



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	CABINET 13 JULY 2022
Report Number	AGENDA ITEM No 11
Subject	SUBMISSION OF INVESTMENT PLAN FOR UK SHARED PROSPERITY FUNDING
Wards affected	All
Accountable member	Cllr Duncan Enright – Cabinet Member for Economic Development. Email: duncan.enright@westoxon.gov.uk
Accountable officer	Will Barton, Business Development Officer Tel: 01993 861482 Email: william.barton@westoxon.gov.uk Claire Locke, Group Manager - Property and Regeneration Tel: 01285 623427 Email: claire.locke@publicagroup.uk
Summary/Purpose	To seek agreement to the initial projects and themes which will be included in the Council's Investment Plan for UK Shared Prosperity Funding and delegations to enable sign off of the final plan before submission and progression with projects requiring expenditure in 2022/23.
Annexes	Annex A - Invitee list for Partnership Group
Recommendation(s)	<i>That Cabinet agrees:</i> <i>(a) to support the inclusion of the projects and interventions listed in this report in the Council's Investment Plan for the UK Shared Prosperity Fund.</i> <i>(c) to delegate authority for the final approval of the Investment Plan submission and any subsequent amendments to it, to the Group Manager - Property and Regeneration in consultation with the Cabinet Member for Economic Development.</i>

	<p><i>(d) to agree a variation and pay Publica the £20,000 revenue allocation from the UKSPF for Investment Plan preparation the application of which is to be approved by the Chief Finance Officer.</i></p> <p><i>(e) to agree that 4% of the fund is used for administration of the Programme, with the total sum of £40,000 over the life of the project being paid to Publica to employ a shared UK SPF Programme Manager, to monitor and manage project progress and undertake the required reporting.</i></p> <p><i>(f) to delegate authority for the award of contracts to consultants/contractors to deliver projects highlighted for delivery in 2022/23 to the Group Manager - Property and Regeneration in consultation with the S.151 Officer and the Cabinet Member for Economic Development.</i></p>
Corporate priorities	Emerging priorities that focus on support for Towns and villages, the local economy, climate action and the natural environment.
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Cabinet Members Stakeholders (see Annex A)

I. BACKGROUND

- 1.1. The UK Shared Prosperity Fund (UKSPF or the Fund) is part of the government’s Levelling Up agenda. 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. The primary goal of the UKSPF is to build pride in place and increase life chances across the UK through the support of high-quality skills training, improving pay, supporting employment and productivity growth.
- 1.2. The fund provided to West Oxfordshire District Council, has three themes:
- communities and place;
 - supporting local business;
 - people and skills (which comes into effect from 2024/25 onwards).
- 1.3. West Oxfordshire District Council has been allocated £1,000,000 of funding, with set allocations for each of the three years which must be spent in-year and cannot be rolled forward. This is set out in the Spend Profile table below:

Spend profile

Financial year	22/23	23/24	24/25	Total
Total allocation	£70,467	£140,934	£788,598	£999,999
Min capital	£7,047	£18,321	£157,720	£183,088
Max revenue	£63,420	£122,613	£630,878	£816,911

- 1.4. The fund can be used flexibly to support interventions across the three themes including grants to public or private organisations, commissioning third party organisations, procurement of service provision or in-house provision and loans (in “limited circumstances”). There is a prescribed set of interventions, outputs and outcomes for the fund but there is also flexibility for the inclusion of other measures, subject to agreement.
- 1.5. The Council is required to produce an Investment Plan which must be submitted by 1st August 2022. The Plan needs to identify the challenges the district faces and the opportunities to address these using the fund. The Plan then needs to set out the interventions and the outcomes that will be delivered across each of the three financial years – not individual projects at this stage.
- 1.6. There is a need for stakeholder engagement and a consensus amongst stakeholders on the challenges to be addressed and the interventions used. The guidance makes reference to a raft of stakeholders that the Council should collaborate with in the preparation of their Plan – this specifically includes our MP.
- 1.7. The Council will lead the programme and administer the funds, although the majority of projects are likely to be delivered by third parties.

