



Blackpool Town Deal Board meeting 16

Agenda Item 6

Report to: Executive

Relevant officer: Alan Cavill, Director of Communications and Regeneration

Relevant cabinet member: Councillor Mark Smith, executive member for business, enterprise and job creation.

Date of meeting: 16 May 2022

Shared Prosperity Fund

1. Purpose of the report:

To summarise the details of the UK Shared Prosperity Fund (SPF), in line with the full bidding guidance launched on 13 April 2022 and set out of the proposed approach to developing the required investment plans.

2. Recommendations

To note the guidelines issued by Government for the Shared Prosperity Fund (SPF).

To submit the required Blackpool SPF Investment Plan by 1 August 2022 to access the pre-determined flexible allocation of £5,114,423 (capital and revenue), noting what scheme interventions it is choosing to prioritise and setting out measurable outcomes to be delivered, with the final content of the Investment Plan to be delegated to the Chief Executive after consultation after with the relevant Cabinet Member(s).

To submit the required Multiply Investment Plan by 30 June 2022 to access the pre-determined 'Multiply' funding allocation of £770,711 with the final content of this Investment Plan to be delegated to the Chief Executive after consultation with the relevant Cabinet Member(s).

To approve the proposed approach to utilise the Town Deal Board (which incorporates representation from the public, private, community and voluntary sectors), with its sub-group, the Town Deal Investment Panel, as the basis of the required "Local Partnership Group" for engaging stakeholders (with the Council as the accountable body), with membership to be kept under review as necessary.



For the overall management of this process to be led by the Growth and Prosperity Team with support from other Departments as required and specifically for the Multiply Investment Plan to be led by Adult Services and the Economic Services Department.

To note that an external consultancy, Capita, is to be appointed from the existing Council framework panel, to support the development of the Investment Plan process with Government funding provided for this support.

For the Executive to receive a future report on the Investment Plans and progress in the implementation of the Shared Prosperity Fund.

3. Reasons for Recommendations

Blackpool has the opportunity to submit its required Multiply Investment Plan by 30 June 2022 and its broader, town-wide Shared Prosperity Fund Investment Plan by 1 August 2022, to secure essential resources to support investment in the town resulting in the need to move quickly to establish arrangements for formulating bid content with the maximum chance of success.

Is the recommendation contrary to a plan or strategy adopted or approved by the Council?

No.

Is the recommendation in accordance with the Council's approved budget?

Yes.

4. Other alternative options to be considered:

The guidance for submission into the fund and the initial deadlines to be met are clearly set and immovable. Whilst it is not a competitive bidding round, the Council has a designated funding allocation based on the submission of the Investment Plans to a set timetable. Blackpool must take advantage of the opportunity presented.

If Blackpool is to benefit from this Fund the only options for consideration are around the process for determining schemes for inclusion in the Investment Plans and the schemes themselves and this will be undertaken as part of the proposal to ensure that the most eligible and viable projects will be incorporated.



5. Council priority:

The relevant Council priorities are both:

- The economy: Maximising growth and opportunity across Blackpool.
- Communities: Creating stronger communities and increasing resilience.

6. Background information

Following the publication of the Levelling-Up White Paper the pre-launch guidance for the UK Shared Prosperity Fund (UKSPF) was released on the 2 February 2022. The updated guidance was published on the 13 April 2022 and can be seen via this link [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/107422/ukspfv2022-prospectus.pdf)

The UK Shared Prosperity Fund (SPF) is a central pillar of the UK government's ambitious Levelling Up agenda and a significant component of its support for places across the UK. The Fund will replace some previous funding streams that came about via the UK's membership of the European Union. However, Government aims to make the Shared Prosperity Fund less bureaucratic than those streams it is replacing, with local areas given much stronger powers over decision-making and prioritisation.

The Fund's interventions will be planned and delivered by local authorities who will receive an area's allocation to manage, including assessing and approving applications, processing payments and day-to-day monitoring.

The Shared Prosperity Fund provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition. It will help places right across the country deliver enhanced outcomes and recognizes that even the most affluent parts of the UK contain pockets of deprivation and need support.

