

REPORT TO STRATEGIC SCRUTINY COMMITTEE

Date of Meeting: 29 September 2022

Report of: Service Lead Net Zero & Business

Title: Progress Report Shared Prosperity Fund – Update 1

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 This reports sets out progress made in developing an Investment Plan to release Exeter's UK Shared Prosperity Fund (UKSPF) allocation.

2. Recommendations:

2.1 That members note progress made in developing an Investment Plan, to support Building Pride in Place and Increasing Life Chances in Exeter;;

2.2 That members note and comment on the range of interventions proposed for Exeter, which will be presented at Strategic Scrutiny Committee; and

2.3 The Service Lead for Net Zero & Business provides an update to Strategic Scrutiny every 6 months on the delivery and management of UKSPF, the next being March 2023.

3. Reasons for the recommendation:

3.1 Members have an understanding of the level of officer support required to deliver and manage UKSPF in Exeter.

3.2 Members have knowledge on the range of interventions being proposed for Exeter.

3.3 Members are kept up to date on UKSPF delivery within Exeter.

4. What are the resource implications including non financial resources.

4.1 Overall Management of Exeter UKSPF is managed by the Service Lead for Net Zero & Business, with time dedicated to ensuring spend is within budget. Updates are provided to Strategic Scrutiny and the Liveable Exeter Place Board (our nominated local partnership group) and interventions are procured correctly within City Council and UKSPF policies.

4.2 The table below highlights the breakdown of the £1,403,877 allocated to Exeter. The allocation to Capital spend is a minimum, this can be increased, which would result in a reduction in revenue spend:

2022 - 2023		2023 - 2024		2024 - 2025		Total
Capital	Revenue	Capital	Revenue	Capital	Revenue	
10%	90%	13%	87%	20%	80%	
£17,037.30	£153,335.70	£44,297.11	£296,449.89	£178,551.40	£714,205.60	
Total £170,373		Total £340,747		Total £892,757		£1,403,877

4.3 4% of the £1,403,877 (£56,120) is available for the administration, monitoring and evaluation of UKSPF. It is proposed to appoint a temporary Project Manager to undertake this activity, this process will start once the City Council has received their offer letter from the Department for Levelling Up Housing & Communities (DLUHC).

4.4 Once interventions have been procured, there will be a strong emphasis on ongoing monitoring and evaluation to ensure interventions stay within the budget allocated to each intervention. If an intervention overspends, the intervention owner will be required to fund any overspend from their own budgets – unless there is underspend elsewhere within Exeter's UKSPF allocation.

5. Section 151 Officer comments:

5.1 Subject to the improvement plan being accepted by Government and the funding being delivered, the section 151 Officer will ensure that the fund is managed in line with Government requirements and that a suitable coding structure is used to monitor both capital and revenue spend. Progress will be reported within the Council's budget monitoring reports in addition to any specific reports provided on the Fund.

6. What are the legal aspects?

6.1 Please see the Monitoring Officer comments below.

7. Monitoring Officer's comments:

7.1 The Council's Organisation Change Policy applies to any proposal to appoint additional/new staff.

8. Exeter UKSPF Investment Plan

8.1 The Exeter UKSPF Investment Plan was presented to the Liveable Exeter Place Board on 11 July 2022, where consensus was reached on the challenges the City Council want to address through UKSPF. A letter of support has been received from the Chair of the Board.

8.2 Support has also been received from both Exeter MP's, MP Ben Bradshaw and MP Simon Jupp:

MP Ben Bradshaw: *"Championed by dynamic and innovative local leadership, Exeter is one of the UK's fastest growing cities; business-friendly with a positive and sustainable vision and ambitious Net Zero targets. The City faces many challenges and opportunities around health and wellbeing, public safety, skills, jobs, innovation, green spaces, and in tackling climate change and crime and anti-social behaviour, and I strongly welcome and support Exeter City Council's typically holistic and inclusive approach and application to the Shared Prosperity Fund."*

MP Simon Jupp: *“The interventions sound very impressive and wide ranging, thank you for your work on this. I am happy to confirm my support for Exeter City Council’s UKSPF Investment Plan.”*

8.3 To develop Exeter’s Investment Plan, a list of ideas was gathered to address city challenges and opportunities, listed below:

Communities & Place	
Challenges	Opportunities
City Centre Anti-Social Behaviour	Improvements to green spaces to reduce Anti-Social Behaviour
Net Zero	Building Pride in Place
	Net Zero
	Increase City Centre Footfall
Supporting Local Business	
Challenges	Opportunities
Business Survival Rate in Exeter	Net Zero
Net Zero	Business Growth
People Issues effecting Business	Lack of commercialisation from R&D from our research institutions
People & Skills	
Challenges	Opportunities
Exeter Skills Strategy	Exeter Skills Strategy
Recruitment & Retention	Raising aspirations & Job Vacancies
Social Mobility	Learning
	Net Zero

8.4 Due to a significant overspend of UKSPF, there was number of alterations to the Investment Plan’s budget and outcomes/outputs spreadsheet, to ensure UKSPF came within budget. The Investment Plan was signed off by The Leader of the Council, the Chief Executive & Growth Director and the City Council’s S151 Officer – a requirement of UKSPF.