2. INVESTMENT PLAN PREPARATION

- 2.1. Officers initially mapped the priorities in the Council Plan against the UKSPF interventions and outputs to see which fall within scope. These have been finessed as the Council's new priorities have started to emerge. These helped identify the Investment Plan structure and are due to be discussed with stakeholders between time of writing and the Cabinet meeting. A verbal update on the outcome of these discussions will accompany this report.
- 2.2. The strict and escalating spend profile dictates the structure of the programme. The funding is heavily geared towards the third year with only £70,467 available in the first year.
- 2.3. There is no option to carry funds forward from one year to the next so projects identified for year one need to be fully worked up and ready to go.
- 2.4. Years two and three will identify challenges to be addressed along with selected interventions and outputs rather than actual projects. This will then be developed with partners once the investment plan has been submitted.
- 2.5. As projects that will be funded in 2022/23 must be completed this year, a delegation is sought to enable the rapid appointment of consultants, contractors or partners. If there is a requirement to report back to Cabinet on actual costs once procured, there is a risk of delays which could impact on the Council's ability to spend the allocation by March 2023.
- 2.6. **Proposed Projects For Year 1**
- 2.7. An initial review of project proposals received to date indicates the following investments should be prioritised in Year 1 (2022/23), these will be confirmed through the delegation.

Initiative	Investment (Draft figures)	
	Revenue	Capital
Biodiversity Toolkit	£15,000	
Deerpark South Access Project	£5,647	£20,000
Carterton Town Centre Strategic Plan	£10,000	
Market Towns feasibility study	£10,000	
Rural services feasibility study	£7,000	
4% administration	£2,820	
Total	£50,467	£20,000

2.8. **Approach to investment in Years 2 and 3**

2.9. Whilst some possible projects have already been identified for years two and three they will not be defined in the Investment Plan. Instead the interventions we will be seeking will be set out as well as the outcomes and outputs they will deliver, enabling time to identify and develop the projects with partners that will best deliver these outcomes and are feasible within the required timescales.

2.10. Calls for projects that include relevant interventions will be made by the Council. Submissions will be assessed against the outputs and outcomes they will deliver as well as value for money on a project scoring sheet. Governance will be discussed and agreed with Cabinet.

2.11. **Investment in Year 2 - 2023/24**

2.12. The proposal for year two is to focus on work that supports rural services to ensure people have access to what they need, and town centres and markets to help ensure their viability and the towns' roles as vibrant service centres for residents and visitors.

2.13. The proposed interventions for year two are as follows (The 'E' numbers refer to the UKSPF Interventions List):

- E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs.
- E11: Investment in capacity building and infrastructure support for local civil society and community groups.
- E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.
- E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.
- E14: Funding to support relevant feasibility studies.
- E16: Investment in open markets and improvements to town centre retail and service sector infrastructure, with wrap around support for small businesses.
- E17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.
- E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

2.14. **Investment in Year 3 – 2023 / 2024**

2.15. The profiling of the SPF has been designed to fit in with the ending of European Social Fund (ESF) projects so SPF can be used to pick up gaps that are left. In Oxfordshire, the cessation of ESF affects skills training and also coincides with the end of the budget for the Oxfordshire LEP Growth Hub – the central point through which county-wide business support programmes are run.

2.16. Both skills training and business support are more effectively delivered at a larger scale and there is a willingness from the other Oxfordshire councils and key stakeholders including OxLEP and Abingdon and Witney College to work collaboratively on these themes. Joint priorities emerging from discussions include an 'enterprise agency' type business advice service which has been proven to increase business survival rates and a focus on green skills including retrofit and maintenance and repair of new carbon zero/low carbon technologies in buildings and vehicles.

2.17. The proposed interventions for year three are therefore as follows:

- E16: Investment in open markets and improvements to town centre retail and service sector infrastructure, with wrap around support for small businesses.
- E17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.
- E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.
- E24: Funding for new (and improvements to existing) training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace.
- E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.
- E29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.
- E38: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that is not being met through other provision.
- E39: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions.
- E40: Retraining support for those in high carbon sectors.

2.18. Due to the limited time available for Investment Plan preparation and the requirement to submit proposals by 1st August, Cabinet approval is requested before the final version of the Investment Plan has been completed. Agreement is therefore sought to the suite of projects with final sign off of the Plan delegated to ensure deadlines are met.

