

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	26 October 2022
<b>Executive Member:</b>	Councillor David Sweeton, Executive Member - Inclusive Growth, Business & Employment
<b>Reporting Officer:</b>	Julian Jackson, Director of Place
<b>Subject:</b>	<b>UKSPF SME WORKSPACE BID PROPOSAL (E22)</b>
<b>Report Summary:</b>	The report seeks approval for the submission of a bid by Tameside Metropolitan Borough Council to the UK Shared Prosperity Fund (SME Workspace E22).
<b>Recommendations:</b>	That Executive Cabinet note that a bid to the UK Shared Prosperity Fund (SME Workspace E22) has been submitted from Tameside Metropolitan Borough Council for the deadline of 19 October 2022.
<b>Corporate Plan:</b>	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 proposed bid will deliver against these aims in the areas of job creation, modern infrastructure and a sustainable environment.
<b>Policy Implications:</b>	The interventions that will be supported by the bid will support the policy aims of the Borough's Inclusive Growth Strategy 2021 and the Council's growth priorities agreed at Council February 2020.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	This is a bid and therefore if not successful the outline proposal will not go ahead and if successful governance will be required to demonstrate can be delivered within budget and on time in line with any grant agreement.
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	This is a competitive bidding process and the Council has sought creative ways to achieve deliverables whilst addressing existing financial liabilities in a difficult and challenging financial climate. There is no expectation that the Council will be required to match funds but there will be a call against officer resources so this must be meeting our priorities.
<b>Risk Management:</b>	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.
<b>Background Information:</b>	The background papers relating to this report can be inspected by contacting Sarah Jamieson, Head of Economy, Employment & Skills



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## 1. INTRODUCTION

- 1.1 Tameside Council has been required to submit bids to Government, either directly or via GMCA for multiple funds, in recent months, which has been very resource intensive in terms of pulling together. Table 1 below sets out recent bids together with current status.

Table 1:

Fund	Amount available	What value does this give Tameside?	Funding secured?
Levelling Up – Bid 1	Up to £20m per Parliamentary constituency	The Fund is focused on three themes; Transport Investments; Regeneration and Town Centres; and Cultural Investment. Details and governance <a href="#">Cabinet 28.04.21</a>	Yes - £19.9m for Ashton Town Centre
Levelling Up – Bid 2	Up to £20m per Parliamentary constituency not yet in receipt of LUF funding	As above Details and governance <a href="#">here</a> .	Bid submitted for Stalybridge Town Centre (£19.9m). Decision anticipated November 2022.
Levelling Up – Bid 3	Up to £20m per Parliamentary constituency not yet in receipt of LUF funding	As above. Details and governance <a href="#">March Cabinet</a> and <a href="#">here</a>	Bid submitted for Denton Town Centre (£16.5m) Decision anticipated November 2022.
Homes England – Revenue Department al Expenditure Limits (RDEL)	£100,000 revenue funding available to Tameside. Requirement to spend and complete work by the end of March 2023.	Revenue funding to support feasibility work that helps to support new residential development.	Yes - £70,000 for Stalybridge West and £30,000 for Car Parking Strategy secured.
UKSPF – Communities & Place	£1.9m to Tameside, funding was allocated by GMCA to each LA	Funding is available to focus on improving town centres and high streets; improvements to greenspaces and support for local arts, cultural, heritage and creative activities. All of these elements support our Corporate Plan and help our residents live and work in a better environment.	In process: Proposal submitted to GMCA to be submitted to Govt as part of the GM proposal
UKSPF – SME Workspace	£15m across GM, competitive bid process means not all LA's may succeed in gaining funds	As detailed in section 4 of this briefing this will provide business support across all areas of Tameside, bring additional growth space for emerging businesses and provide some relief to current internal budget pressures.	<b>Bid proposal to be submitted by deadline of Wednesday 19 October 2022.</b>

- 1.2 This report provides information on the suggested bid proposed for the **SME Workspace investment, part of the UK Shared Prosperity Fund**. GMCA have set a deadline of Wednesday 19 October for bids to be submitted, via an Excel template, which Officers are completing.
- 1.3 The UK Shared Prosperity Fund (UKSPF) is a £2.6bn fund designed to succeed and improve upon EU structural funds. Funding is split across Investment Priorities as shown in the table

below. The figures for GM are shown below in Table 2 – highlighted is the SME Workspace intervention that is the focus of this document.