8.5 The Exeter UKSPF Investment Plan was submitted to the DLUHC online portal by the deadline of 1 August 2022, with an indicative budget and indicative outcomes/outputs – Appendix 1. Within the Investment Plan, proposed interventions was left blank, so additional consultation can take place with the Liveable Exeter Place Board, for sign off in October. Interventions that will be presented to the Liveable Exeter Place Board are the same that will be presented at Strategic Scrutiny Committee.

8.6 Since the Investment Plan was submitted, additional guidance has been received from DLUHC <https://www.gov.uk/government/collections/uk-shared-prosperity-fund-additional-information> which provides further information on:

- Outputs & Outcomes Definitions
- Reporting & Performance Management
- Monitoring & Evaluation
- Assurance & Risk
- Branding & Publicity
- Subsidy Control
- Procurement
- Equalities

8.7 The Service Lead for Net Zero & Business has initiated discussions with Finance, Legal, Procurement and Executive Support to ensure the City Council works within the UKSPF's new and updated guidance. DLHUC have indicated some of the above guidance will be updated over the summer/autumn.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 UKSPF links directly to the Exeter Vision and a number of corporate priorities.

Corporate Plan	Delivering Net Zero Exeter 2030	Interventions may support the delivery of the Exeter Net Zero 2030 Plan.
	Promoting active & healthy lifestyles	Interventions may support people to become more active.
	Building Great Neighbourhoods	Interventions may support businesses innovation, research and development.
Exeter Vision	Innovative & Analytical City	Interventions may support high growth potential businesses, as well as the commercialisation of research from city institutions. Skills and learning interventions will be developed to support residents to improve their learning opportunities.
	Healthy & Inclusive	Interventions will be developed to encourage people to travel into the city centre by bike and to walk around the city.
	The Most active city in the UK	Interventions may support people to become more active.
	Accessible world class educations	Interventions may support residents to access city educational institutions in delivering world class education to residents and businesses, giving opportunities to all.
	Liveable & connected	Interventions may support a thriving city centre.
	A leading sustainable city	A number of interventions may support the delivery of the Exeter Net Zero 2030 Plan.
	Culture	Interventions may support cultural activity.

10. What risks are there and how can they be reduced?

10.1 As recommended in the report to Executive on 5 July 2022, a UKSPF Management Group will be established. This will be made up of a relevant Director, Service Lead for Net Zero & Business, officers leading on interventions, as well as Legal and Finance. A representative from Exeter Chamber of Commerce and InExeter will also be invited to sit on this Management Group.

10.2 The City Council's UKSPF Management Group will provide ongoing reviewing, monitoring and evaluation of Exeter's Investment Plan, its interventions, budget spend and the delivery of outcomes and outputs.

10.3 It is a requirement of UKSPF to provide regular monitoring and evaluation back to DLUHC, to ensure interventions are within budget and delivering the required outcomes and outputs.

10.4 There will be six monthly report to Strategic Scrutiny to reduce risks associated with the delivery of UKSPF in Exeter.

10.5 There will also be regular reporting, twice a year, to the Liveable Exeter Place Board.

11. Equality Act 2010 (The Act)

11.1 In recommending this report, potential impact has been identified on people with protected characteristics as determined by the Act and an Equalities Impact Assessment has been included in the background papers for Member's attention.

11.2 UKSPF is about levelling up opportunities and prosperity and overcoming deep-seated inequalities. In developing interventions for Exeter, they will support the overall objective of UKSPF in Building Pride in Place and Increasing Life Chances.

11.3 An EQIA has been developed in considering the impact of UKSPF on Exeter. The EQIA will be further developed, as when interventions have been agreed and will be reported back to Strategic Scrutiny.

12. Carbon Footprint (Environmental) Implications:

12.1 Some of the proposed interventions support Exeter's Net Zero 2030 Plan in reducing city carbon emissions. It also supports businesses and residents to reduce their carbon emissions.

12.2 Elements of the People & Skills theme will focus on green skills. Larger projects will be reviewed to keep carbon emissions to a minimum or to net zero.

13. Are there any other options?

13.1 Within the guidance for UKSPF, Exeter City Council is a 'Lead Authority', so there is a requirement to manage Exeter's UKSPF allocation and develop an Investment Plan.

13.2 There is an option of not appointing a Project Manager to manage a number of the major projects. The decision was taken to appoint a temporary position, due to limited capacity within the team and the City Council.

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Author: Service Lead Net Zero & Business

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

5 July 2022
UK Shared Prosperity Fund, Exeter allocation

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