



Report to Cabinet

Date:	5 th January 2023
Title:	UK Shared Prosperity Fund (UKSPF) Project recommendations and governance
Relevant councillor(s):	Cllr Martin Tett
Author and/or contact officer:	Ian Thompson
Ward(s) affected:	All
Recommendations:	<p>Agree the proposed funding for the projects identified for the 2022-23 allocation of UKSPF as detailed in confidential Appendix A.</p> <p>Establish the Energy Doctor programme which will be delivered by the Council's Climate Change and Environment team</p> <p>Approve the governance of the Bucks SPF programme, including funding decisions for 2023-24 and 2024-25 allocations of UKSPF, as detailed in confidential Appendix A.</p>
Reason for decision:	Buckinghamshire's UKSPF funding allocation has been confirmed and therefore the Council needs to ensure plans are in place to provide effective delivery of the UKSPF fund, including spend in the current financial year.

1. Executive summary

- 1.1 The UK Shared Prosperity Fund gives councils a fixed funding allocation for Levelling-Up themed activity between 2022/23 and 2024/25.
- 1.2 Following the submission of our UK Shared Prosperity Fund Investment Plan in summer 2022, and receipt of Department for Levelling-Up, Housing, and

Communities' approval of the Plan in early December, the Council now needs to decide how money will be allocated to specific delivery projects.

- 1.3 We are recommending a programme of quick wins for the first year of UKSPF funding due to the short timeframe between receiving the year 1 UKSPF funds by DLUHC and the end of the financial year.
- 1.4 Recommendations are also set out for a project selection approach for 2023-24 and 2024-25 (the second and final years of UKSPF funding, for which there are far larger amounts of funding to allocate).

2. Content of report

- 2.1 Buckinghamshire has been allocated £5.8m from the UK Shared Prosperity Fund (UKSPF), to fund delivery of activity consistent with the themes selected in its Investment Plan (reducing energy costs through energy efficiency measures, supporting businesses to start, grow, and increase employment, and life skills and basic skills to support people to enter or retain employment).
- 2.2 UKSPF is also specially designed to support existing Levelling-Up theme activity that would otherwise be lost by cessation of EU funding. Activity funded by UKSPF needs to align with other local Levelling-Up activity including the emerging Opportunity Bucks programme, the emerging Local Skills Improvement Plan, and Multiply.
- 2.3 This report sets out the initial plans for funding existing and new local Levelling-Up activity (starting January 2023), consistent with the national Levelling-Up approach and UKSPF scope that will align with the up-coming Opportunity Bucks programme and Multiply. The plan will specifically target the 10 wards identified by the Buckinghamshire Levelling-Up Framework experiencing particular challenges in terms of Levelling-Up outcomes, tackling the high cost of heating homes (cost of living crisis), starting and growing local businesses and job opportunities, and low levels of essential work skills and work-readiness.

Buckinghamshire's UK Shared Prosperity Fund allocation

- 2.4 The UK Shared Prosperity Fund (UKSPF) is part of the Government's Levelling Up agenda, nationally providing £2.6 billion of new funding for local investment by March 2025. The UKSPF fund also replaces the EU Structural Investment Funds (ESIFs), primarily the European Regional Development Fund and European Social Fund.
- 2.5 All UK councils are offered a fixed UKSPF allocation. Buckinghamshire Council is allocated £5.8m and submitted an Investment Plan in the summer of 2022. This money will be provided on an annual basis from the Department for Levelling-Up,

Housing and Communities. Our plan was approved in December with the Year 1 funding to follow.

2.6 The Council must now agree the internal governance of UKSPF-funded activities and how proposals will be selected to receive funding.

Funding and flexibilities

2.7 Buckinghamshire Council can identify activity it wishes to fund through UKSPF in any way consistent with its Investment Plan (activities suitable to achieve the high-level Outputs and Outcomes identified in the Plan).

2.8 Mechanisms we can use to identify and fund activities include:

- grants to public or private organisations (*the default approach set out in Cabinet Office Grants Standards*)
- commissioning third party organisations
- competitive procurement processes
- in-house provision

2.9 The recommendation uses a combination of these approaches to achieve best-value and innovative delivery whilst also protecting the best of existing local activity that is aligned to the aims of Opportunity Bucks.