Funding is confirmed for three financial years: £400 million for 2022-23, £700 million for 2023-24 and £1.5 billion for 2024-25, providing predictable baseline local growth funding.

Blackpool's total allocation is £5,885,134, £770,711 of which must be used to support the "Multiply" programme which aims to reach adults over the next three years; to improve their functional numeracy skills.

The two Investment Plans (for the Shared Prosperity Fund and Multiply allocations) will be confirmed over three financial years: 2022/23 to 2024/25, subject to the provision of the respective Investment Plans, with all interventions due to end by March 2025.



Local authorities are asked to set out their preferred mix of capital and revenue funding in their Shared Prosperity Fund investment plan, this must include a minimum percentage of capital funding (10% in year 1, 13% in year 2 and 20% in year 3) . The 'Multiply' fund is all revenue focused. Outside of this it will be up to the local authorities to provide a rationale for their preferred mix of funding. The plans will then be assessed by Government when Investment plans are submitted in June and August 2022 respectively.

The Blackpool allocation was determined by Government adopting a blended approach to allocate funding to each place. This ensured that all places get an allocation that allows for significant continuity with original European Union structural distributions, so 70% is allocated on a per capita basis within each region (based on Local Authority population size) and the remaining 30% of the allocation uses a needs-based index based on Productivity, Household income and Skills.

Match funding is not required to unlock an area's allocation and as such will not be a factor in the assessment of each place's investment plan. However, even though match funding is not required and will not form part of the investment plan assessment criteria, all lead local authorities are strongly encouraged to consider match funding from the private, public and third sectors and leverage options when selecting communities and place and supporting local business interventions to fund. This will maximize the value for money and impact of the Fund.

An additional £20,000 is to be made available per lead local authority to undertake initial preparatory work for the Fund, including developing the local investment plan. With regards to day-to-day fund administration, each lead local authority will be able to use up to 4% of their allocation by default to undertake necessary Fund administration, such as project assessment, contracting, monitoring and evaluation and ongoing stakeholder engagement.

Objectives of the Shared Prosperity Fund

The primary goal of the Shared Prosperity Fund is to build pride in place and increase life chances across the UK, in line with the four parts of Levelling Up:

- Boost productivity, pay, jobs and living standards, 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.

There are three investment priorities:

Communities and Place

Strengthening our social fabric and fostering a sense of local pride and belonging, through investment in activities that enhance physical, cultural and social ties and amenities, such as community infrastructure and local green space, and community-led projects.

To build resilient and safe neighborhoods', through investment in quality places that people want to live, work, play and learn in, through targeted improvements to the built environment and innovative approaches to crime prevention.

Local Businesses

- Creating jobs and boosting community cohesion, through investments that build on existing industries and institutions, and range from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.
- Promote networking and collaboration, through interventions that bring together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.
- Increase private sector investment in growth-enhancing activities, through targeted support for small and medium-sized businesses to undertake new-to-firm innovation, adopt productivity-enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.

People and Skills

- Boost core skills and support adults to progress in work, by targeting adults with no or low level qualifications and skills in maths, and upskill the working population, yielding personal and societal economic impact, and by encouraging innovative approaches to reducing adult learning barriers.
- Support disadvantaged people to access the skills they need to progress in life and into work, for example the long-term unemployed and those with protected characteristics through funding life, and basic skills where this is not delivered through national or local employment and skills provision.
- Support local areas to fund local skills needs and supplement local adult skills provision e.g. by providing additional volumes; delivering provision through wider range of routes or enabling more intensive/innovative provision, both qualification based and non-qualification based.
- Reduce levels of economic inactivity and move those furthest from the labour market closer to employment, through investment in bespoke employment support tailored to



local need. Investment should facilitate the join-up of mainstream provision and local services within an area for participants, through the use of one-to-one keyworker support, improving employment outcomes for specific cohorts who face labour market barriers.

Interventions supported by the Shared Prosperity Fund will have to take into account other policies and priorities, including the national net Zero commitment.