2.19. In addition to the £1M fund, the Council has an allocation of £20,000 for Investment Plan preparation, which must be spent by 1st August 2022. This will fund project management and preparation of data and evidence. It is recommended that this sum is paid to Publica to

enable them to provide these services on the Council's behalf. These funds will be ring fenced to expenditure on West Oxfordshire District Council's UKSPF submission.

- 2.20. The Council can spend 4% of the £1M allocation on administering the fund. As the lead authority for administering the fund, the Council will have a significant amount of work to do to manage the programme of projects and meet the regular reporting requirements. This allocation equates to £40,000 over the three years. Agreement is sought to pool this fund with partner councils, (Cotswold District Council and Forest of Dean District Council), to provide a total budget of £120,000 which can then fund a dedicated UKSPF project manager from 2022 - March 2025. This would be an efficient use of the resources as the delivery and reporting requirements will be the same for each Council.

3. CONCLUSIONS

- 3.1. The submission of an Investment Plan that is clearly targeted to meet UKSPF objectives as well as deliver against the Council Plan will provide significant benefits, unlocking or accelerating project delivery. The projects set out in this report have been carefully selected based on the outcomes they will deliver and have been agreed by key stakeholders.

4. LEGAL IMPLICATIONS

- 4.1. The Council has assessed the legal implications of individual projects and will ensure that they meet legal requirements, obtain relevant permissions and are procured and funded appropriately.
- 4.2. In securing UKSPF the Council must meet the requirements of the fund to avoid any repayment of the allocation. The delivery of the UKSPF will be run as a Programme and managed through Publica's existing Project Management Framework to ensure compliance with fund requirements and other risks are identified and managed effectively.
- 4.3. Save from the above, there are no other legal implications arising directly from this Report.

5. RISK ASSESSMENT

- 5.1. If the annual funding allocation is not spent, it does not carry forward and has to be repaid. Deliverability of projects has therefore been a key consideration to mitigate this risk.
- 5.2. Increasingly the Council is securing capital and revenue funding through Government grants to deliver projects which support its priorities. In some cases this will reduce the capital requirement and therefore the revenue cost of borrowing for the Council. There is however a challenge in meeting the staff resource requirements to deliver any projects that the Council will deliver directly. There may therefore need to be an allocation in future budgets for additional staff resources in specific areas, to deliver key projects.
- 5.3. There is a risk that some stakeholders do not agree with the selected projects as they consider their own projects should be funded instead. The Council is seeking to collaborate and gain a consensus and will try to mitigate this risk as much as possible. However, there is a risk some stakeholders criticise the choice of projects.

6. EQUALITIES IMPACT

- 6.1. An EIA will be undertaken for each project as they are developed, where appropriate.

7. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 6.1 The climate and ecological implications of each project are taken into account during the assessment process. The guidance published by the Government makes clear that climate change should be a key consideration.

8. ALTERNATIVE OPTIONS

- 8.1. The Council could choose not to submit an Investment Plan however it is likely it would not then receive the £1M UKSPF allocation.
- 8.2. The Council could select different projects in year one but this would not enable sufficient time to prepare the required information and evidence on them and the Investment Plan submission date would be missed.

9. BACKGROUND PAPERS

- 9.1. Annex A - List of stakeholders invited to consultations

Annex A - List of stakeholders invited to consultation

- All town and parish councils
- All WODC councillors
- Abingdon and Witney College
- Aspire
- Burford Chamber of Commerce
- Chippy Larder
- Cogges Manor Farm
- Community First Oxfordshire
- Cotswolds AONB
- Evenlode Catchment Partnership
- FarmED
- Lower Windrush Valley Project
- Marriotts Shopping centre manager
- OCC Climate Lead
- OCC Head of Healthy Place Shaping
- OCVA
- OSEP
- Oxford City Climate Lead
- Oxfordshire Association of Local Councils
- Oxfordshire Greentech
- OxLEP - Skills
- OxLEP - Business Support
- Rotary Club of Witney
- South and Vale Climate Lead
- Stagecoach
- Wake up to Woodstock
- Windrush Catchment Partnership
- Witney Blanket Hall
- Witney Chamber of Commerce
- Woolgate Shopping centre manager
- Wychwood Project

(END)