2.10 Opportunity Bucks

2.11 The proposed approach has been developed to align with the aims of Opportunity Bucks and will support its objectives by funding key local Levelling-Up activity.

Project recommendations

2.12 Our spend profile, below, reflects the year-by-year allocations from DHLUC (that form the overall £5.8M allocation for 2022/23 to 2024/25). Given the limited period to deliver the first year’s allocated funding (by 31st March 2023) it is recommended that year 1 funds be distributed to projects ready to mobilise.

2.13 See confidential Appendix A for details on the specific funding allocations for the proposed projects

UKSPF "Priority"	UKSPF "Intervention"	2022-23 allocation	2023-24 allocation	2024-25 allocation	Total allocation
Communities and place	Community measures to reduce the cost of living	Energy Doctor programme	Energy Doctor programme	Energy Doctor programme	£1.9m
		Year 1	Year 2	Year 3	



Supporting local business	Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development	Bucks Business First Buckinghamshire Council's Economic Development team projects	A mix of Economic Development, team projects and a competitive grant process	A mix of Economic Development, team projects and a competitive grant process	£1.9m
		Year 1	Year 2	Year 3	
People and skills	Employment support for economically inactive people: to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) AND 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	Funding allocation to be rolled-into Year 2	Adviza's Building Futures programme	Adviza Building Futures programme and other programmes to be identified.	£1.8m

2.14 Community and Place Priority

- 2.15 Within this priority, the UKSPF Intervention in our Investment Plan is: 'Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change'.
- 2.16 Through this Intervention we are committed to delivering support to enable households to utilise energy-efficiency measures and to reduce household greenhouse gas emissions.
- 2.17 UKSPF requires us to achieve a minimum capital spend (£235,000 in 2022-23) and this Intervention will need to achieve much of the capital spend required, with opportunities to fund household improvements from this capital funding. Other Interventions in the Investment Plan do not have significant attributable capital spend.
- 2.18 To achieve these objectives, capital and revenue has been allocated up to March 2023 to fund Buckinghamshire Council's Climate Change and Environment Team to

deliver the 'Energy Doctor' programme. See confidential Appendix A for specific funding allocations. Details of the Energy Doctor programme are outlined in Appendix B.

- 2.19 The Energy Doctor programme will consist of additional Council officers working on-the-ground in communities to provide a mix of advice and home assessment (home visits), and delivering low-cost, quick-win energy efficiency measures. Examples of these include LED lightbulbs, reflective radiator panels, and hot water cylinder insulation. A small number of one-off improvements could also be delivered.
- 2.20 This approach will support residents during the cost-of-living crisis and can be implemented quickly.
- 2.21 The Energy Doctor programme will initially target low-income private rental households where the properties have an energy performance certificate rating of D or lower. Many of these fall within the areas identified by Opportunity Bucks.
- 2.22 The Energy Doctor programme will contribute to the delivery of the Council's Climate Change and Air Quality Strategy, which highlights the importance of promoting opportunities for residents to improve their homes to help them mitigate and/or adapt to climate change and poor air quality.
- 2.23 There are currently two schemes in Buckinghamshire that deliver energy consumption reduction measures in domestic properties ("Better Housing, Better Health" and "Sustainable Warmth"). However, these measures typically have a long lead-time. Helping Hands links to the Better Housing, Better Health scheme (previously called the Affordable Warmth Helpline) which helps Buckinghamshire residents keep warm and well at home and improve the energy efficiency of their homes. The Energy Doctor programme fills the gap by offering installation of low-cost easy retrofit resource efficiency measures without the long lead-in times.
- 2.24 The Climate Change and Environment team will ensure that The Energy Doctor programme complements existing and new schemes that are rolled out by Central Government and housing associations, such as the Eco+ scheme, avoiding duplication.
- 2.25 Increasing funding for this programme in Years 2 and 3 is recommended to build the programme and deliver larger, more impactful measures, reflecting the increases in our UKSPF funding allocation for 2023-24 and 2024-25.
- 2.26 **Supporting Local Business Priority**
- 2.27 Within this priority, the UKSPF-menu Intervention committed to in our Investment Plan is: 'Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development'