Table 2 Total UKSPF across the Investment Priorities

	Year One 2022/23	Year Two 2023/24	Year Three 2024/5	Total
Communities and Place	£7,269,019	£10,038,086	£9,689,466	<b>£26,996,571</b>
<b>SME Workspace (E22)</b>	<b>£2,000,000</b>	<b>£3,000,000</b>	<b>£10,000,000</b>	<b>£15,000,000</b>
Local Business (E22)	£500,000	£6,500,000	£9,500,000	<b>£16,500,000</b>
People and Skills	£0	£0	£22,000,000	<b>£22,000,000</b>
Admin Fee 4% (Flat rate applied)	£407,020	£814,071	£2,132,934	<b>£3,354,024</b>
<b>Total by Year</b>	<b>£10,176,043</b>	<b>£20,352,086</b>	<b>£53,322,466</b>	<b>£83,850,595</b>

1.4 Devolved authorities are responsible for submitting implementation plans, working to set Government timescales. An overarching implementation plan was submitted to Central Government in July 2022. Subject to the provision of more detailed Implementation Plans for each Investment Priority, GMCA anticipate agreement from Central Government in October 2022 in order to provide the grant agreements to GM Local Authorities (LA's), including Tameside.

1.5 The GM UKSPF Investment Plan identified a limited number of cross cutting priorities that would be reflected across all UKSPF investment. It is suggested that all proposals for UKSPF will be asked to outline their approach to delivering and reporting on each of the cross-cutting priorities. These are:

- Contribution to GM's 2038 net zero ambitions,
- Contribution to reducing inequalities, and:
- Embedding social value.

## 2. E22: SME WORKSPACE

2.1 The definition, provided by Government, for E22: SME Workspace is *“an investment in enterprise infrastructure and employment / innovation site development projects. This can help to unlock site development projects which will support growth in places.”*

2.2 Unlike the Communities and Place Intervention, no GM authority has been allocated a specific amount. Districts are invited to bid to be evaluated and prioritised against other bids with a maximum of a single bid per district as it is anticipated that the total bid for grant by Districts will exceed the £15m available. Therefore, it is not guaranteed that each District will be successful.

2.3 The spend profile is; 22/23 - £2m, 23/24 - £3m and 24/25 - £10m, spend in 22/23 may slip to 2024 subject to commitment and planned spend.

2.4 Total spend is suggested to be capital (20%) and revenue (80%) however individual bids do not have to achieve this split. Revenue Funding is assumed to be either/both Up Front Design/Technical Investigation or Early Delivery Business support.

2.5 The deadline for bids to be submitted to GMCA is 19 October 2022. This has recently been amended from an earlier date by GMCA who have noted to LA's that the grant funding

agreement remains outstanding from Government.

### 3. DRAFT PRIORITISATION CRITERIA, WEIGHTING AND SCORING

- 3.1 The UKSPF SME Funding Prioritisation report to GMCA Wider Leadership Team (September 2022) sets out the evaluation criteria with a breakdown of the key components which are required to secure scoring award shown in Table 3 below.

