

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 07 March 2023

TITLE	UK Shared Prosperity Fund	
Ward(s)	City wide	
Author: Anesa Kritah/Hannah French	Job title: Head of Economic Development/Policy and Public Affairs Manager	
Cabinet lead: Cllr Craig Cheney, Deputy Mayor with responsibility for City Economy, Finance and Performance	Executive Director lead: Stephen Peacock, CEO and Executive Director (Growth and Regeneration)	
Proposal origin: BCC Staff		
Decision maker: Cabinet Member Decision forum: Cabinet		
Purpose of Report: To seek approval to bid to the West of England Combined Authority (WECA) for the UKSPF Communities & Place and Supporting Business programmes; to authorise the receipt and spend of funds for these proposals; and to approve the development of a WECA business case, in co-design with Unitary Authorities, for the UKSPF People & Skills programme, from 2024/25 only.		
Evidence base: 1. The Government launched the UK Shared Prosperity Fund (UKSPF) on 13 April 2022. This funding replaces European Structural and Investment Funds (including ESF/ERDF) which were essential for local regeneration, employment and skills programmes. All areas of the UK received a multi-year allocation via a funding formula, recognising that even the most affluent parts of the UK contain pockets of deprivation and need support. UKSPF is strongly aligned with the Levelling-Up White Paper missions, with a primary goal to ‘build pride in place and increase life chances across the UK’. The West of England has been allocated £13,795,332 over the three years of the programme and £3,608,467 of this money is ringfenced for a numeracy programme called Multiply. 2. Multiply is an adult numeracy programme which aims to offer support for people to improve their numeracy skills which will be delivered alongside wider UKSPF programmes. This three-year programme is being delivered across the West of England Local Enterprise Partnership (LEP) area through community-based and employer-based learning, with WECA delivering this on an annual basis (approx. £1M per year). Bristol City Council (BCC) Employment Skills and Learning Team secured £384K for Year 1 delivery, in partnership with the National Numeracy Charity, local employers, training providers and third sector providers. An application for Year 2 will be required to extend this local programme from April 1 2023. 3. UKSPF guidance provided indications only on how the regional allocation breaks down at UA level based on the funding formula (excluding Multiply):		
Unitary Authorities	UKSPF Core Funding	Percentage breakdown
Bristol	£5,309,571	52.12%
Bath & North East Somerset	£2,303,583	22.61%
South Gloucestershire	£2,573,711	25.26%
4. Underneath the overarching aim, there are three UKSPF investment pillars: Communities& Place; Supporting Local Business; and People & Skills. DLUHC funding guidance set out detailed objectives associated with each of these		

investment pillars, aligned to White Paper missions. This includes a menu of suggested interventions, outputs and outcomes that fall under each theme and the proposed Bristol bids meet the required objectives of the relevant pillar.

Investment Plan and local proposals

5. In order to access UKSPF funding, the West of England CA, as lead authority, completed a UKSPF Investment Plan, setting out how they intend to use and deliver the funding. Investment Plans had to detail the outcomes and outputs relevant to the UKSPF three investment priorities listed above. A core group of Bristol City Council officers developed priorities and proposals under the investment themes to feed into the Investment Plan.

6. It was agreed local proposals should include high level indicative funding requirements equivalent to £5.3M as per the UKSPF regional allocation formula for Bristol. Due to the complexity of the UKSPF funding rules and capital requirements, there are no guarantees each Unitary Authority will receive their notional allocation as detailed above.

7. Bristol’s local proposals - including those estimated over £500k - were agreed for submission by Cabinet Member with responsibility for City Economy, Finance and Performance (20 June 2022) and the Corporate Leadership Board (28 June 2022). WECA submitted a UKSPF Investment Plan to the Department for Levelling Up, Housing and Communities (DLUHC) on 1 August 2022. The Plan included indicative plans for the kind of projects WECA would deliver for the three pillars but not specific project details. The Plan was approved by DLUHC on 28 November 2022 and business cases are now required to unlock funding from the allocation.