- 2.28 Through this Intervention we are committed to ensuring businesses receive non-financial support, creating opportunities for businesses to adopt new technology, and that jobs are safeguarded and created.
- 2.29 See confidential Appendix A for the year 1 funding allocation for this intervention to be spent before March 2023.
- 2.30 To achieve these objectives, it is recommended that Buckinghamshire Business First (BBF) receives a grant award for year 1 (see confidential Appendix A). This will be subject to a detailed agreement on the specific deliverables and outcomes to be delivered.
- 2.31 BBF has experience of delivering ESIF-funded business support programmes and are currently delivering legacy ESIF programmes which are due to end this year and are the best option for achieving the quick-spend under this Intervention that is required in the first year of UKSPF.
- 2.32 Funding will be used to deliver a programme of business support to be initially prioritised in the Opportunity Bucks wards and will focus mainly on reducing business energy consumption to increase resilience during times of high energy cost. Additionally, there will be support for rural businesses to access future funding sources. Further detail of the programme of support is provided in Appendix 3.
- 2.33 Awarding funding from the 2022-23 allocation to an alternative business support organisation is not considered a viable approach due to the tight timescales and unique scale and experience of BBF on EU-funded business support projects as well as the Community Renewal Fund (which is ceasing in December 2022).
- 2.34 Alongside the BBF grant, we recommend an allocation to Buckinghamshire Council's Economic Development Team to commission business support projects. These will focus on support for start-ups and sector-specific support for markets and Digital skills. The proposed allocation can be found in confidential Appendix A and further detail on the projects in Appendix C.
- 2.35 For 2023-24 and 2024-25 there is a remaining amount available under this Intervention which can be found in confidential Appendix A.
- 2.36 An allocation of the remaining amount is ringfenced to support Buckinghamshire Council's Economic Development Team to deliver its program of business support activity. Further detail is provided in Appendix C.
- 2.37 The remaining allocation will provide business support activity across Buckinghamshire through a competitive process. This will mirror the competitive process of allocation previously operating for ESIF-funded business support activity. It will allow for innovative approaches to delivery to be identified.

- 2.38 The process will require the funded business support activity to align with Buckinghamshire’s Strategic Vision, Buckinghamshire Council’s Corporate Strategy, and UKSPF requirements. Examples include (but are not limited to):
- Start-up support (in hard-to-reach areas), including sign posting to financial programmes or 1:1 support
 - Sustaining and growing businesses to help create good quality positions with progression and growth
 - Support for innovation in creative and digital sectors to generate business growth
 - Health and Social Care innovation and Medtech opportunities
- 2.39 The approach in Years 2 and 3 will combine a fair, competitive, and transparent process for the bulk of funding, allowing a mix of new ideas and delivery approaches to come-forward, whilst ensuring Buckinghamshire Council develops a business-support legacy that can be sustained after UKSPF funding ends in March 2025.
- 2.40 **People and Skills Priority**
- 2.41 Within this Priority, the Investment Plan committed to two UKSPF-menu Interventions. These are, “Employment support for economically inactive people: to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, maths and ESOL)” and, “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”
- 2.42 Through this Intervention we are committed to ensuring additional Bucks residents gain basic life and career skills including qualifications, that people engage in job searching and feel better prepared for work and sustain employment.
- 2.43 The allocation proposed for these Interventions by our Investment Plan can be found in confidential Appendix A. By design the UKSPF funding in 2022-23 and 2023-24 for People and Skills activities can only be used to sustain existing EU-funded activity that would otherwise cease with EU funding streams. New activities can commence only in the final year of UKSPF (2024-25).
- 2.44 Building Futures, run by the charity Adviza, is the only eligible local skills activity. It is a partnership of organisations who together provide employment support to vulnerable adults who are economically inactive, offering one-to-one, person-centred support aimed at moving them into employment or closer towards mainstream provision and then employment. Further detail on Building Futures is provided in Appendix D.

