

WELWYN HATFIELD BOROUGH COUNCIL
SPECIAL CABINET – 25 JULY 2022
REPORT OF THE CHIEF EXECUTIVE

UNITED KINGDOM SHARED PROSPERITY FUND (UKPSF)

1 Executive Summary

- 1.1 The UK Shared Prosperity Fund (UKSPF) was launched on 13 April 2022. It sits within the Government's Levelling Up agenda, though unlike many other funds it is not a competitive process and all areas will receive an allocation. The total value of the fund is £2.6bn, of which Welwyn Hatfield's allocation is £1,468,506. The fund will run until March 2025.
- 1.2 In order to access the fund, it requires the formation of a Local Partnership group of stakeholders and the submission of an Investment Plan which sets out the challenges the area faces, along with how the UKSPF investment will help address these.
- 1.3 Those processes are well underway and this report seeks delegated authority for the Investment Plan to be submitted in time for the deadline of 01 August 2022.

2 Recommendation(s)

- 2.1 Cabinet agrees that delegated authority is given to the Executive Director (Finance and Transformation) and the Chief Executive, in consultation with the Leader and Executive Member (Planning and Resources), to authorise, submit and amend any subsequent changes to the UKSPF Investment Plan.
- 2.2 Cabinet notes that the Executive Director (Finance and Transformation), in consultation with the Executive Member (Planning and Resources) will adjust the Council's budget once the UKSPF Investment Plan is approved, under his general delegated powers and in accordance with the Council's Financial Regulations.

3 Explanation

- 3.1 The UK Shared Prosperity Fund (UKSPF) was launched on 13 April 2022. It sits within the Government's Levelling Up agenda, though unlike many other funds it is not a competitive process and all areas will receive an allocation. The total value of the fund is £2.6bn, of which Welwyn Hatfield's allocation is £1,468,506.
- 3.2 The fund is intended to recognise that areas of deprivation often sit alongside areas of affluence, and is intended to enable local decision making. Each local authority is required to prepare and submit an investment plan in order to access the fund. However, the process is being run on quite a short timescale, with a deadline for submissions of 01 August 2022.

- 3.3 The fund can be used for three areas of investment priority, which are intended to complement Levelling Up missions, with an overarching mission of “Building pride in place and increasing life chances”:
- i. Community and Place. This seeks to foster a sense of local pride, enhance access to amenities, and build healthy and safe neighbourhoods through investment in places and the built and natural environment.
 - ii. Supporting Local Business. This seeks to create jobs and build community cohesion, promote networking and collaboration, enable business to share expertise and resources, and increase private sector investment.
 - iii. People and Skills. This seeks to reduce levels of economic activity, reduce barriers to the labour market, and improve skills to improve employment outcomes and support people into work.
- 3.4 Alongside this, a separate part of the fund called “Multiply” is provided for an adult numeracy programme, which goes to upper tier authorities. Hertfordshire’s allocation is £5.8m.
- 3.5 There is a requirement for local authorities to convene a local partnership group, as “comprehensive and balanced local partnerships will be a core component of how the Fund is administered locally” and these partnership groups should work on the investment plan with the local authority. The guidance isn’t specific about who should attend but gives examples of a range of organisations.
- 3.6 To assist swift decision making given the tight deadline, Welwyn Hatfield Borough Council has formed a focussed Partnership Group, chaired by the Leader of the Council. The members of the group are Welwyn Hatfield Borough Council, Hertfordshire County Council, the University of Hertfordshire, Oaklands College, the Hertfordshire Chamber of Commerce and the Hertfordshire Local Enterprise Partnership.
- 3.7 The Partnership Group has met and has decided to support a number of projects for various sums of money. Examples of projects to be included are:
- Hatfield Market Place Public Realm Regeneration
 - Anniversary Gardens, Welwyn Garden City
 - Campus West, Digital Information Screens
 - Mill Green Museum, creation of classroom
 - Herts Growth Hub
 - Business Start Up Support
 - Herts Pathways to Employment programme
 - Building Better Opportunities programme
 - Inclusive Employment programme
 - Chamber of Commerce Workshops
 - Funding of Town and Parish Councils for local projects
 - Careers Events
 - Support to the CVS to run a volunteer gardening project
 - Town Centre events
- 3.8 The government has previously indicated that they would publish in July 2022, a concise set of information setting out the reporting requirements, indicator definitions, and further guidance to assist local authorities with project selection.

However at the time of writing this report, such guidance has not been made available yet.