8. Given the short period of time between the Investment Plan being approved and the request from WECA for bids, this paper pulls together the range of local proposals. The Combined Authority decision pathway will be seeking approval of the UKSPF programme for the three different pillars. The following is a summary under each pillar of the proposed model of delivery and submissions for funding for Bristol.

Investment Priority 1: Communities & Place

9. WECA have an open call for proposals from constituent authorities for funding under **Investment Priority 1: Communities & Place**. Funding decisions on this pillar are being agreed by the Combined Authority’s decision pathway, with delegation to WECA Chief Executives (expected February 2023).

10. This report is seeking approval for the following Communities and Place bids to be submitted to WECA, and for the Council to receive and spend funding, once approved by WECA.

<p>Place based interventions - enterprise, skills and sector support</p>	<p>Community/co-location hub at St Nicholas Market in the Old City, Bristol City Centre. Sector based enterprise and skills support and independent trading units with a focus on food and hospitality.</p> <p>Match funding from City Centre & High Streets Commercial Property Grant scheme (£60k capital) and BCC Apprenticeship Levy (120k revenue)</p>	<p>Total: £500k UKSPF (£300k revenue, £200k capital)</p> <p>Total cost incl match funding: £680k (£260k capital and £420k revenue)</p>
<p>High street recovery and renewal programme extension (and pop up museums)</p>	<p>Funding to continue the City Centre and High Streets Recovery and Renewal programme post September 2023, including the city centre, Ashley Road/Grosvenor Road (St Paul’s), Crow Lane (Henbury), Oatlands Avenue (Whitchurch).</p> <p>Proposal includes provision of pop up museums in libraries starting with Filwood and Bedminster. This is linked to the priority high streets and diversification of the offer.</p>	<p>Total: £489k approx. (revenue only)</p> <p>Years: 2023/24 and 2024/25</p>

<p>Bristol Libraries BIPC Business Centres</p>	<p>Supporting library services as community hubs for information and early business support, offering an open door for all residents, space to work and study, guidance and signposting as well as specialised business workshops, valuable access to databases and IP support.</p> <p>Three library-based local business information centres in Knowle, Southmead and Junction 3 with the main centre in the Central Library. This hub and spoke model is designed to support communities in need by delivering services locally. The centres complement city partners such as the Growth Hub and YTKO (GetSet for Growth West of England) and improve economic recovery as well as supporting community resilience and innovation.</p>	<p>Total: £420,000 (revenue only)</p> <p>Years: 2023/24 and 2024/25</p>
<p>Volunteer Parks</p>	<p>Data shows areas of higher deprivation and lower satisfaction in parks across the city. This bid will support BCC commitment to expand our existing volunteer programme to support communities of greatest need in areas of South Bristol. Sites that could benefit from this project include Withywood Park, Hartcliffe Millennium Green, Willmott Park, Manor Woods Valley, Northern Slopes, Dundry Slopes, Hengrove Mounds and Hawkfield Meadow, Stockwood Open Space, and Cottle Road Open Space.</p> <p>Through a targeted and practical approach, we will develop, support and grow volunteering action leading to improvements in green spaces, greater community resilience and physical and mental health benefits for those taking part. The project will support the formation of parks volunteer and constituted 'friends of parks' groups, essential to achieving quality parks.</p>	<p>Total: £180,000 revenue only</p> <p>Years: 2022/23, 2023/24 and 2024/25</p>
<p>Community hubs for community resilience</p>	<p>Funding to enable the Council to support the development of a network of hubs responding to the cost of living crisis, working as part of a One City approach. It will focus on areas of greatest deprivation and communities experiencing systemic inequity to build community capacity, increase engagement and move from crisis intervention to building resilience in the way we work together. No resources yet earmarked for this via Regional Recovery and Adaptations Fund or Investment Fund so seeking UKSPF funding.</p>	<p>Total: £300,000 revenue only</p> <p>Years: 2023/24 and 2024/25</p>

