

REPORT TO STRATEGIC SCRUTINY COMMITTEE

Date of Meeting: 14 March 2024

Report of: Service Lead Net Zero & Business

Title: Progress Report Shared Prosperity Fund – Update 4

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

- 1.1 This report updates members on Exeter's Shared Prosperity Fund (UKSPF) allocation, which supports Building Pride in Place and Increasing Life Chances in Exeter.

2. Recommendations:

- 2.1 Members note and discuss progress made in delivering UKSPF in Exeter.
- 2.2 To note the change made to the Community Energy project in year 3, as indicated in 6.5.
- 2.3 The Service Lead for Net Zero & Business continues to provide an update to Strategic Scrutiny every 6 months on the delivery and management of UKSPF, the next being September 2024.

3. Reasons for the recommendation:

- 3.1 Members are kept up to date on progress made delivering UKSPF in Exeter and understand the reasons why for any delay in progress.
- 3.2 Members have the opportunity to scrutinise delivery and projects funded by UKSPF.

4. What are the resource implications including non financial resources

- 4.1 Up to January 2024, management of UKSPF Exeter has been overseen and managed by the Service Lead for Net Zero & Business. We now have the Project Manager in post, who will now take on this role.
- 4.2 4% of the £1,403,877 (£56,120) is available for the administration, monitoring and evaluation of UKSPF. £13,618 has been spent to date (Apr 22 - Sep 2023) on project management, which covers a salary contribution to the Service Lead Net Zero & Business. The costs for the Project Manager, who is on fixed term until 31 May 2025, will be paid from the remaining amount.

4.3 A salary of £86,960 (salary & on-costs) remains within the Net Zero & Business budget to contribute to paying for the Project Manager role going forward.

4.4 Since the last update in September, the budget and allocation for UKSPF Exeter has not changed:

REVISED						
2022/2023		2023/2024		2024/2025		Total
Capital	Revenue	Capital	Revenue	Capital	Revenue	
10%	90%	18%	82%	Yet to be determined by DLUHC		
£17,037.30	£153,335.70	£63,540	£277,207			
Total £170,373		Total £340,747		Total £892,757		£1,403,877

4.5 Recent communications from DLUHC have informed District Council's of the impact of any underspends. Year 3 (2024/25) allocations will be determined by previous spend over the first two years of the Fund. DLUHC have established five bands of spend performance, as shown in the table below, which shows the percentage spend required to receive each band of funding for initial payments in 2024.

% Total spend 2022/23 & 2023/24 (combined)	Initial Year 3 payment to local authority	Amount local authority can claim (in arrears)
Less than 20%	0%	100%
20% - 39%	20%	80%
40% - 59%	50%	50%
60% - 79%	70%	30%
80% and higher	100%	0%

4.6 Section 6 gives a breakdown of spend for year 1 and the first six months of 2023/24. The Service Lead for Net Zero & Business, as well as the Project Manager are in regular contact with project owners to ensure the full spend of their project allocation.

5. What are the legal aspects?

5.1 The original Exeter UKSPF Investment Plan was signed off by DLUHC January 2023, with the original budget listed in section 4.4. Year 1 spend, outputs and outcomes were signed off by DLUHC 28 June 2023, a 3 month delay, which the released our year 2 allocation. This 3 month delay was consistent with other district council's across Devon and wasn't unique to Exeter.

5.2 The Service Lead Net Zero & Business was not prepared to spend at risk Exeter's year 2 UKSPF allocation until the year 1 expenditure was signed off by DLUHC. This has resulted in a small delay in some projects starting this financial year. There are currently no plans to make any major changes to the Exeter UKSPF Investment Plan and interventions within, which would require sign off from DLUHC.

5.3 The Service Lead Net Zero & Business has been working with Legal on Services Level Agreements for UKSPF funded projects and contracts.

6. Exeter UKSPF Update 4

6.1 Year 1 - 2022/23

The table below highlights interventions funded in year 1 of UKSPF, with a total spend of £136,582. The procurement of the CCTV cameras and body worn cameras were a priority, to ensure a good level of spend for year 1.

