

# Surrey Heath Borough Council

## Executive

19 July 2022

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### UK Shared Prosperity Fund

<b>Portfolio Holder:</b>	Shaun Garrett – Economic Development & Transformation
<b>Strategic Director/Head of Service</b>	Stephen Wilkinson
<b>Report Author:</b>	Teresa Hogsbjerg – Economic Development Officer
<b>Key Decision:</b>	No
<b>Date Portfolio Holder signed off the report</b>	05 July 2022
<b>Wards Affected:</b>	All

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#### Summary and purpose

This paper sets out the arrangements to ensure that Surrey Heath Borough Council complies with the requirements of the new UK Shared Prosperity Fund. The fund has allocated Surrey Heath £1m over the next three years.

To secure the funding, SHBC is required to submit an Investment Plan to Government by 1<sup>st</sup> August 2022 which outlines the broad themes and outcomes under which projects will be developed and delivered against.

#### Recommendation

The Executive is advised to RESOLVE that to meet the national requirements of the UK Shared Prosperity Fund:

- (i) The Surrey Heath Partnership be nominated as the oversight partnership for the fund including the co-opting of additional external partners as required to meet national requirements;
- (ii) authority be delegated to the Head of Investment and Development in consultation with the Portfolio Holder for Economic Development to submit the required paperwork to Government by the 1 August 2022 deadline;
- (iii) the projects being delivered in year one (2022/2023) are projects which have already been approved and are in the Councils Annual plan; and
- (iv) an annual programme of projects be developed for the Fund in years two (2023/24) and three (2024/25) be brought back to the Executive for approval.

## 1. Background and Supporting Information

1.1 The UK Shared Prosperity Fund has been created to replace European Union funding and is intended to support places to deliver against the Key national levelling up objectives: These are to:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency

1.2 Surrey Heath, along with all other Boroughs and districts in Surrey have been allocated £1m as part of the UK Shared Prosperity Fund (UKSPF), and is one component of the Government's wider levelling up agenda run by the Department of Levelling up, Housing and Communities (DLuHC)

1.3 Funding has been allocated based on need and allocated by Government over the next three years. There is also a requirement to spend a minimum level of Capital each year.

1.4 4% can be claimed to support administration of the scheme (part of the £1m allocation) and a top up of £20,000 claimed as part of the Investment Plan development (this is provided automatically).

1.5 All funding allocated to each financial year must be spent in year otherwise unspent monies must be returned to the Treasury.

1.6 Allocation:

	<b>22-23</b>	<b>23-24</b>	<b>24-25</b>	<b>Total</b>
Surrey Heath	£39,573	£79,146	£881,281	£1,000,000
<b>Minimum Capital</b>	£3,957.30 (10%)	£7,914.60 (13%)	£176,256.20 (20%)	£188,128

1.7 In the national guidance, there are a list of 41 potential interventions across 3 principal delivery areas (please see annex 1 for full list). The three principal delivery areas are:

- Communities and Place
- Local Business
- People and Skills (reserved for year 3 delivery only in the guidance)

1.8 The outline Investment plan needs to provide details of which interventions the Council is choosing to take forward, along with the high level outcomes

which are to be delivered. It is proposed to focus on Communities and Place in the first year and this maximizes the opportunity for delivery.

1.9 Project details are not required at this stage.

1.10 As the Fund is due to come forward part way through the first year there is an expectation that the Council will be taking forward projects which were already planned to be delivered, in the knowledge that the funding can be utilised within the timeframe allowed through the funding. All projects in year one will be within the annual plan and as such already signed off for delivery.

## **2. Reasons for Recommendation**

2.1 Guidance from the Department of Levelling Up and Housing requires that the UKSPF is delivered with oversight from the Local Partnership Group.

2.2 The Implementation plan is an overarching commitment for how SHBC will spend the money to deliver outcomes, and does not attribute spend to any project in particular. It is proposed that specific projects are agreed at executive prior to delivery following the proposed timetable:

- Year 1 – As these will be projects already agreed within the annual plan, a paper will be brought to executive providing details of the projects selected - Executive 18 October 2022
- Year 2 – Approval of Projects – Executive 14 February 2023
- Year 3 – Approval of Projects– Executive February 2024

## **3. Proposal**

3.1 The proposal supports the need to ensure that the full allocation is spent in Surrey Heath to deliver tangible and meaningful outcomes for local residents. The approach will draw on the input from key partners on the Surrey Heath Partnership and the emerging projects will be approved by Executive.

## **4. Contribution to the Council's Five Year Strategy**

4.1 All projects undertaken within the UKSPF funding will have considered the 5 year plan for SHBC, however they also need to take into consideration the wider goals of community organisations and partners aligned to the national levelling up agenda.

## **5. Resource Implications**

5.1 Economic Development is leading on the development of the investment plan, and resourcing will be requested for each project as the overall programme is established.

5.2 4% of the overall funding can be claimed to support administration of the Fund.

5.3 £20,000 will also be paid to SHBC alongside the first year allocation to support the development of the implementation plan.

## **6. Section 151 Officer Comments:**

6.1 The profile of payments from Government should be noted and given that there is likely to be a spending review before the last payment is received, an element of caution should be taken when allocating expenditure plans for the last year amount and the Council should not commit itself to making payments if the funding is not forthcoming.

## **7. Legal and Governance Issues**

7.1 The management and administration of the Fund will need to follow any guidance published by the Government.

## **8. Monitoring Officer Comments:**

8.1 No comments arising.

## **9. Other Considerations and Impacts**

### **Environment and Climate Change**

9.1 Climate change interventions will be considered where ever possible within the Council's approach to selecting and delivering projects under this funding scheme.

### **Equalities and Human Rights**

9.2 Explicit in the UK Shared Prosperity Fund is the tackling of inequalities and the removal of barriers to ensure that everyone is able to access the opportunities and life chances on offer.

### **Risk Management**

9.3 The main risk is having to return unspent monies that have been allocated to Surrey Heath, back to the Government. The focus of this report therefore is to develop an approach that maximises the opportunity for delivery.

### **Community Engagement**

9.4 This will be lead primarily through the Surrey Heath Partnership fulfilling the role of the Local Partnership Group as set out in the national guidance.

## **Annexes**

Annex 1 - The national Interventions List

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-interventions-outputs-and-indicators/interventions-list-for-england>

Annex 2 - The national Prospectus for the UK Shared Prosperity Fund  
<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

### **Background Papers**

The Levelling up and Regeneration Bill  
<https://bills.parliament.uk/bills/3155>