Investment Priority 2: Supporting Local Business

A WECA business case has been developed for **Investment Priority 2: Supporting Local Business**. Funding proposals from the constituent authorities for the Universal Business Support programme have been integrated into a Full Business Case (FBC) by the WECA. WECA are seeking to use UKSPF to support a model for the delivery of a regional and local business support programme across the WECA area from April 2023 for three years. This will include the Growth Hub core service, a portfolio of regionally focussed evidence led business growth projects, and locally focussed universal business support provision. This includes funding for resources to link local and regional provision aimed to create a more holistic service for businesses.

The Full Business Case (FBC) on the use of UKSPF for a Universal Business Support programme has been delegated for agreement by the West of England Combined Authority's CEOs in February 2023. This FBC will include funding from UKSPF, the Investment Fund and Regional Recovery and Adaptions Fund. This model has been co-designed in partnership with the constituent authorities and Bristol is seeking £1.662M UKSPF for its city wide Local Enterprise Support programme as part of the business case.

Local Enterprise Support programme (£1.662M): The locally focused intervention in Bristol will be city wide enterprise support (start-ups and early stage businesses across all sectors). The proposal includes supporting entrepreneurs from disadvantaged areas and under-represented groups (women, young people, disabled, black and minoritised communities and refugees), with a focus on promoting green business practices, the Living Wage, social enterprise options and supporting access to supply chain opportunities particularly through public sector procurement, major capital projects and the Temple Quarter regeneration programme.

This builds on the existing enterprise support programmes for South Bristol and North and East Bristol, where funding ends in March 2023. This local business support model provides an option to use in-year spend to extend the North and East Bristol enterprise support programme in the short term to ensure continuity of service until the new city wide service has been commissioned and implemented. As set out above, the Local Enterprise Support programme was approved by Corporate Leadership Board (June 2022).

Investment Priority 3: People and Skills

The UKSPF prospectus confirms £3.2M funding for People and Skills pillar is not available until 2024/25, with all interventions to end by March 2025. A business case for UKSPF Investment Priority 3: Skills is being developed, led by WECA and lead officers for skills. The business case, once approved, will include locally managed interventions in Bristol including existing programmes that will be extended.

Funding allocations will be confirmed once detailed business planning has been completed. The notional allocation for Bristol is up to £1.8M. Future bids will secure a separate grant bid and claim agreement where required and given respective values, summarised below.

Talent Pathway Project	Extending the South Bristol Talent Pathway model to link businesses in the most deprived areas with support networks to help improve their productivity and their diverse talent recruitment; including experience of work, work placements, job matching, and apprenticeships targeted at those most at risk of disengaging and being left behind
We Work for Everyone	Specialist programme to support Disabled people with learning difficulties and autism into employment. Provides a team of specialist navigators who work with Disabled clients and with employers to develop supported internship and jobs.
NEET Engagement and Support	Targeted programme to support 16 – 24-year-olds who face barriers to education, employment and training. This will include 1-to-1 mentoring and tutoring so that young people can build their skills and qualifications to enhance their progression opportunities and outcomes.

The overall Business Case will also include an allocation to regional projects, for example:

- **Future Bright:** Extending the West of England in-work progression programme, providing expert career coaching, skills development, and personalised support so that people on low pay can improve
- **Apprenticeship levy:** Building on the Western Training Provider Network Apprenticeship Levy Sharing programme. This service will continue to pool unspent levy funding and support local businesses to access this to plug their skills gaps and address their workforce needs

It should be noted that, as People and Skills funding is not available until the last year of the UKSPF programme, this creates a 3-month funding gap for the Talent Pathway programme at an estimated cost of £27K. To meet this gap and to retain the expert project team, there is an opportunity to draw on the £1M WECA Priority Skills Fund which is being created through the WECA Recovery and Adaptions Fund and other funding streams.

