

Agenda Item No:	8	
Committee:	Cabinet	
Date:	20 November 2023	
Report Title:	UK Shared Prosperity Fund	

1 Purpose / Summary

1.1 At the Cabinet meeting held on 30th January 2023 Members considered a report titled “UK Shared Prosperity Fund” and agreed to recommend:

- Acceptance of UK Shared Prosperity Funding (SPF) from the Cambridgeshire & Peterborough Combined Authority for a three-year period commencing in 2022-23 and ending in 2024-25.
- To delegate to Officers responsibility for approving and finalising entry into the CPCA’s SPF Grant Funding Agreement.
- To note that a further report will be presented to Cabinet for approval of the detailed proposals in relation to the procedures and documentation associated with the onward administration of the funding; and

1.2 At the Cabinet meeting held on 20th February 2023 Members considered a further report titled “UK Shared Prosperity Fund” and agreed to recommend:

- The legal, financial and governance arrangements in relation to the administration of Fenland District Council’s SPF allocation as set out in this report.

1.3 The purpose of this report is to determine the proposals in relation to the allocation of the funding for the SPF Investment in Business project for 2024-25.

2 Key Issues

2.1 A council cannot contract out its decision making to another body unless it is permitted by the Deregulation and Contracting Out Act.

3 Recommendations

3.1 Cabinet is requested to consider and agree the allocation of the SPF Investment in Business budget for 2024-25.

Wards Affected	All
Forward Plan Reference	
Portfolio Holder(s)	Cllr Ian Benney
Report Originator(s)	Anna Goodall, Assistant Director Simon Jackson, Economic Growth Manager
Contact Officer(s)	Simon Jackson, Economic Growth Manager
Background Papers	UK Shared Prosperity Fund: prospectus - GOV.UK (https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus)

Report:

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 The following four Fenland Shared Prosperity Fund (SPF) projects were approved by the Department for Levelling Up Housing and Communities (DLUHC) to receive £1.112m of funding over a three-year period ending on 31st March 2025 as follows:
- Investment in Business £908k
 - Amplifying Community Arts and Culture £120k
 - Tackling ASB issues in Wisbech £34k
 - Safer Wisbech £50k
- 1.2 All four projects are currently delivering outputs and outcomes as set out the individual project Grant Funding Agreement with the CPCA. Except for the Investment in Business (liB) project, all projects have a defined and agreed three-year delivery programme. The liB project set out a detailed programme for the delivery of a business grants scheme covering the first two years of SPF and strategic aims for delivery in year three. A delivery programme has now been created for 2024-25 and is the subject of this report.
- 1.3 In 2024-25 after estimated admin and other costs as follows the liB project will have c£540k available to invest in the delivery of the project:
- SPF Funded Investment in Business Officer £50k (total cost)
 - FDC staff costs (Economic Growth Manager & Business Engagement Manager) £30k
 - Programme evaluation £15k
 - Marketing £6k
- 1.4 It is proposed that the £540k be allocated as follows:
- (a) £250k continuation of the existing SPF business grant scheme

- (b) £150k grant scheme to support business start-ups/early-stage businesses
- (c) £140k business skills for young people (16-25) – three projects:
 - i. Business training for early-stage businesses
 - ii. Running a business/entrepreneurial course for schools
 - iii. How to be business ready event(s)

- 1.5 One of the key requirements set out by DLUHC for SPF was to include significant investment in skills related projects and outcomes in year three. Our year three proposed programme reflects this requirement with its focus on business skills for young people. In addition, at the Cabinet meeting on 30th January 2023 it was agreed that a sum of c£131k from the Council's SPF allocation be provided to the CPCA to invest in a Cambridgeshire and Peterborough People and Skills Programme in year three. This SPF will deliver:
- A refined 'Skills Brokerage Service' offer for businesses.
 - Further development of the 'All-age careers service' aspiration/offering.
 - Funding to provide paid internship opportunities.

The full CPCA report "UK SPF – Skills Projects and Succession Planning for Skills Brokerage Service" was presented to the CPCA Skills & Employment Committee Agenda Item 7 on 5th June 2023.