Year 1 Exeter UKSPF projects		Under spend	Capital		Revenue	
Intervention	Project		Projected	Actual	Projected	Actual
Community & Place						
E5 - Built & Landscaped environment to design out crime	Replace old city centre CCTV cameras & provide Body Worn Cameras for enforcement	£595	£130,373	£129,778	£0	£0
E31 – Support relevant feasibility studies	Study	£33,186	£0	£0	£33,186	£0
Management & Administration						
4% Management & Administration	Salary contribution to the Service Lead for Net Zero & Business post	£10	£0	£0	£6,814	£6,804
TOTAL		£33,791	£130,373	£129,778	£40,000	£6,804

6.1.1 E5 - Built & Landscaped environment to design out crime

UKSPF has paid for the replacement of 54 old analogue cameras in 25 locations across the city centre and City Council owned car parks. It has also paid for 22 new body worn video cameras for use by Civil Enforcement Officers, Environmental Health and the Waterways Team.

We are awaiting crime data for intervention E5, latest available data is available for October 2022 - <https://www.police.uk/your-area/devon-and-cornwall-police/exeter-city-centre/?yourlocalpolicingteam=about-us&tab=crimemap>

The installation of CCTV and the purchase of body worn video cameras are part of a bigger project (Safer Exeter Partnership) within the City Centre to design out crime and to reduce Anti-Social Behaviour in public spaces – the city centre and car parks.

The £595 capital underspend will be allocated to a year 2 capital project under a Communities & Place project, the installation of two parklets.

6.1.2 E31 - Support relevant feasibility studies

Due to capacity issues, and in agreement with DLUHC, this project was rolled forward to year 2 (2023/24). The study has recently been tendered for and is due to be awarded imminently.

6.2 Year 2 - 2023/24

The table below highlights projects funded through UKSPF and an update on activity, with a total spend of £222,340 to date (April to September).

6.3 As of September 2023, £358,922 has been spent from our combined year 1 and year 2 allocation of £511,120, which equates to a 70% spend. There is no concern that we won't spend all of our allocation, as there has been spend for Creative Arc and the Innovation Hub since September. From this, we will be able to draw down 100% of our year 3 allocation.

Year 2 Exeter UKSPF projects		Under spend	Capital		Revenue	
Intervention	Project		Projected	Actual	Projected	Actual
Underspend spend from Year 1			£595		£10	
Community & Place						
E2 Community & neighbourhood infrastructure	Exeter Parklets	£0	£50,000	£50,000	£0	£0
E3 Creation of and improvements to local green spaces	Rougemont Garden	£0	£15,540	£14,323	£4,000	£0
E6 Local arts, cultural, heritage & creative activities	Creative Arc	£0	£0	£0	£34,808	£0
TOTAL		£0	£65,540	£64,323	£38,808	£0
Supporting Local Businesses						
E31 Support relevant feasibility studies	Study (rolled forward from year 1)	£0	£0	£0	£30,717	£0
E23 Strengthening local entrepreneurial ecosystems	Innovation Hub	£0	£0	£0	£104,250	£30,203
E23 Strengthening local entrepreneurial ecosystems	Building Greater Exeter	£0	£0	£0	£20,000	£20,000

E23 Strengthening local entrepreneurial ecosystems	Prosper (business support)	£0	£0	£0	£101,000	£101,000
TOTAL		£0	£0	£0	£255,967	£151,203
Management & Administration						
4% Management & Administration	Salary contribution to the Service Lead for Net Zero & Business post	£0	£0	£0	£13,628	£6,814
TOTAL		£0	£0	£0	£13,628	£6,814
GRAND TOTAL		£0	£66,135	£64,323	£308,413	£158,017

6.3.1 Exeter Parklets

Project led by InExeter. The design and build of two Parklets was commissioned and won by a local business, which will be located on Musgrave Row and Fore Street. The parklets have been designed with consideration for planting, landscaping, weather resilience, maintenance costs and incorporate sustainable materials. As an addition to the project, chess boards will be incorporated into both Parklets. This will be funded from capital underspend elsewhere.

6.3.2 Rougemont Garden

Project led by the City Council. Capital works delivered to restore a footpath/fencing within Rougemont Garden. The project opens up access to the garden and to allow Red Coat Guided Tours to take place. A small capital underspend, as costs came in cheaper than anticipated, which funds the chess boards on the Parklets.

