

Blackpool Town Deal Board Meeting 20

Agenda Item 7

Report to: Blackpool Town Deal Board
Subject: UK Community Renewal Fund Programme Update
Relevant Officer: Nick Gerrard, Growth and Prosperity Programme Director
Date of Meeting: 24 February 2023

1. Purpose of Report

To provide a written update on the UK Community Renewal Fund (CRF) Programme.

2. Recommendation

To note the performance of the four Blackpool CRF schemes and the overall programme.

3. The Four Blackpool Schemes

3.1 Ready for Work (£125,628.00 approved UK CRF funding)

Ready for Work (delivered by Inspira Cumbria Ltd.) provided one-to-one and one-to-many support to 18 to 24 year-old economically inactive or unemployed persons through job searching and life skills support with the objectives of those supported gaining places in education, training or employment.

3.2 The Youth Hub / 'The Platform' (£443,824 approved UK CRF funding)

The Platform (delivered by Blackpool Council) is a physical space to support young people in the town to access jobs and training and to make the jump from school or unemployment in to work smoother and easier - the Hub, managed by the Council's Economic and Cultural Services Team, provides a 'one place base' providing quality advice for young jobseekers aged 16 to 24.

3.3 Piloting Place-Based Innovation Catalysts (£180,579 approved UK CRF funding / £23,351 own match funding)

This project (delivered by Lancaster University) targeted improving economic growth & prosperity in Blackpool through high level & high impact innovation, talent & skills programmes. The scheme worked with business of all sizes, and public & voluntary sector organisations to provide 1-to-1 and 1-to-many support to local ‘innovation driven businesses’ resulting in the development of innovation plans and knowledge transfer activities.

3.4 The role of Digital Museums & Archives in culture-led regeneration (£13,339 approved UK CRF funding / £2,631.67 own match funding)

This project (delivered by the University of Central Lancashire) aimed to generate tangible insights into how digital museums and archives affect local pride, can be exploited by local communities, improve social cohesion and strengthen collaboration & the collective value of the ‘creative economy’ through the creation of clusters, networks and virtual communities resulting in the development of innovation plans and knowledge transfer activities.

4. Programme management

All 4 projects completed as of the 30 September 2022.

The PMO operated quarterly claims to encourage tight project control and to avoid unexpected issues/surprises.

All claims for all projects have now been received, reviewed and all eligible spend paid out.

Each project team was required to provide an independent evaluation report to be submitted to DLUHC.

4.1 UK Community Renewal Fund reporting

All standard reporting is now complete.

We have, so far, made returns to DLUHC as follows.

Before 31/3/22 for the period to 28/2/22

- DLUHC made no requests or comments

Before 31/7/22 for the period to 30/6/22

- DLUHC have made no requests or comments as yet

Before 31/10/22 for the period to 30/9/22 (programme closure)

- Submitted 25/10/22
- DLUHC have made no requests or comments as yet

Before 31/1/23 representing the “final return” claim for the entire programme

DLUHC have made no requests or comments as yet.

The final return (including financial and achievements detail along with a Section 151 letter / programme assurance & monitoring activity report) was required to be submitted to DLUHC by 31 January 2023. The return, complete with Section 151 Officer sign-off of all the final claim paperwork and all four project evaluation documents, was submitted on 26 January 2023.

4.2 Project updates

Ready for Work

As reported at previous meetings, there needed to be an approach to deal with project output underperformance and based on the fact DLUHC required the Council to pay out to them in advance, ahead of DLUHC determining how much they will in turn release to the Council.

On the 13 December TDIP members received an e-mail which highlighted the approach taken having reviewed the information provided by Inspira and all mitigating information, including a positive independent appraisal of the scheme we have received recently.

A recommendation of a reduction of their funding by £9,025.87 against the £125,628.00 contract value was reviewed and approved by TDIP and the Council Section 151 Officer who supported the sanctioning stance and has overall responsibility for grant usage.

Results (formally reported)

Result	Target	Achieved	%	'Other'
(Output 1) Economically inactive people supported	45	0	0	
(Output 2) Unemployed people supported	45	44	98	
(Outcome 1) People job searching following support	84	0	0	34 ¹
(Outcome 2) People engaged in life skills support	10	0	0	41 ²
(Outcome 3) People in education/training following support	45	17	38	
(Additional result) Supported persons who have moved into paid employment		10		
(Additional result) Supported persons who have moved into unpaid (voluntary) employment		4		

¹ 'Other' result relating to Outcome 1 is 34 persons fitting the 'unemployed' definition (rather than the required economically inactive definition).

² 'Other' result relating to Outcome 2 is 41 persons fitting the 'unemployed' definition (rather than the required economically inactive definition).

The Youth Hub / 'The Platform'

DLUHC has been informed this project, whilst achieving (and exceeding) all its contracted results, has closed having underspent by £13,634.29. The under spend was primarily due to receiving fewer suitable contract applications relating to innovation fund activity / novel support measures. This was noted in the final claim report to DLUHC.

Results (formally reported)

Result	Results achieved	Total to be achieved by project close	Delivery %
People in education / training following support	127	75	169
Unemployed people supported	393	300	131

Both targets have been significantly exceeded.