Cabinet Member Recommendations:

That Cabinet:

1. Authorises the Executive Director (Growth and Regeneration) in consultation with Director for Finance and Cabinet Member Public Health and Communities to take all steps required to submit the bids and if successful, accept and spend funding from West of England Combined Authority’s (WECA) UKSPF Communities & Place programme for the

<p>following proposals:</p> <ul style="list-style-type: none"> - Place based interventions - enterprise, skills and sector support; - High street recovery and renewal programme extension; - Bristol Libraries BIPC Business Centres; - Volunteer parks; - Community hubs for community resilience, <p>subject to the bids, funding and grant protocols being agreed with WECA.</p> <p>2. Authorise the Executive Director (Growth and Regeneration) in consultation with Cabinet Member with responsibility for City Economy, Finance and Performance to agree the Full Business Case and if approved, enter into grant agreement with WECA to spend the allocation from the Supporting Business Programme for a Local Enterprise Support programme.</p> <p>3. Authorise the Executive Director for Children and Education, in consultation with the Director for Finance, and the Deputy Mayor - Children Services, Education and Equalities, to agree the Full Business Case and if approved, enter into grant agreement with WECA to spend the funding to develop the UKSPF People and Skills programme to deliver the agreed projects from 2024/25 as outlined in this report.</p>
<p>Corporate Strategy alignment:</p> <ul style="list-style-type: none"> ▪ Economy and Skills - Economic growth that builds inclusive and resilient communities, decarbonises the city and offers equity of opportunity ▪ Children and Young People - A city where every child belongs and every child gets the best start in life, whatever circumstances they were born into ▪ Homes and Communities - Healthy, resilient and inclusive neighbourhoods with fair access to decent, affordable homes
<p>City Benefits: The primary goal of UKSPF is to ‘build pride in place and increase life chances across the UK’. Through the UKSPF, funding will support interventions and programmes under the three investment pillars, communities and place, support for local businesses, people and skills.</p>
<p>Consultation Details: WECA is the lead authority is responsible for ensuring consultation is carried out in line with the fund guidance. The UKSPF prospectus set out the type of organisations which should be engaged, including UAs, businesses, investors, business support providers, education and skills providers, the voluntary sector and community and faith groups. WECA undertook engagement with the LEP and launched an engagement webpage for stakeholders to feed in their views, alongside wider engagement with the Skills Advisory Panel, Business and Skills Board and a webinar for the civil society organisations.</p>
<p>Background Documents:</p> <p>UK Shared Prosperity Fund: prospectus - GOV.UK (www.gov.uk)</p> <p>UK Shared Prosperity Fund - West of England Combined Authority (westofengland-ca.gov.uk)</p>

Revenue Cost	£ 5,310 (nominal allocation)	Source of Revenue Funding	WECA (UKSPF) – grant
Capital Cost	£	Source of Capital Funding	WECA (UKSPF) – grant
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input checked="" type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:
<p>1. Finance Advice:</p> <p>The report seeks Cabinet’s approval to submit bids for the following schemes at the values shown below.</p>

DETAILS		TOTAL COST			FUNDING REQUESTED				
		Revenue	Capital	TOTAL	2022-23	2023-24	2024-25	2025-26	TOTAL
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1	St Nicholas Market Co-location Hub	420	260	680					
	- Vacant Commercial Prop. Grant	-60		-60	0	160	340	0	500
	- Apprenticeship Levy	-60	-60	-120					
2	Bristol Libraries Business and Intellectual Property Centres	420	0	420	0	200	220	0	420
3	Volunteer Parks	180	0	180	50.35	64.47	65.18	0	180
4	City Centre and High Streets Recovery (and pop-up museums)	489	0	489		210	279	0	489
5	Community Hubs	300	0	300		158	142	0	300
6	Local Enterprise Support Programme (Combined funding envelope UKSPF, Investment Fund, Recovery and Adaptions Fund - funding period extends to 25/26 due to use of funding in addition to UKSPF)	1,722	0	1,722	166.50	416.75	416.75	662	1,662
	SME contribution	-60	0	-60					
Total		3,351.00	200.00	3,551.00	216.85	1,209.22	1,462.93	662.00	3,551.00

Costings

The costs associated with each bid has been reviewed and considered to represent a fair estimate of the costs required to deliver the outcomes included in the report.