- 2.45 Building Futures activity has for some time prioritised support for people that live in, or close to, the wards that Opportunity Bucks has identified as key areas requiring Levelling-Up (Building Futures is already delivered from locations in the centre of Aylesbury, High Wycombe, and Chesham and is therefore already accessible to people in these wards). Continuing Building Futures is therefore required to ensure that Opportunity Bucks' additional investment can build on, rather than replace, existing provision.
- 2.46 It is recommended that the future work of Building Futures, funded by our UKSPF allocation, is overseen by the Opportunity Bucks thematic board.
- 2.47 We recommend funding Adviza's Building Futures programme until March 2024, at which point the Opportunity Bucks thematic board can then review progress and determine the continued funding case for 2024-25.
- 2.48 The allocation of UKSPF funding in 2024-25, which can extend to new projects, should be determined nearer the time by the Opportunity Bucks thematic board alongside Multiply and the emerging Buckinghamshire Local Skills Improvement Programme. That approach will ensure a joined-up investment in local skills.
- 2.49 **Governance and project selection**
- 2.50 The Council, as lead for the fund, holds the overall responsibility for determining the allocation of funding and output monitoring. The Council will manage, assess and approve applications, process payments and the day-to-day monitoring. The 4% top slice from the overall allocation will be used to support the fund administration.
- 2.51 In addition to the Council's role in administering the fund, the lead body must ensure that local partners are involved in supporting the delivery of the fund, by providing advice on strategic fit and deliverability – taking care to avoid conflicts of interest. This will ensure that Fund investments complement other activities in the area and meet Fund and local objectives.
- 2.52 **Proposed governance of Bucks Investment Plan**
- 2.53 Buckinghamshire Growth Board will provide partner oversight for the delivery of the workstreams identified for UKSPF funding.
- 2.54 It is proposed that the Levelling Up Programme Board 'Opportunity Bucks' advises the project selection for SPF and synergies with OB projects. This board includes a number of existing thematic lead organisations:
- Education and Skills: Action4Youth, BBF, Bucks Council Education lead
 - Jobs and Careers: BBF, BC Corporate Director for Planning, Growth and Sustainability, Bucks LEP

- Quality of Public Realm: BC Corporate Director for Communities, BC Service Director for Economic Growth and Regeneration
 - Standard of Living: Red Kite, BC Service Director of Culture, Sport and Leisure, Bucks NHS Trust
 - Health and Wellbeing: BC Director of Public Health, BC Service Director of Culture, Sport and Leisure, Integrated Care Board
- 2.55 UKSPF guidance recommends that certain partners are involved in UKSPF on an ongoing basis, advising and assisting in delivery of the outcomes sought from the investments made. We suggest a separate group should inform that the business support intervention draw upon appropriate representation from this sector.
- 2.56 It is also important to note that conflicts of interest may arise if potential providers and funding bidders are involved in project definition and selection. Any potential conflicts of interest will be anticipated and dealt with in an appropriate way.
- 2.57 Terms of Reference should be drafted to ensure the Group is aware of the lead local authority's responsibilities as the Accountable Body and to make each member aware of its role and responsibility.

3. Other options considered

- 3.1 We are recommending an approach that uses the freedoms and flexibility of project selection and funding, to mix the benefits of direct grants, direct funding for internal teams, and competitive bidding. Alternative options within the Interventions were considered impractical given the timescales required, and would likely offer worse value for money, or likely to offer a less-rounded mix of activity and benefits.
- 3.2 Running a bidding/competitive process for project funding for the 2022-23 UKSPF programme is not feasible given the need to spend it by the end of March 2023.
- 3.3 For the People and Skills Priority, UKSPF criteria prohibit the funding (until April 2024) of any activity other than those already receiving EU funds, and so alternatives to the recommended option of supporting Adviza are not available. We are recommending considering additional or alternative skills provisions in 2024-25, the point at which UKSPF permits consideration of other options.