Table 3 Prioritisation Criteria, Scoring and Weighting

Prioritisation Criteria	Weighting
Deliverability	30%
Strategic Fit	20%
Demand	20%
Value for Money and Leverage	20%
Output & Additionality	10%

- 3.2 Assuming 10 schemes/bids are received, scheme cost ratio calculated for all schemes with the highest ratio scoring 10 and the lowest ratio scoring 1, with the other schemes sorted in order of scoring.
- 3.3 Assuming 10 schemes/bids are received, scheme grant £/m2 is calculated with the lowest grant ratio scoring 10 and the highest grant ratio scoring 1, with the other schemes sorted in order of scoring.
- 3.4 The expectation (not scored) is that all schemes promote and move GM closer to Net Zero 2038, address inequalities, maximise Social Value and have an approach to embed and report on these items.
- 3.5 The detail for each criteria is set out in the body of the report :
- **Deliverability** - The closer a scheme is to being delivered on site without barriers and has a business plan which is credible and sustainable the higher the score.
  - **Strategic Fit** - Evaluation based on Town/District-wide centres, Growth Location, or both Town Centre and Growth Location locations
  - **Demand & Supply** - Scoring will be awarded where demand is evidenced including proximity of demand and supply where it does not currently exist.
  - **Value For Money & Leverage** - includes three elements:
    - Scheme cost to grant ratio
    - Leverage of District, Non District Public Sector & Private Sector
    - Private Sector Leverage proposed to have greater multiplier
  - **Outputs and Additionality has two elements:**
    - Total m2 output in floor area in relation to grant ask
    - £ per m2
- 3.6 The fund can support investment in intervention that start from 1 April 2022 where they fit with the relevant interventions and funding requirements. This also includes administrative and preparatory costs
- 3.7 GMCA have advised that LA's are expected to have briefed Members of Parliament (MPs) prior to submitting the template. All GM MP's will also be asked to agree the overarching GM proposal before it is submitted to Government by GMCA. In light of the challenging timescales to complete the proforma with the necessary information, we intend to brief the Executive board on the 19 October 2022 and MPs by email with an invite to discuss further.

#### 4. E22: SME WORKSPACES TEMPLATE FOR TAMESIDE

4.1 The template for Tameside is being developed by officers to ensure a close fit to the requirements of this funding. The finalised template will also provide indicative outputs and outcomes as identified in the GM Investment Plan with additional outcomes, such as contribution towards Local Authority indicators, also recorded. These will be monitored throughout the funding period to allow clear reporting.

1.4 The projects detailed in Table 4, below, have been identified as suggested bids for Tameside.

Table 4

Project Name & funding ask	Tameside Value for Money	Project Detail	Potential scoring / Comments
Ashton Old Baths (AOB): SME Hub £1.8m	Provides support for growing and new businesses which is currently limited across all of Tameside whilst improving the suitability of AOB to SME's, which is seen by businesses as an attractive business base receiving many enquiries.  The funding may also relieve some internal budget pressures for the ongoing upkeep of this historical building.	Elements to the bid includes: - Creation of new SME workspace from undeveloped space - Creation of Business Support Officer role to work across Tameside and encourage new business birth, working to raise Tameside's position currently at the lowest business birth rate in GM - Building improvements to increase sustainability and work towards GM Net Zero targets by the introduction of low carbon infrastructure to improve the sustainability of the building.	High – meets target of metres squared changed to SME workspace, business support and potential new job start targets. Additional benefits of working towards Net Zero aims. Project can be delivered expediently within the challenging UKSPF timescales.
Town Centre Flexible Work Space Hubs £0.5m	Request is for a small proportion of the overall funding available and is for a new scheme which would need to be delivered at pace and may compete with other co-working spaces available through private entities.	Elements to the bid includes: - Conversion of vacant town centre units in Mossley, Droylsden, Stalybridge, Hyde & Ashton into flexible working space that can be used by local SME businesses - Hub staff to manage the spaces and provide support.	Medium – meets floorspace targets however lacks Net Zero outputs. Management of the spaces across multiple locations may be questioned.

#### 5. NEXT STEPS

5.1 These plans are being finalised and the submission template completed to allow the proposals to be sent to GMCA before the deadline of Wednesday 19 October 2022.

5.2 The MPs have been consulted in writing.

#### 6. RECOMMENDATIONS

6.1 As set out at the front of the report.