- 6.1 Formal approval of the expenditure will be included in approval of the 2024/25 budget.

7. Legal and Governance Issues

- 7.1 In order to receive the funding SHBC has signed a 'Memorandum of Understanding' with Department for Levelling Up, Housing and Communities. This was agreed with S151 and Head of Legal Services.

8. Monitoring Officer Comments:

- 8.1 No matters arising for the Monitoring Officer

9. Other Considerations and Impacts

Environment and Climate Change

- 9.1 All projects within the environment actions were considered as part of the review of the annual plan. The Climate Change Officer will contribute to the delivery of projects where appropriate.

Equalities and Human Rights

- 9.2 The projects are designed to support all parts of the Surrey Heath community.

Risk Management

- 9.3 Funding has now been agreed with Government for all three years. Each project will include a risk evaluation appropriate to the level of spend.
- 9.4 Risk mitigation includes:
- 9.4.1 Ensuring effective project management processes are in place including regular reviews
 - 9.4.2 Regularly reviewing costs, particularly with high inflation. Due to this fund being a one-off amount, should project spend increase a decision will need to be made to on which projects continue. We have allowed for a small contingency budget.
 - 9.4.3 Ensure that UKSPF guidance is followed
 - 9.4.4 Ensure that Council procedure is followed by organisations delivering on our behalf. E.g following procurement guidelines.

Community Engagement

9.5 Engagement with the Local Partnership Group, run through the Surrey Heath Partnership has been consistent during the application process. A similar report will be taken to their next Partnership Group meeting to discuss and agree the projects outlined within this report. This is in September 2023.

Annexes

Annex A – Update on UKSPF Year 2 Projects

Annex B – UKSPF Year 3 Project Recommendations

Background Papers

UKSPF Executive Report 19th July 2022

<https://surreyheath.moderngov.co.uk/documents/s27412/5.%20UK%20Shared%20Prosperity.pdf>

UKSPF Executive Report 15th November 2022

<https://surreyheath.moderngov.co.uk/documents/s28660/6.%20Year%201%20projects%20UKSPF.pdf>

UKSPF Executive Report 14th March 2023

<https://surreyheath.moderngov.co.uk/ieListDocuments.aspx?CId=127&MId=3899>