- 3.9 At the time of writing, the Investment Plan, which acts as the application for the fund, is being finalised, so Cabinet are requested to give delegated authority to the Executive Director (Finance and Transformation) and the Chief Executive, in consultation with the Leader and Deputy Leader, to sign off and submit the UKSPF Investment Plan before the deadline of 01 August.
- 3.10 It is envisaged that the investment plan would be determined by the Department for Levelling Up, Housing and Communities (DLUHC) in around October 2022 and payment will only be made once the plan is approved.

Implications

4 Legal Implication(s)

- 4.1 Section 1 of the Localism Act 2011, confers on local authorities a general power of competence to do anything the individuals generally may do.
- 4.2 The council is a best value authority under the Local Government Act 1999 and is required to make arrangements to secure continuous improvement in the way in which it exercises its functions.

5 Financial Implication(s)

- 5.1 Welwyn Hatfield Borough Council will receive £1,468,506 from the UK Shared Prosperity Fund. The fund is profiled over three years with a minimum spend on capital each year. 4% of the fund could be used for administration purposes. As the Borough Council is 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 meeting the regular reporting requirements. It is proposed that 4% of the fund (equivalent to around £58k over the three years) will be set aside for the administration cost of managing the fund.
- 5.2 The required profile of the expenditure is:

	2022-23	2023-24	2024-25	Total
Allocation	£178,217	£356,433	£933,856	£1,468,505
Min Capital %	10%	13%	20%	
Min Capital (£)	£17,821.70	£46,336.29	£186,771.20	£250,929.19

- 5.3 If an underspend occurs in year, authorities will be expected to provide the government with credible spending plans on how any underspend will be utilised within the following year, and the government may withhold payments of the next years allocation in the absence of a credible plan. All the fund must be spent by March 2025, and any underspends at this point would need to be repaid to the government.
- 5.4 In line with section 4.3 of the Financial Regulations, the councils Section 151 Officer may, in consultation with the Executive Member for Resources, adjust the

budget for the recording of ring-fenced grant income and the associated expenditure.

6 Risk Management Implications

- 6.1. The risks related to this proposal are:
- 6.2. Financial Risk. The Investment Plan requires the Council to set out the outputs and deliverables from the funding, and ongoing monitoring will take place through the life of the fund. If those outputs are not achieved, the Council may be required to pay back the funding. However, the Council and Local Enterprise Partnership have wide experience of delivering projects of these types so it is not anticipated that this will present significant risk.
- 6.3. Reputational Risk. When embarking on any projects, there is a risk that if what is delivered is not in line with expectations – whether realistic or not - the Council may suffer an impact to its reputation. To ensure that residents and others are clear as to what can be expected and what will be delivered, there will be a clear communications strategy and programme put into place before commencement.

7 Security and Terrorism Implication(s)

- 7.1 There are no known security or terrorism implications from this report. Any work to public realm will consider the current guidance on this issue when being designed.

8 Procurement Implication(s)

- 8.1 Any procurement required from this fund will follow the Council's normal procurement processes.

9 Climate Change Implication(s)

- 9.1. The work to local amenities in both Welwyn Garden City and Hatfield is intended to enable residents to spend more time locally and thus reduce the need to travel.
- 9.2. Landscaping improvements paid for by the fund will have a positive environmental impact.
- 9.3. One of the aims of the fund is to increase economic activity, this may have a negative impact on the environment, although this will be mitigated by other government initiatives, including the Net Zero Carbon Strategy.

10 Human Resources Implication(s)

- 10.1 The work to convene the Partnership Group and draw up the Investment Plan has been undertaken by officers as part of their normal duties. Any additional resources required to deliver the approved projects will be paid for from the 4% permitted for administration.

11 Health and Wellbeing Implication(s)

- 11.1. The UKSPF is intended to build pride in place and increase life chances. Such investments will assist the health of the population and improve general wellbeing of residents.

12 Communication and Engagement Implication(s)

- 12.1 Each of the projects delivered as a result of the UKSPF will undertake communications and engagement activities as required to engage and inform local residents and others as required.

13 Link to Corporate Priorities

13.1 This work links to Corporate Priorities (1) Our Community, (2) Our Environment, and (4) Our Economy.

14 Equality and Diversity

14.1. One of the aims of the fund and some of the proposed schemes is to encourage employment opportunities for those furthest away from the labour market. Individuals from a BAME background and those with a disability are more likely to suffer from long term unemployment and it is impacted that the fund will have a positive impact on these groups.

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