

Report to: EXECUTIVE CABINET

Date: 25 October 2023

Executive Member: Councillor Jack Naylor, Executive Member for Inclusive Growth, Business & Employment

Reporting Officer: Julian Jackson, Director of Place

Subject: UK SHARED PROSPERITY FUND UPDATE

Report Summary: The report provides an update on the UK Shared Prosperity Fund (UKSPF) for all three investment priorities including Communities & Place, Local Business & People & Skills.

Recommendations: That Executive Cabinet NOTE the update on UKSPF delivery in Tameside and progress to date.

Corporate Plan: Key aims of the Corporate Plan are to provide opportunities for people to fulfil their potential through work, skills and enterprise and to ensure modern infrastructure and a sustainable environment that works for all generations and future generations. The interventions that will be supported by the UKSPF programme in Tameside will deliver against these aims in the areas of job creation, modern infrastructure and a sustainable environment

Policy Implications: The interventions that will be supported by the UKSPF programme in Tameside will support delivery of the Borough’s Inclusive Growth Strategy 2021, the Housing Strategy 2021 to 2026, Tameside Climate Change & Environment Strategy, the Council’s growth priorities agreed at Council February 2020 and the draft Greater Manchester Places for Everyone joint development strategy.

Financial Implications: Tameside Council have been awarded £3.812m UKSPF grant funding from Department for Levelling Up, Housing and Communities (DLUHC) via GMCA. This funding covers the period 22/23 – 24/25 as outlined in the table below:
 (Authorised by the statutory Section 151 Officer & Chief Finance Officer)

UKSPF Investment Priority	Funding Allocation			
	22/23 £m	23/24 £m	24/25 £m	Total £m
Communities and Place	0.010	1.265	0.704	1.979
Local Business (Small and Medium-Sized Enterprise, SME Workspace)	0.000	0.262	0.953	1.215
People and Skills	0.000	0.226	0.392	0.618
Total	0.010	1.753	2.049	3.812

The total for People and Skills has been notionally split equally across 2023/24 and 2024/25 but will be subject to change as delivery plans are confirmed, and will form part of future updates.

This funding combines both revenue and capital elements:

UKSPF Investment Priority	Revenue £m	Capital £m	Total £m
Communities and Place	0.899	1.080	1.979
Local Business (Small and Medium-Sized Enterprise, SME Workspace)	0.422	0.793	1.215
People and Skills	0.618	0.000	0.618
Total	1.939	1.873	3.812

Update on the progress being made is set out in the report with the forecasted financial position in 23/24 shown in the table below.

UKSPF Investment Priority	23/24 Financial Position		
	Budget £m	Expenditure as at P5 £m	Total Forecast £m
Revenue Expenditure			
Communities and Place	0.574	0.042	0.574
Local Business (Small and Medium-Sized Enterprise, SME Workspace)	0.252	0.013	0.252
People and Skills	0.226	0.000	0.226
Total - Revenue	1.052	0.055	1.052
Capital Expenditure			
Communities and Place	0.691	0.007	0.691
Local Business (Small and Medium-Sized Enterprise, SME Workspace)	0.010	0.000	0.010
Total - Capital	0.701	0.007	0.701
Total Expenditure	1.753	0.062	1.753

Expenditure appears low compared to the total forecast however the majority of the work to date has been on project initiation, following approval of projects in June 2023. Project delivery and costs are therefore expected later in 23/24. For example, greenspace work is primarily expected to be delivered during Winter, the Fridays on the Square events have only just begun, and the Lantern Parade will occur during December.

There will be no adverse impact on the general fund because of this grant; all posts funded through UKSPF are on a fixed term basis. It is also expected that alongside the wider benefits, there will be contributions to existing management costs which will be one off mitigations for some of the pressures across the Place directorate in 23/24. These will be monitored and reported as part of the normal revenue monitoring process.

**Legal Implications:
(Authorised by the
Borough Solicitor)**

There are no immediate legal implications arising from this report which is primarily to update Members on the progress being made in relation to the programme.

Project officers will continue to ensure that the funding is spent within the remit of the grant to ensure that the clawback provisions are not triggered.

Risk Management:

Potential for loss of external funding opportunity to support future growth and diversification of the Tameside Economy, improved infrastructure and the securing of investment in the Borough and act as a catalyst for further investment and regeneration.

Access to Information:

Not confidential

Background Information:

The background papers relating to this report can be inspected by contacting the report writer, Christopher Ward, UKSPF Project Manager, Investment, Development and Housing



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1. INTRODUCTION

- 1.1 The UK Shared Prosperity Fund (UKSPF) is a £2.6bn fund designed to succeed and improve upon EU structural funds.
- 1.2 The UKSPF funding is split into three investment priorities; Communities & Place, Local Business and People & Skills with one overarching objective to build pride in place and increasing life chances.
- 1.3 Devolved authorities were responsible for submitting implementation plans, working to set Government timescales. An overarching implementation plan was submitted by the Greater Manchester Combined Authority (GMCA) to Central Government in July 2022, followed by an Investment Plan in September 2022.
- 1.4 Approval of the Investment Plan was received by GMCA from Central Government on 5 December 2022. Following this approval GMCA were able to provide the relevant grant agreements to Greater Manchester (GM) Local Authorities (LA's), including Tameside.

