

Gloucester City Council

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| Meeting: | Overview & Scrutiny Committee | Date: | 4 September 2023 |
| Subject: | Allocation of the Gloucester UK Shared Prosperity Fund. | | |
| Report Of: | Councillor Richard Cook, Leader of the Council | | |
| Wards Affected: | All wards | | |
| Key Decision: | No | Budget/Policy Framework: | No |
| Contact Officer: | David Evans, City Growth & Delivery Manager | | |
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| Appendix: | 1. Summary of Projects being supported by the Gloucester allocation of the UK Shared Prosperity Fund | | |

1.0 Purpose of Report

- 1.1 To advise Overview and Scrutiny Committee of progress in spending the budget allocated to Gloucester within the UK Shared Prosperity Fund (UKSPF), and of Officers' intentions for the amount remaining unallocated within the Fund.

2.0 Recommendation

- 2.1 That Overview and Scrutiny Committee notes the progress made in spending the Gloucester UKSPF and Officers' plans to allocate the remaining fund, and makes any further recommendations as necessary.

2.0 Background and Key Issues - Overview of the UK Shared Prosperity Fund

- 2.1 The report to Cabinet in July 2022 presented the background to the UKSPF and the consultative process undertaken over the period May to July 2022 to prepare an Investment Plan. Cabinet agreed that, subject to the Investment Plan being approved by DLUHC, the allocation of the fund would be delegated to The Leader in consultation with relevant officers. The Investment Plan was submitted to DLUHC in August 2022 following sign off by The Leader and was approved in December 2022.
- 2.2 During September to November 2022 the Council invited local organisations within community, environment and business sectors to submit Expressions of Interest (Eols) to deliver projects and services. 49 Eols were received requesting funding totalling just over £5.1m. Evaluation of the Eols was undertaken by a small panel comprising the City Growth and Delivery Manager, The Community Wellbeing Officer and two external advisors, one from the community sector and the other representing local small businesses.

2.3 A short list of applications was proposed to the Leader who approved it in consultation with the Managing Director. A summary of the approved projects is at Appendix 1.

3.0 Progress Update

3.1 Having already invited Expressions of Interest and provisionally allocated the fund, the Council was able to act promptly at the end of 2022 to commission projects prior to the end of the financial year. This meant that by the end of March £85,502.61 of the £180,383 allocated to Gloucester in year 1 was spent.

3.2 The following table presents a summary of the activities undertaken and services provided through the UKSPF during its first year.

| Applicant | Project | UKSPF award – year 1 (£) | Progress report |
|------------------------------|--|-------------------------------------|--|
| Roots Coffee & Community CIC | Roots Refills | £12,000.00 | UKSPF funding has bridged the gap for this project which has seen 100sqm of new shopfloor space created to address food poverty in Kingsholm – affordable refills |
| The Friendship Café* | The Coffee Shop at Friendship Cafe | £7,000.00 | Works to renovate 50sqm of café space were completed in winter 2022/2023 and the café is back in use. Ready for phase 2 the spillover/meeting space adjacent to the café. *Payment taken out of Y1 underspend. |
| Read With Me | Gloucester Children – Literacy to prosperity | £3,000.00 | UKSPF funding has allowed Read With Me to cater to 1000 additional children in Gloucester, through the recruitment of an administrator |
| Gloucester City Council | Gloucester City Centre Vision | £18,576.00 | Cabinet endorsed the 5-year vision in March. Expenditure incurred related to research carried out by the University of Gloucestershire to inform the vision plus production costs. |
| Hartpury University | Hartpury University Sports Business Hub Outreach | £15,000.00 | Officer recruited to post. Scoping exercise underway to find local community sports hubs to work alongside University graduate scheme |

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| Gloucestershire Wildlife Trust | Gloucester Nature Park | £16,984.00 | GWT continues to progress the development of the Nature Park. A Steering Group has been set up comprising the main stakeholders, which is chaired by the Leader of the City Council. |
| Llanthony Secunda Priory Trust | Llanthony Wellbeing an Activity Project | £14,310.00 | Llanthony Secunda Priory have cleared the site in question and undertaken the necessary ecological surveys for the Wellbeing and activity spaces |
| The GUST on behalf of Voices Gloucester | Voices Gloucester | £5,000.00 | Voices Gloucester have funded over 20 cultural based activities, drawing in stakeholders and audiences from across the city and wider |
| Admin cost | | £992.61 | Employment of Economic Growth Officer - UKSPF |
| TOTAL | | £85,502.61 | |

- 3.3 The Council recruited an Economic Growth Officer to the City Growth & Delivery team in March 2023 to administer the programme. This post is funded from the grant given to the Council to produce the Investment Plan (£20,000) plus 4% of the total allocation that the Council is allowed to use for this purpose. The Officer takes a proactive role in supporting the beneficiary organisations to ensure delivery of projects.
- 3.4 Mindful that a significant number of applicants were unsuccessful in securing UKSPF funds the Council commissioned Gloucestershire VCS to provide training for VCSE organisations. Delivered alongside the Growth Hub at the Oxstalls Campus of the University of Gloucestershire, 198 places were offered over the 5 modules. Staff from 67 organisations were supported across the county of which 26 were within Gloucester. The Council contributed £2,000 towards the programme, funded from existing budgets.
- 3.5 DLUHC advised in July that the Council's end of Year 1 report, which included a plan to spend its underspend, was sufficiently robust and authorised expenditure of the underspend and the year 2 allocation.
- 4.0 Allocation of Remaining UKSPF monies**
- 4.1 The Council did not allocated £160,237.92 of the grant. This was deliberate to enable the Council to adapt to changing local needs as the programme evolved.