4. Legal and financial implications

- 4.1 Buckinghamshire Council is the accountable body responsible for overseeing delivery of projects and distribution of funding in accordance with corporate policies and standards.

- 4.2 The Communities and Place Project (Domestic Resource Efficient Project, Years 1-3) will be delivered in-house by the Council's Energy team.
- 4.3 Initially, funding agreements will need to be agreed between BBF (Year 1 only) and Adviza (Years 1 and 2). Detailed project plans, including financials, will need to be provided and sense-checked before Funding Agreements are signed.
- 4.4 Financial Health checks have already been carried out on BBF and Adviza, with no concerns raised.
- 4.5 For the further grant allocations, beyond those set out above, a transparent, competitive grant process will be created, with input from Legal and Finance.
- 4.6 The Strategy and Growth Funding team are working closely with the Council's Legal team to ensure that any agreements and schemes established to allow the delivery of the Buckinghamshire Council Investment Plan protect the Council's interests and expedite delivery.
- 4.7 The Council is entitled to utilise 4% of our funding allocation for the management and administration of the programme. This must also be utilised to cover management and administration of the £1.8m Rural England Prosperity Fund capital grant programme, which has no separate capacity funding attached to it.

5. Corporate implications

- 5.1 At this stage there are no implications for Property, HR, or Data as there is no proposed project or activity that would impact these.
- 5.2 The programme will have HR implications given the new roles funded by UKSPF within the Council. These being:
 - a) A Grants Officer assisting and dealing with day-to-day administration of the UKSPF programme – this will be funded through the 4% Management and Administration of the UKSPF funding
 - b) 3 officers (Grade 6) and 1 administrator (Grade 2) being added to the Energy Management Team – this is included in the project costs for the Energy Doctor programme
- 5.3 Climate change and Sustainability are corporate priorities that the community and place priority align with through our measures to support cost of living challenges. Our proposals include allocating funding to projects to improve the energy efficiency of Buckinghamshire's housing stock or install more efficient heating systems or heating from renewable sources.

- 5.4 There are positive implications for Equality: the proposed approach strongly reflects the Levelling-Up agenda and is aimed at levelling-up the life chances of the most deprived people in Buckinghamshire. The Interventions and projects identified have been selected as those with the greatest potential overall to achieve this levelling-up aim, address persistent inequalities, and support the Opportunity Bucks framework. Prior to establishing individual projects, it is hard to anticipate the potential impacts of our wider community, although any impacts at this stage would be anticipated as being positive as this is the purpose of the SPF.
- 5.5 A Data Protection Impact Assessment will be undertaken for the Energy Doctor scheme element as there will be new processing of personal data, and this has been discussed with the Council's Head of Information Management. With regards to the existing skills programmes that our Investment Plan is proposing to continue funding, once approval has been given, we will need to find out if they are processing personal data and encourage them to complete one if they are.
- 5.6 Value for Money has been a foundational consideration for prioritising our Investment Plan project proposals for year 1 and recommendations for years 2 and 3; the projects prioritised are judged to provide value for money with the limited funding available through the Bucks allocation.

6. Local councillors & community boards consultation & views

- 6.1 This is a county-wide investment plan. There has been oversight of the investment plan interventions and proposed projects through the Buckinghamshire Growth Board. Additionally, engagement with councillors and community boards will likely take place in years 2 and 3 during the next stages of call for projects.

7. Communication, engagement & further consultation

- 7.1 Local stakeholders have been engaged, including through the mid-June workshop and attendance at stakeholders' meetings. This, and further communication offline, has provided opportunity for stakeholders to express their views and offer evidence to help shape the priorities identified.
- 7.2 Communications plans will be developed appropriate to each Intervention and project to be delivered.

8. Next steps and review

- 8.1 Subject to receipt of the 2022-23 allocation from government, the relevant project deliverers for year 1 will be informed and funding agreements negotiated to enable delivery of the investment plan outcomes for 22/23.

9. Background papers

9.1 None

10. Your questions and views (for key decisions)

10.1 If you have any questions about the matters contained in this report please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by email democracy@buckinghamshire.gov.uk

