

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting: Full Cabinet

Subject: UKSPF year 1 spend

Date of meeting: 21/02/23

Report by: Ian Maguire
Assistant Director for Planning and Economic Development

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Bid Manager

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Head of Economic Development and Skills

Wards affected: All

1. Requested by

1.1 This report, identifying the approved and intended spending allocations under the UKSPF (UK Shared Prosperity Fund) was requested by the Deputy Leader Cllr Horton and the Portfolio Holder for Culture, Leisure and Economic Growth Cllr Pitt

2. Purpose

2.2 UKSPF (UK Shared Prosperity Fund) was launched in August 22 as a key strategy to within the levelling up agenda. UKSPF replaces previous ESF (European Social Funding) and is designed to support local areas to overcome the deep-seated geographical inequalities and promote people's pride in place.

2.3 Portsmouth received an allocation of £1,423,433 over 3 years, significantly less than anticipated based on previous ESF delivery, the CRF (Community Renewal Fund) pilot delivered in 21/22 as a trial for UKSPF and local need.

2.4 The allocation is received as follows:

22/23	23/24	24/25
£172,747	£345,493	£905,193

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- 2.5 Money is awarded against a provisional Investment Plan, which was approved and submitted in August 2022, highlighting provisional spend against the 41 delivery lines. The investment plan was clearly linked to Imagine Portsmouth 2030 and Portsmouth City Councils priorities.
- 2.6 In December 22 we received confirmation of the approved Investment Plan. With contracting agreed we now have an allocation of £172,747 for in year spend.
- 2.7 Spend is over 3 priorities (Community & People / Local Business/ People & Skills), noting there is no allowed spend on People & Skills until year 3 (24/25). 10% of the overall spend is required to be capital not revenue spend.
- 2.8 It is noted that in each financial year we are seeing the ending of significant ESF funded projects including business support (in excess of £1M per year), Solent LEP provisions, FE Capital spend and wider social/community and business projects including CCIXR (UoP) Augmented Reality etc which will have very limited sources of funding.
- 2.9 Allocations have been shared with cross council funding groups to ensure priority has gone to maximising existing funding streams and securing impact for businesses and residents.

3. Information Requested

- 3.1 All spend must be evidenced in full by 31/3/23 and therefore the decision was to not commission externally in year.
- 3.2 4% is allowed each year for the extensive administrative costs for the delivery of the UKSPF. In year 1 this is £6,909.88 leaving £165,837.12 to spend by 31/3/23 (removed from E16 £5,547 E13: £1,362.88 from submitted prospective)
- 3.3 The spending of £165,837 has been allocated to the following projects:

Community and Place Total £53,637.12

Consisting of:

E1: Improvements to town centres & high streets	£10,000
<i>Electricity upgrades and repairs to Commercial road to support infrastructure for Markets and events. Additional deep clean work to improve the area. Upgrading of small number of benches. This links to FHS funding</i>	
E5: Built & landscaped environment to 'design out crime'	£10,000
<i>Additional CCTV and lighting to support Safer Streets</i>	
E6: Local arts, cultural, heritage & creative activities	£5,000

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Mobile library and creative activities on the High Street

E13: Community measures to reduce the cost of living **£28,637.12**

Additional cost of living promotion to all households with council tax bills

Additional outreach grants for community groups

Additional support for Discretionary Housing payments

Local Business Total £112,200

Consisting of:

E16: Open markets & town centre retail & service sector **£4,453**

Crowdfunder £4,453

E24: Training hubs, business support offers, incubators & accelerators **£57,747**

Crowdfunder spend £68,200 requires additional £10,453

E29: Supporting decarbonisation & improving natural environment **£20,000**

Plastic recycling bins across the city

Decarbonisation website development

Green Network development

E30: Business support measures to drive employment Growth **£30,000**

Kiosk project in Victoria Park £24,00 creating new commercial site

Crowdfund £6,000

- 3.4 Proposal for spend in year 2 (2023/24) and year 3 (2024/25) will be approved by the Portfolio Holder for Culture Leisure and Economic Development ahead of formal allocation but a priority for business support and cost of living remains a core theme to the priorities. The preliminary allocations that will be considered by the Portfolio Holder for those years are included in the appendix to this report.

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Signed by (Director)

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Appendices:

Appendices 1 Year 2 and 3 spend

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
UK Shared Prosperity Fund prospectus (Aug 22)	UK Shared Prosperity Fund: prospectus - GOV.UK (www.gov.uk)
UKSPF Allocations (Aug 22)	UKSPF allocations - GOV.UK (www.gov.uk)
Imagine Portsmouth	Homepage - Imagine Portsmouth
Our council aims and priorities	Our council aims and priorities - Portsmouth City Council

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APPENDIX 1

Portsmouth City Council UKSPF Year 2 and 3 spend

Portsmouth City Council acknowledge the significant reduction in funding impacting particularly on:

- Business support (including start up, international work, R&D, growth)
- Apprenticeship information support (individual and business support)

European social funding has supported a range of projects in the city including support of vulnerable groups (homeless, under represented communities), employment based projects and capital projects

Current indicative spends are focus on areas which are losing funding and will include commissioned business support in years 2 and 3.

Funding cannot be allocated to the third priority of People and Skills until year 3, and we note key programmes that support this area locally and close in 2024 (including Solent Apprenticeship and Skills Hub) which we would look to extend

Year 2 spend £345,493 (Admin £13,819.72 - £331,675.28 spend)

Administration costs will need to come out across current planning
10% of spend min will need to be capital

E1: Improvements to town centres & high streets	£10,000
E3: Creation of and improvements to local green spaces	£10,000
E5: Built & landscaped environment to 'design out crime'	£20,000
E6: Local arts, cultural, heritage & creative activities	£ 5,000
Community and Place	£85,000
E16: Open markets & town centre retail & service sector	£10,000
E24: Training hubs, business support offers, incubators & accelerators	£170,493
E29: Supporting decarbonisation & improving natural environment	£40,000
E30: Business support measures to drive employment growth	£40,000
Local business	£260,493

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Year 3 Spend £905,193 (Admin £36,207.72 - £868,985.28 spend)

Administration costs will need to come out across current planning
10% of spend min will need to be capital

E1: Improvements to town centres & high streets	£20,000
E3: Creation of and improvements to local green spaces	£10,000
E5: Built & landscaped environment to 'design out crime'	£20,000
E6: Local arts, cultural, heritage & creative activities	£ 5,000
Community and Places	£95,000

E16: Open markets & town centre retail & service sector	£10,000
E24: Training hubs, business support offers, incubators & accelerators	£300,000
E29: Supporting decarbonisation & improving natural environment	£40,000
E30: Business support measures to drive employment growth	£210,193
Local business	£560,193

E33: Employment support for economically inactive people	£150,000
E38: Local areas to fund local skills needs	£100,000
People and Skills	£250,000