Working with other local authorities is strongly encouraged in the delivery of Fund interventions where it meets the needs of their place, and achieves value for money or better outcomes for local people or businesses. Lead local authorities can determine, with partners, the most appropriate scale for each intervention – for example, regional, local or through collaboration with other places or bodies to deliver specific interventions. This can include working with places in different parts of the UK. This should consider value for money, effectiveness and current arrangements.

Lead local authorities for each area will have flexibility over how they deliver the Fund. They may wish to use a mix of competitions for grant, procurement, commissioning or deliver some activity through in-house teams. For example, some community level interventions may require a commissioning or in-house approach, recognizing that competitions for grant may create barriers to participation in left behind communities.

Multiply – As well as these 3 investment priorities, each place has to invest a ring-fenced amount of the Shared Prosperity Fund in “Multiply” interventions, to enhance adult numeracy. In Blackpool this amounts to £770,711. A national digital numeracy platform will also be launched to allow flexible learning. Receipt of this funding will be dependent on a separate, Multiply-specific investment plan to be submitted by 30 June 2022. The Multiply Prospectus can be seen here <https://www.gov.uk/government/publications/multiply-funding-available-to-improve-numeracy-skills>

The overall objective of Multiply is to increase the levels of functional numeracy in the adult population across the UK. The following success measures for the whole programme are at a national level:

- More adults achieving math’s qualifications courses (up to, and including, Level 2 with GCSEs and FSQs as the qualifications of choice in England – or equivalent) and an increase in participation in numeracy courses. We expect local areas to evidence improvements in functional numeracy, rather than solely participation in Multiply interventions.
- Improved labour market outcomes e.g. fewer numeracy skills gaps reported by employers, and an increase in the proportion of adults that progress into sustained



employment and / or education.

- Increased adult numeracy across the population – this overall impact, which goes beyond achieving certificates or qualifications, will track both the perceived and actual difference taking part in the programme makes in supporting learners to improve their understanding and use of maths in their daily lives, at home and at work - and to feel more confident when doing so.

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Local partnership groups

Lead local authorities are tasked with working with a diverse range of local and regional stakeholders, to achieve SPF outcomes in their areas. Local partners should support lead local authorities for each place to develop an investment plan. Once plans are approved, partners should be asked to provide advice on strategic fit and deliverability – taking care to avoid conflicts of interest. This will ensure that Fund investments complement other activities in the area and meets Fund and local objectives. MPs in the area should be invited to join the local partnership group.

Given the town-wide representation of public (including MPs), private, and community/voluntary sector organisations on the Town Deal Board which has already successfully overseen the delivery of the Town Investment Plan required for Town Deal and overseen the Community Renewal Fund process (the precursor to the Shared Prosperity Fund) through its sub-group, the Town Deal Investment Panel, it is proposed that the Town Deal Board fulfils this function. The Town Deal Board is also accountable to the Council's Executive.

Investment Plans

Each place in the UK, in order to access their conditional Shared Prosperity Fund allocation, has to present an Investment Plan setting out how they intend to use and deliver the funding and measurable outcomes and prioritized interventions to Government by 1 August 2022. Investment Plans will cover a three year period. The interventions and Outputs and Outcomes matrix is available here [Interventions list for England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/interventions-list-for-england)

A further Investment Plan, completed and presented by 30 June 2022, is required in order for local authority areas to receive access to funding specifically supporting Multiply activity.

The Fund focuses on the “communities and place” and “local business” interventions in 2022-23 and 2023-24, as well as the Multiply adult numeracy programme. Voluntary organisations running European Union-funded skills programmes, where funding is tapering out and follow-on support is required, will also possibly be eligible for Shared Prosperity Fund support in the first two years of the Fund. Otherwise, the people and skills priority will commence in year 3.