6.3.3 Creative Arc

Project led by the University of Exeter. Project went live end of autumn 2023.

6.3.4 Study

Project led by the City Council, which was rolled forward from year 1. Tender developed to produce a new study/strategy to drive additional shoppers and visitors to the City Centre. Project is due to start March 2024.

6.3.5 Innovation Hub

Project led by the University of Exeter. Prolonged discussions took place to agree a lease agreement between the University of Exeter, the City Council and Crown Estate for the use of the Tourist Information Centre unit in Princesshay as an Innovation Hub. The Innovation Hub officially opened January 2024.

6.3.6 Building Greater Exeter

Project led by Building Greater Exeter. Events held during summer and autumn 2023 to support the construction sector across Exeter, East Devon, Mid Devon & Teignbridge to help grow their business and to attract young people into the industry.

6.3.7 Prosper (business support)

Project led by Devon County Council. Business support covering Exeter, East Devon and Mid Devon tendered, which was won by Cosmic and BIP. Support is provided for businesses, which includes general business support, Start-Up and Greening Your Business. The project went live autumn 2023. A presentation is provided on this project, which will include outcomes and outputs achieved since it went live.

6.3.8 Management & Administration

The Service Lead for Net Zero & Business continued to oversee and manage UKSPF for Exeter. A Project Manager was appointed and started in post January 2024.

6.4 Year 3

For the final year of UKSPF in Exeter, the following projects will continue from year 2:

- Management & Administration
- Creative Arc
- Innovation Hub
- Building Greater Exeter
- Prosper (business support)

The following projects will commence from April 2024:

- Community Energy Advisor, currently out for tender
- Urban Learning Academy, led by CoLab
- Retrofit Skills, led by Exeter College
- Implementation of Exeter Skills Strategy (continuation of Exeter Youth Hub), led by Devon County Council

6.5 There is a minor amendment with the Community Energy project. After consultation with Exeter Community Energy, there is no need for revenue funding, there is a need for capital funding to support residents make changes to their homes to be more energy efficient. This project will be managed in-house by the Project Manager.

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

7.1 UKSPF links directly to the Exeter Vision and a number of Strategic Priorities.

Corporate Plan	Prosperous Local Economy	Interventions support businesses to innovate and to provide them individual business support to grow and pivot
	Housing & Building Great Neighbourhoods & Communities	An intervention supports the aims and aspirations of Liveable Exeter and to provide a place to live, work, visit and shop
	Net Zero Carbon City	Interventions support business and residents to reduce their carbon emissions and to gain skills within the green economy
	Thriving Culture & Heritage	Interventions support the cultural sector within Exeter

Exeter Vision	Innovative & Analytical City	Interventions 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
	Accessible world class educations	Interventions support residents to access city educational institutions in delivering world class education to residents and businesses, giving opportunities to all
	Liveable & connected	Interventions support a thriving city centre
	A leading sustainable city	A number of interventions will support the delivery of the Exeter Net Zero 2030 Plan
	Culture	Interventions support cultural activity through Liveable Exeter

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

- 8.1 Due to delays in being notified that Exeter's UKSPF allocation was going to be released, some project start dates were delayed. Additional support has been provided to project leads to ensure full spend within this financial year, so that the city receives 100% of our year 3 allocation.
- 8.2 Now that the Project Manager has been appointed, they will assist City Council officers and external organisations in delivering their project.

9. Equality Act 2010 (The Act)

- 9.1 No potential impact has been identified on people with protected characteristics as determined by the Act because the report is for noting only. An EQIA will be developed for each project funded by UKSPF.

10. Carbon Footprint (Environmental) Implications:

- 10.1 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.

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

10.3 Within the Service Level Agreement for each project funded by UKSPF, sustainability outputs and outcomes have been added for reporting on.

11. Are there any other options?

11.1 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.

11.2 There was the 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.

Director: Net Zero & City Management

Author: Service Lead Net Zero & Business

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

Background papers used in compiling this report:-

21 September 2023, Progress Report Shared Prosperity Fund – Update 3

2 March 2023, Progress Report Shared Prosperity Fund – Update 2

22 September 2022, Progress Report Shared Prosperity Fund – Update 1

5 July 2022, UK Shared Prosperity Fund, Exeter allocation

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