- 4.2 Officers intend to hold a second round of allocation during Autumn 2023, inviting community-based organisations to again submit Expressions of Interest for projects that will end by March 2025. It is proposed that the £160,237.92 available will be allocated in smaller amounts than in the first round so that a greater number of organisations will benefit. As stipulated in the Government's allocation a minimum amount each year has to be spent on capital. Therefore, of the underspend, £93,518 has to be spent on capital to meet DLUHCs terms for grant payment. The remaining £66,719.92 may be spent on either revenue or capital projects.
- 4.3 Once again, applicants will be required to demonstrate how they meet the priorities set out in the adopted Investment Plan (which is at <https://www.gloucester.gov.uk/business-economy/gloucester-shared-prosperity-fund/>)
- 4.4 Review and shortlisting of submissions will take place during December 2023 drawing on in-house officer advice. As per Cabinet's resolution the allocation of the fund will be made by the Leader in consultation with the Managing Director. The decision-making process will be recorded in a transparent manner, available for scrutiny should a stakeholder or third party request it.

5.0 Social Value Considerations

The UKSPF presents the opportunity for the Council to direct funding towards several social value priorities, notably those identified within the Government Guidance, namely: communities and place; supporting local business, and people and skills.

6.0 Environmental Implications

The UKSPF presents the opportunity for the Council to direct funding towards projects and services that will have a direct impact on improving the built and the natural environment. The Investment Plan includes improving the environment and tackling climate change as specific interventions within the Communities and Place Investment Priority.

- 6.1 Two particular projects that are being funded by the UKSPF and which will have a significant beneficial impact on the natural environment. These are the Gloucester Nature Park and the Llanthony Secunda Wellbeing and Activity project.

7.0 Alternative Options Considered

None

8.0 Reasons for Recommendations

To invite the Overview and Scrutiny Committee's views on the progress of the Gloucester UKSPF.

9.0 Future Work and Conclusions

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| Commence promotion of EOIs | Mid October |
| Closing Date for Submission of EOIS | 30 November |
| Shortlisting of Projects by officers | December |

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| Approval of shortlist by The Leader and Managing Director | Early January 2024 |
| Round 2 funded projects: Delivery of successful EOIs | February 2024 to March 2025* |

*Start date dependent on DLUHC payment of Grant for Y3 2024/25)

10.0 Financial Implications

- 10.1 Monitoring of the expenditure of the Gloucester UKSPF is supported by a member of the Accountancy service, with regular review undertaken as part of the monthly budget review with the City Growth & Delivery Manager.
- 10.2 Payments to all third parties are made in arrears and following receipt by officers of evidence that the expenditure has been incurred on items previously agreed. This is a grant funded project, there are no additional resource requests as a result of this report.

11.0 Legal Implications

- 11.1 One Legal have not been instructed to advise on the terms of the agreement between DLUHC and the Council but would recommend that care be taken to ensure that all the requirements of the scheme are complied with and actioned accordingly to reduce and mitigate risks.
- 11.2 Officers can consult One Legal to ensure that appropriate terms and conditions are attached to the award of grant monies under the Fund.
- 11.3 The Subsidy Control Act 2022 applies to any financial assistance given by a public body to an enterprise. This may include grants to charities and not for profit organisations depending on what they are using the money for. Officers should therefore consider on a case-by-case basis whether the grant funding constitutes a subsidy with assistance from colleagues from One Legal.

Contact: One Legal
E-mail: legal.servies@onelegal.org.uk
Tel no: 01684 272691

12.0 Risk & Opportunity Management Implications

| Risks |
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| <p>Risk 1: Underspend or overspend within one financial year Mitigation: Officers will remain in contact with DLUHC scheme managers to keep them informed of the spending profile throughout the year.</p> |
| <p>Risk 2: demand for the UKSPF significantly exceeds the amount of funding available. Mitigation:</p> <ol style="list-style-type: none"> I. The Council will be explicit at the beginning of each funding round over the amount of funding available and will emphasise that the funding process is competitive. II. the Council will advise unsuccessful applicants of other potential sources of funding |

Risk 3: The Council has inadequate capacity to administer the UKSPF appropriately.

Mitigation:

- I. Additional and dedicated staffing resource has been brought in
- II. Officers liaise with nearby District Councils to share best practice in the administration of the fund
- III. Council officers will maintain contact with DLUHC throughout the process

Risk 4: The needs of the city's residents and businesses change over the course of the 3 years of the programme.

Mitigation:

A percentage of the fund remained unallocated, to enable consideration to be given to the changing needs of the city as the programme evolves.

Opportunities

To direct funding towards several of the Council's identified priorities, notably those identified within the Council Plan, and which correlate with the Government's Investment Priorities, namely, communities and place; supporting local business, and; people and skills.

13.0 People Impact Assessment (PIA) and Safeguarding:

The PIA Screening Stage was completed and did not identify any potential or actual negative impact; therefore, a full PIA was not required.

14.0 Community Safety Implications

The UKSPF presents the opportunity for the Council to direct funding towards projects and services that will have a direct and positive impact on improving community safety within the city. One of the largest allocations made within the first round was towards a project led by the Office of the Police and Crime Commissioner in partnership with the City Council to improve safety in Gloucester centre.

15.0 Staffing & Trade Union Implications

A new post within the Place Service has been created and filled to administer the UKSPF programme.

Background Documents:

The Government's UK Shared Prosperity Fund Prospectus and associated documents are available at: [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/91222/UK_Shared_Prosperty_Fund_prospectus_-_GOV.UK.pdf)

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