- 1.6 The liB project will continue to be managed by the Council's Economic Growth Team (EGT). External support will be procured to support the delivery of the grant scheme to support business start-ups/early-stage businesses and business skills for young people. Such external support would include for example from the CPCA's Growth Hub service which focuses on business start-ups/early-stage businesses.
- 1.7 The grant decision making process for the existing SPF business grant scheme and the proposed grant scheme to support business start-ups/early-stage businesses will continue to utilise the EGT, North Cambridgeshire Place Development Board (PDB) and the Council's SPF Grants Team.
- 1.8 The EGT will provide the PDB with each application and supporting evidence/documentation and its recommendation as to whether to support or otherwise the application. The PDB will provide their feedback on each application to the EGT. The decision on whether to support an application will then be made by the Council's SPF Grants Team consisting of Officers from Finance, Audit and the Economic Growth Team.

2 REASONS FOR RECOMMENDATIONS

- 2.1 The reason for the recommendation is to gain Cabinet approval for the allocation of the SPF liB budget for 2024-25.

3 CONSULTATION

- 3.1 Engagement with partners and evaluation on current projects such as Growth Works and Growth HUB Start & Grow pilot has enabled external views and policies to be incorporated into the SPF projects.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 An alternative option would be not involving the PDB in the process. The PDB is made up of representatives from the Fenland business community will bring expertise and experience in evaluating private sector business investments and will help to ensure the most effective use of the SPF grant funding. This breadth of experience and expertise is not available within the Council. Another option might be that the final decision is taken by a member or members rather than Council officers. The final decision on grant applications is an operational rather than strategic decision. The Leader of the Council will sit on the PDB and contribute to its recommendations as to whether to support or otherwise each application.

5 IMPLICATIONS

5.1 Legal Implications

- 5.1.1 Authority has been given for Fenland District Council to enter into a Grant Funding Agreement with the CPCA who are passporting central government funding from DLUHC. In order now for the Council to distribute the funding to the intended recipients and in accordance with its bid, further governance is required.

- 5.1.2 In relation to the allocation of funding connected with Investment in Business, it is important for the Council to ensure that a fair and proportionate process is in place to assist with the determination of applications. The process for undertaking initial and full assessments of those applications received is as set out in this report. Recommendations will then be made by the EGT and PDB before a final decision is taken by the SPF Grants Team which will be comprised of officers who have had no prior involvement in the process, An appeal mechanism will exist where again, decisions will be taken by officers who have had no prior involvement and are of greater seniority than the original decision maker(s) seeking input from members where necessary. This is consistent with ordinary and fair decision-making processes and will be supplemented and supported with detailed information for applicants about the scheme; what the criteria are, how the decision will be made and by whom and how their data will be processed, shared and stored. Information sharing, conflict of interest and confidentiality agreements/policies will be drawn up with the PDB and each successful applicant will be required to enter into a grant funding agreement in order to receive the monies. This will ensure that the applicant understand what is expected of them upon receipt of the funding, for officers to be able to

undertake periodic reviews and ultimately for the Council to clawback the monies in the very unlikely event the need to do so arises. Decisions relating to this scheme will be published in accordance with the Council's statutory obligations and having regard to any exemptions which may exist. Subsidy control will be assessed and documented on each occasion to safeguard the Council's interests and in compliance with its obligations under the CPCA GFA.

- 5.1.3 Similar arrangements will be put in place for the distribution of the remainder of the funding however fewer formalities will be required in view of the fact that the PDB will not be involved. All decisions will be taken at officer level and recorded via a published decision notice. Again, successful recipients of the funding will be selected via fair and objective criteria and/or in compliance with the Council's Code of Procurement. Associated grant funding or service agreements will then be drawn up to formally record the arrangements and to again safeguard the Council's obligations and liabilities in further passporting the funding.

5.2 Financial Implications

- 5.2.1 It is currently being assumed that there will be no carry over of the liB SPF funds allocated into 2025-26. This creates a risk that some of the liB SPF funding may not be utilised. The EGT are aware of this risk and are undertaking mitigating actions. A proportion of the liB SPF has been allocated to an officer post to support applicants through the process and ensuring all relevant documentation is in place.

5.3 Equality Implications

- 5.3.1 All individual projects and services have been assessed to ensure equality of access, etc.