2. UKSPF COMMUNITIES & PLACE

- 2.1 The council has been allocated £1.979m of funding for Tameside against the UK Shared Prosperity Fund (UKSPF) Communities and Place investment priorities. The submission was designed to be an economic driver that delivers genuine levelling up opportunities across Tameside supporting national, GM and Tameside strategic policies.
- 2.2 This funding is available under the following interventions:
 - E1 Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs (capital and revenue)
 - E3 Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces
 - E6 Support for local arts, cultural, heritage and creative activities
- 2.3 On 25 January 2023 Executive Cabinet gave approval to implement the programme of works for UKSPF Communities and Place, to formally accept the funding and to enter into the Grant Funding Agreement. The approval for entering into the Grant Funding Agreement for the receipt of UKSPF funding was delegated to the Director of Place.
- 2.4 Any substantial, contractual changes or operational changes would need to be reported in line with the Greater Manchester Combined Authority's (GMCA's) change management process. This would require a change management form to be completed after a discussion with the programme manager at GMCA. The changes will then be discussed at the GMCA operations board and decisions made will be formally fed back.
- 2.5 Projects linked to Hyde Town Centre have allowed for additionality which will provide additional outputs and outcomes to those initially forecast, positively impacting the local community and key stakeholders on the Hyde masterplan. A shop frontage improvement scheme will be introduced to respond to a number of comments and concerns relating to the poor quality town centre shop frontages, primarily on Market Street. In addition, and similar to the community grant scheme in Ashton town centre as part of the Ashton Cultural District, local community groups in Hyde will be able to apply for funding to deliver cultural activity in Hyde. These variations have been agreed via the process set out in the Executive Cabinet report of 25 January 2023 and will be reported on in future update reports.

- 2.6 Progress to date on the current projects funded through the UKSPF can be found in Table 1 in Appendix A. There are 16 projects which are all considered to have low risk of non-delivery.
- 2.7 Table 2 in Appendix A shows active projects within this investment priority including budget allocation and spend to the end of August in this financial year.

3. UKSPF SUPPORTING LOCAL BUSINESS

- 3.1 It has been confirmed that the UK Shared Prosperity Fund (UKSPF) Local Business (Small and medium-sized enterprise, SME Workspace) investment submission has been successful and the associated funding of £1,215m will now be awarded to the Council subject to the Grant Funding Agreement with GMCA.
- 3.2 This Funding is available under the following interventions:
- E22: Investing in enterprise infrastructure and employment/innovation site development projects. This can help to unlock site development projects which will support growth in places.
- 3.3 On 8 February 2023 Executive Cabinet gave approval to implement the programme of works for UKSPF Local Business (Small and medium-sized enterprise, SME Workspace), to formally accept the funding and to enter into the Grant Funding Agreement. The approval for entering into the Grant Funding Agreement for the receipt of this UKSPF funding was delegated to the Director of Place.
- 3.4 Progress to date on the current projects within this investment priority can be found in Table 3 in Appendix B. Overall, there are 2 projects, all considered to have low risk of non-delivery.
- 3.5 Table 4 in Appendix B shows proposed spend for the supporting local business investment priority and actual spend to date.

4. UKSPF PEOPLE AND SKILLS

- 4.1 A grant of £0.490m has been offered to Tameside Local Authority with additional funding of £0.128m to resource an additional role that will oversee the UKSPF People & Skills investment priority. This funding is set to enable local authorities to support NEET (15 to 18 year olds, Not in Education, Employment, or Training) Delivery.
- 4.2 This funding is available under the following interventions:
- E33 Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) support where there are local provision gaps.
 - E34 Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills** provision for people who are unable to access training through the adult education budget or wrap around support detailed above. Supplemented by financial support for learners to enrol onto courses and complete qualifications.
- 4.3 The grant will be provided to deliver a hyper place based programme of activities that will support priority groups through key transition groups to:
- Decrease levels of young people identified as at risk of NEET (15 to 18 year olds, Not in Education, Employment, or Training) transitioning into NEET,
 - Reduce NEET levels for priority groups,

- Reduce the disparity in NEET levels for priority groups against whole age cohort,
- Reduce levels of young people whose situation is not known and increase participation levels of priority groups.

4.4 On the 30 August 2023 Executive Cabinet gave approval to accept this funding to deliver a cross Directorate project that will achieve the outcomes set out by GMCA.

4.5 The grant funding agreement for this element of UKSPF funding has been received and is in the process of being sealed.

5. PERFORMANCE AND REPORTING

5.1 As part of the Grant Funding Agreement, the Council is required to submit a formal reporting template every quarter to support Greater Manchester Combined Authority (GMCA) reporting requirements to DLUHC.

5.2 From September 2023, GMCA will require a full contract to date reconciliation and review to be undertaken which confirms:

- Actual expenditure to date signed off by s151 officers;
- Alongside achievement / forecast of identified Outputs/Outcomes, Way of Working Targets and;
- If required, credible plans demonstrating revised delivery to achieve expected targets, setting out how any underspends if applicable will be utilised in the next 6-month period.

5.3 In the development of the GM Investment Plan, it was agreed that a number of cross-cutting themes would underpin the delivery of UKSPF in GM to demonstrate the added value of place-based programmes in the realisation of the Greater Manchester Strategy. These are;

- Environment; Contribution to GM's 2038 net zero ambitions.
- Equalities; Contribution to reducing inequalities.
- Social Value; Embedding social value.

5.4 Local Authorities were asked to set out their approach to delivering "ways of working" to these cross-cutting themes through the UKSPF interventions and were considered in the original proposals.

5.5 Greater Manchester Combined Authority (GMCA) may reduce the funding allocation, overall or for a specific year if there is a failure to comply with the UKSPF performance monitoring requirements and / or if progress on project delivery is unsatisfactory.

6. CONCLUSION

6.1 The interventions supported by the UKSPF programme for Tameside will support delivery of the Council's strategic priorities as set out in the Tameside Corporate Plan and Tameside Inclusive Growth Strategy.

6.2 The funding secured provides a significant financial contribution to the Council and provides a proactive approach to the delivery of future inclusive growth.

7. RECOMMENDATIONS

7.1 As set out at the front of this report.