In addition to the costed bids of £3.551m above, there are plans to prepare a business case for bids relating to UKSPF "Investment Priority 3: People and Skills" category. These funds will not be available until 24/25 and more detailed financial analysis on these proposals will be completed when further details on these bids are available.

The combined value of the council's bids across all three pillars, Communities and Place, Supporting Businesses and People and Skills is £5.351m (£5,591m total cost with match/other funding included).

Funding

The bulk of the funding for these bids is expected to come from the UK Shared Prosperity Fund (UKSPF). This is part of the funding available nationally as part of the Government's Levelling Up initiative. £2.6b has been allocated nationally of which the West of England share is £13.8m. Using a formula (rather than competition) the allocation across the WoE region is shown in the table below.

UKSPF FUNDING	
	£'m
UKSPF West of England Allocation	13.795
Ringfenced for Multiply	3.608
Remaining UKSPF Funding	10.187
Bristol (52.12%)	5.310
Bath & North East Somerset (22.61%)	2.304
South Gloucestershire (25.26%)	2.573
Total	10,187

In addition to UKSPF additional funding will be required to fully cover all the costs identified in the bids above. The St. Nicholas Market Co-location hub bid will require match funding of £60k from the City Centre & High Streets Commercial Property Grant scheme this will be used to defray capital costs and £120k from the BCC Apprenticeship Levy to be used to offset revenue costs. Both are already in place and are available to be used as described.

The Local Enterprise Support Programme is part of a wider regional business support business case which brings together a range of services funded through three separate sources of funding, UKSPF, Investment Fund, Recovery and Adaptions Fund. £60k (£20k per year) will be required from local businesses as part of their contribution to participate in Bristol's enterprise support programme.. This level of contribution is modelled on existing schemes which are already proving to be realistic as a result it is assessed that this funding source carries a very low risk.

No funding from the approved capital or revenue budgets of the council is involved in the delivery of these projects should the bids be successful.

Finance Business Partner: Kayode Olagundoye, Finance Business Partner, 6 February 2023

2. Legal Advice: The submission of bids for grant funding in excess of £500k requires cabinet approval. The report seeks approval for bids impacting a range of initiatives capable of benefitting from UKSPF funding. This includes projects which are some way off (Investment Priority 3) and where a WECA business case has yet to be produced, but into which the Council will contribute, and against which it will then expect to bid. The report also seeks approval to proceed to implement the various initiatives, to the extent that funding bids are successful, in effect without further reference to Cabinet, irrespective of the value. All commissioning activities will need to comply with the usual Procurement Regulations and the Councils own procurement rules.

Legal Team Leader: Eric Andrews; Team Manager: Commercial and Governance, 27 January 2023

3. Implications on IT: I can see no implications on IT in regard to this activity.

IT Team Leader: Alex Simpson, Senior Solution Architect, 18 January 2023

4. HR Advice: Where bids will lead to the extension of existing projects, staff employed on fixed term contracts should have their contracts extended to align with the extended funding. For new projects where resource is required, recruitment should be in line with the Council's recruitment and selection policy and any roles made available to redeployees.

HR Partner: Celia Williams, HR Business Partner, 8 February 2023

EDM Sign-off	Stephen Peacock, Executive Director Growth and Regeneration and G&R EDM and Abi Gbago Executive Director Children & Education	11 January 2023
Cabinet Member sign-off	Cllr Cheney; Deputy Mayor with responsibility for City Economy, Finance and Performance	24 January 2023
For Key Decisions - Mayor's Office sign-off	Mayor's Office	6 February 2023

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO

Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO