

RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

*PART 1 – PUBLIC DOCUMENT

Any interest to declare/ or conflict and any dispensation granted? No

SERVICE DIRECTORATE: MANAGING DIRECTOR

1. DECISION TAKEN

To approve the submission of the Investment Plan for the UK Shared Prosperity Fund.

2. DECISION TAKER

Anthony Roche, Managing Director

3. DATE DECISION TAKEN:

28 July 2022

4. REASON FOR DECISION

4.1 In order to access the allocation awarded to North Herts Council of £1,499,525 an Investment Plan has to be submitted to Government.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Alternative proposals for inclusion in the Investment Plan were considered in consultation with relevant members. The interventions chosen for the final Investment Plan were those considered to provide best use of the funds against the criteria set by Government, to be delivered by partners with a track record.

5.2 An option would have been not to submit the Investment Plan, but that would have meant foregoing the allocated funding.

6. CONSULTATION (INCLUDING THE EFFECT ON STAKEHOLDERS, PARTNERS AND THE PUBLIC)

6.1 Initially group leaders of all three parties and the leadership team were asked to put forward ideas by the end of May for consideration and shortlisting by PLB. A sub-group of PLB including the Leader, Deputy Leader, Executive Member for Finance and IT and Executive Member for Enterprise identified which projects to pursue and further consultation has taken place with those Executive Members as the Investment Plan has been prepared. The Executive Member for Finance and IT has agreed that the capital allocations for 2022/23 can be added in-year to the capital programme. The capital allocations for 2023/24 and 2024/25 will be added during the usual budget approval process.

6.2 A two week public consultation has taken place, seeking views of the public and key stakeholders on the proposed projects included in the investment plan. Additionally Hertfordshire County Council and the three MPs with constituencies that include North Herts were separately written to. The responses received showed a strong level of support for the town centre regeneration and community wealth building

interventions in particular. The survey also asked for ideas for spending some of the money on climate change initiatives and a number of good suggestions were received, which will be considered further.

7. FORWARD PLAN

7.1 This decision is a key Executive decision that was first notified to the public in the Forward Plan on the 29 June 2022. Due to the deadline of 1 August for the submission of the Investment Plan to Government the Vice-Chair of the Overview and Scrutiny Committee (in the absence of the Chair) has been informed and agreed that the decision cannot be deferred.

8. BACKGROUND/ RELEVANT CONSIDERATIONS

8.1 UKSPF was launched in April. The fund prospectus can be found at [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/111111/UK_Shared_Prosperty_Fund_prospectus_-_GOV.UK_(www.gov.uk).pdf). The Council will receive an allocation (a mix of revenue and capital) spread across the current and next two financial years as follows:-

	North Herts (£000)	Capital %	Minimum capital spend (£000)	Therefore, maximum revenue spend
Total all years	£1,500			
2022-23	£182	10	18	164
2023-24	£364	13	47	317
2024-25	£954	20	190	764

Of the total allocation, there has to be a **minimum** amount spent on capital in each year as above. The Council is allowed to spend more on capital than the minimum amount, although this would reduce the revenue resource available to spend.

8.2 By default up to 4% of the total is available for Fund administration, such as project assessment, contracting, monitoring and evaluation and ongoing stakeholder engagement. You can use less and have more available to spend on the core activities of the fund.

8.3 The projects must fit within the criteria of UKSPF (see prospectus). DLUHC has identified three core areas for support.

- 1) Community and Place
- 2) Business Support
- 3) People and Skills – funding for this area is only available in Yrs. 2 & 3

8.4 There is no funding commitment from Government beyond year three (2024-5) and therefore any schemes supported face a “cliff edge” of funding ending, unless alternative means of supporting them are found.

8.5 The interventions agreed for inclusion in the Investment Plan are:-

- 1) Community and Place
 - Town centre regeneration (supporting People for Places work)
 - Outdoor fitness classes and GP referral scheme subsidy
 - Community Wealth fund continuation
 - Fund to support community initiatives (year 3 only)
- 2) Business Support
 - Herts Growth Hub (through Herts LEP)

- Herts Start Up and Get Enterprising (through Herts LEP)
 - Herts Opportunity Portal (through Herts LEP)
- 3) People and Skills
- Herts Pathways Employment Programme (through Herts LEP)
 - Building Better Opportunities (through Herts LEP)
 - Inclusive Employment Programme (through Herts LEP)
- 8.6 The Investment Plan must be approved by the Managing Director, leader of the Council and Chief Finance Officer. The Government require regular financial and performance returns as part of the funding terms. The cost of this will be taken from the funds referred to in paragraph 8.2.

9. LEGAL IMPLICATIONS

- 9.1. In accordance with paragraph 14.6.4(a)(iv) the Managing Director can, in cases of emergency or urgency (where possible in consultation with the Leader of the Council) to carry out any Council or Executive function, power or duty. This application is urgent and therefore the Managing Director has authorisation to submit this external funding application.

10. FINANCIAL IMPLICATIONS

- 10.1. Paragraphs 8.1 and 8.2 set out the headline financial allocations and requirements around revenue and capital allocations. Additionally, it is understood that:-

- Relevant spend from 1st April 2022 is eligible to be financed from the Fund, but any spend is at risk until the plan is signed off. Sign-off is likely to be October at the earliest.
- All interventions to end in March 2025, or should have break clauses to allow them to end then.
- No match funding is required, but encouraged. The Council is not currently proposing any match funding.
- There are various rules about what the Council cannot use the UKSPF for, which are all fairly obvious (e.g. the fund will not finance political donations, recoverable VAT, paying fines etc.). The fund cannot be used for activities that the Council has a statutory obligation to deliver, or are fully funded from somewhere else.
- Allocations must be spent in the right year. Spend includes expenditure invoiced and paid, as well as costs accrued in line with accounting standards. Any underspend in the final year of the programme (2024/25) will be expected to be repaid. The carry forward and utilisation of any unspent amounts in the first two years would be subject to DLUHC approval of a revised delivery plan.
- The government may withhold future money (from 2023/24 onwards) if the Council does not meet the targets set in the plan.
- The Council would receive the 2022/23 money when the plan is signed off by Government. Other allocations will be received at the start of each year.

- 10.2. The summary financial details set out in this report are based on the UKSPF Prospectus, as published and available to view on the Government website. The Council will ultimately receive a grant determination letter and Memorandum of Understanding setting out the full terms of the Fund requirements and obligations.

11. RISK IMPLICATIONS

- 11.1 The Council has a corporate risk relating to resources, that includes staff resources. This was created to reflect the cumulative impact of continuing Covid impacts and supporting Ukraine impacts. Delivering the Shared Prosperity Fund projects will add to that risk. This is somewhat mitigated by us using partners and other organisations

to deliver a number of the projects and outcomes. We will also add the Shared Prosperity Fund as a corporate project, which will ensure that progress is monitored.

- 11.2 The above does add a different risk in relation to partners and other organisation's ability to deliver (both in terms of capacity and maintaining the targeted focus), including Hertfordshire LEP. We will mitigate this through agreements on what is to be delivered, regular progress reporting and monitoring meetings.
- 11.3 The Council is aware that it will need to provide Government with assurance over the use of the funding, through regular returns. It has limited capacity and expertise to provide these, but will use the administration portion of the grant to buy-in support if that is required.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, North Hertfordshire District Council whilst exercising all their functions, demonstrates giving due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 The investment plan particularly focusses on eliminating discrimination, advancing equality of opportunity, and fostering of good relations between all members of the community.
- 12.3 The council has clearly identified the scenario of 'parallel lives' existing within the district – that of affluent residents often living beside those most deprived in the district. The Actions of the plan seek to address these social and health inequalities through the identified measures.
- 12.4 These range from improved access to and within town centres, creation of various employment opportunities, and a project to improve healthy life expectancy/wellbeing across the protected characteristic of age - from parent and child classes through to outdoor gyms and walking netball and football.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and "go local" policy do not apply to this decision. However the nature of the interventions chosen means that the money is being invested within the local community, which will generate social value.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this decision. If appropriate Environmental Impact Assessments will be carried out as projects are further developed, for example on any proposed town centre intervention.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 As this funding was not expected, it does not feature within the approved service plans for the Council. Therefore projects were chosen which could mainly be delivered by partners and any additional capacity that may be required to deliver the projects, or administer the investment plan, will be funded through the 4% allocations referred to above.

16. BACKGROUND PAPERS

16.1 [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/111111/UK_Shared_Prosperty_Fund_prospectus.pdf)

16.2 [UK Shared Prosperity Fund: additional information - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/111111/UK_Shared_Prosperty_Fund_additional_information.pdf)

17. APPENDICES

- 17.1 Appendix A – Investment Plan
- Appendix B – Expenditure Profile
- Appendix C – Indicative Deliverables

NOTIFICATION DATE

29 July 2022



Signature of Executive Member Consulted

Date28th July 2022.....



Signature of Deputy s.151 Officer Consulted

Date28th July 2022.....



Signature of Decision Taker

Date28th July 2022

Please Note: that *unless urgency provisions apply* EXECUTIVE decisions cannot be implemented until 5 clear working days have elapsed after the decision has been taken to allow for scrutiny call-in.

Call-in does not apply to NON-EXECUTIVE DECISIONS