Piloting Place-Based Innovation Catalysts

This project has expended its full £180,579.00 CRF allocation. The project has achieved all but one target but this has been offset by exceeding on three others and so was paid out all funding in full.

Results (formally reported)

Result	Results achieved	Total to be achieved by project close	Delivery %
Innovation plans formed & enacted (commitment secured)	15	15	100
Organisations engaged in knowledge transfer activity following support	15	15	100
Small businesses engaged (0-49 employees)	8	7	114
Medium sized businesses engaged (50-249 employees)	0	3	0
Large businesses engaged (250+ employees)	3	2	150
Public organisations participating	3	2	150
Voluntary sector organisations participating	1	1	100

The Role of Digital Museums & Archives in Culture-led Regeneration

Similar to the Inspira led scheme, the project experienced underperformance issues.

Result	Target	Achieved	%
(Outcome 1) Innovation plans developed as a result of support	5	2	40
(Outcome 2) Organisations engaged in knowledge transfer activity following support	2	5	250
(Output 1) Small businesses engaged (0-49 employees)	5	5	100
(Output 2) Medium sized businesses engaged (50-249 employees)	3	1	33

Result	Target	Achieved	%
(Output 3) Large businesses engaged (250+ employees)	2	0	0
(Output 4) Public organisations participating	5	2	40
(Output 5) Private organisations participating	3	4	133
(Output 6) Voluntary sector organisations participating	2	2	100

From the table we can see the University had:

Achieved only 40% of the principal result (outcome 1).

Achieved or over achieved 50% of the results whilst not achieving the other 50%.

An average achievement level of 87%.

Using a similar methodology to the Inspira Ready for Work scheme, it was decided to apply a sanction of £435.63 from its original allocation, so allowing a total pay-out of £12,903.37.

This was a solution that recognised the effort made by the University to complete the project satisfactorily and has overachieved on some results whilst also underachieving on others. Consequently, UCLan would lose £435.63 from its original allocation. This approach was approved by the Council Section 151 officer. It was not shared with TDIP in advance due to time constraints with submitting the final claim to DLUHC (end January) and also due to the small amount of funding involved.

This should demonstrate to DLUHC that the Council has provided a reasonable, but relatively low sanction. The (estimated low) risk is DLUHC may choose not to agree with the Council decision and not agree to pay out the full £12,903.37.

4.3 CRF financial position

Expenditure

The final CRF funding expenditure position is set out in the table below.

Project	Approved total project funding	Claim 1 (3 Nov - 31 Dec 2021)	Claim 2 (1 Jan - 31 Mar 2022)	Claim 3 (1 Apr - 30 Jun 2022)	Claim 4 (1 July - 30 Sept 2022)	Total project claim
Ready for Work	£125,628.00	£22,921.19	£42,632.63	£36,689.95	£14,358.36	£116,602.13
The Youth Hub	£443,824.00	£25,056.42	£66,905.65	£118,721.78	£219,486.36	£430,170.21
Piloting Place-Based Innovation Catalysts	£180,579.00	£2,713.89	£24,339.68	£34,719.61	£118,805.82	£180,579.00
The role of Digital Museums & Archives in culture-led regeneration	£13,339.00	£2,566.48	£4,396.01	£3,025.50	£2,915.38	£12,903.37
Total	£763,370.00	£53,257.98	£138,273.97	£193,156.84	£355,565.92	£740,254.71

Total CRF funding claimed for project activity amounted to £740,254.71 against the programme value of £763,370. There is an additional £15,268.00 management fee meaning the total received from CRF is anticipated to amount to £755,522.71. A total of £23,095.79 therefore not claimed.

4.4 Match funding financial position

The programme is funded by CRF with confirmed supporting match funding (expenditure by year) as set out in the table below. The public funds are provided by the Universities.

Funding sources	2021/ 2022	2022/ 2023	Total
UKCRF total contributions	£372,681.85	£367,572.86	£740,254.71
Public match total contributions	£12,051.10	£13,933.31	£25,984.41
Total	£384,732.95	£381,506.17	£766,239.12

4.5 Income

CRF receipts so far are set out in the table below.

Tranches received	Total
Pre-development expenditure [Nov 21]	£20,000.00
62.5% of revenue (& capital by mistake) [Dec 21]	£486,649.00
62.5% of capital [Dec 21]	£25,000.00
Total	£531,649.00

The remaining CRF funding due £223,873.71 will be paid by DLUHC in one lump sum after our final report is (hopefully) approved by them. (The figure takes account of the Youth Hub underspend and Ready for Work and Digital Museums scheme sanctions and includes the programme management fee).

4.6 Inflation

As the majority of project costs were primarily staff related, inflationary effects did not impact any of the projects significantly. Minor price increases were absorbed into the respective budgets through the revision of requirements, specifications or quantities.

4.7 Programme Closure

Now the final return has been submitted, DLUHC's decision is awaited on our remaining CRF receipt. The PMO has commenced formal programme "closure" ensuring all paperwork is held ahead of any future audit. All paperwork must be kept for a minimum of seven years. Project delivery bodies are aware of this requirement.

Lessons have been learnt from the CRF programme especially around the process for dealing with any sanctions and ensuring timely claims returns. These will influence programme management of the SPF, LUF and Town Deal programmes which are ongoing.