The Shared Prosperity Fund Investment Plan must be developed in conjunction with local stakeholders and will feature three broad stages:

1. Local context: an opportunity for places to set out their local evidence of opportunities and challenges through the lens of the three investment priorities for UK Shared Prosperity Fund.
2. Selection of outcomes and interventions: where places will identify the outcomes they wish to target based on local context, and the interventions they wish to prioritise, under each investment priority, from the menu of options. These should be clearly linked to local opportunities and challenges.
3. Delivery: this will represent the most detailed stage of the investment plans and is broken down into the following:
 - Approach to delivery and governance: where places outline the structures and processes that will support the delivery of their chosen interventions. Places need to set out the engagement they have undertaken as part of the development of their Plan, including their engagement with MPs. In this section, places need to set out how they intend to collaborate with other places in the delivery of specific interventions – for example with neighboring places, or with places across the UK with common needs or challenges.
 - Expenditure and deliverables: detailing what places want to deliver with their investment plan, including the spend profile for the three years of the fund as well as outputs and outcomes figures, and where places have already identified specific projects they wish to fund under each of the investment priorities. As part of these spend and indicator profiles, lead local authorities will be asked to detail their intended budgets at priority and intervention level. UK government will use this information as part of the assessment and as initial performance management, along with additional performance management information set out in a Memorandum of Understanding). Each place must set out a minimum amount of capital funding to invest each year in their investment plan, which will be monitored.
 - Capability and resource: to allow places to outline the resource they have to manage and work on Shared Prosperity Fund, as well as their capability and previous experience of delivering similar funds.

The Multiply Investment plan must meet five criteria:

- Deliverability: Detailing how the funding will best reach those most in need of improved numeracy skills, and how that will be coordinated in local areas.



- Evidence of need and demand: An explanation of why improving adult functional numeracy matters locally, demonstrating a clear understanding of current provision support by the Local Skills Plan or LSIP, and using data to support demand.
- Interventions: An outline of the interventions that will be delivered to improve functional numeracy skills, as well as an explanation as to how these interventions will not displace or duplicate the maths entitlement funded through the Adult Education Budget.
- Strategic Fit: A demonstration of how interventions fit with the wider ambitions set out in the Levelling Up White Paper and Skills For Jobs White Paper, as well as how they fit with local priorities and fit with the wider UK Shared Prosperity Fund proposals locally.
- Engaging and motivating learners: An outline of ways in which local areas intend to engage and motivate learner to achieve their proposed interventions, including changing perceptions, promotion of schemes and engaging locally with residents and businesses.

Blackpool has the opportunity to choose from investment in one, two or all three Investment Priorities: communities and place; local business; and people and skills. There is flexibility to invest in a range of activities that represent the right solutions for their area.

Public bodies are subject to the Public Sector Equality Duty in all their decision-making and should ensure that they meet these obligations when taking decisions on Shared Prosperity Fund.

Each place should take account of the wider funding landscape, and in particular, complementary interventions at UK, national or local level. This will ensure that funding is effectively targeted and delivered efficiently. As a minimum, lead local authorities should consider alignment with the likes of Town Deal Funding and the Levelling-Up Fund, which has now launched a second round competition. Local authorities should work with local Department for Work and Pensions and Job centre Plus representatives to build an understanding of this provision around existing adult skills provision in each area, which should not be displaced or duplicated.

Investment made under Shared Prosperity Fund should demonstrate the extent of contribution to net zero and nature recovery objectives, including the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.

To support green growth, places should also consider how projects can work with the natural environment to achieve project objectives, and – at a minimum – consider the project's impact



on our natural assets and nature.

Key dates:

- Fund launch: 13 April 2022.
- Multiply Investment Plan submitted by 30 June 2022.
- Local Investment plan submitted by 1 August 2022.
- First payments expected to lead local authorities from October 2022.
- Funding period: April 2022 to March 2025.

Proposed approach:

The ring-fenced funding of £5,885,134 (of which £770,711 is ring-fenced for Multiply actions) is clearly insufficient to meet potential scheme demands across the whole town and over the potential three theme areas (Communities and Place, Local Businesses, and People and Skills). It is also a three year programme although it is anticipated there will be future rounds. It is therefore imperative that Blackpool makes the most of this welcome but limited additional resource and adopts a rigorous approach to where it is focused.

Blackpool is however looking to identify additional funding through other means including the Levelling-Up Fund and the wider Levelling Up agenda through Blackpool being recognised as one of UK 20 Regeneration Areas highlighted for Kings Cross style regeneration support (17th March 2022). <https://www.gov.uk/government/news/new-plans-to-level-up-blackpool-unveiled>

No precise funding announcement has yet been made but the Council is working with the Department of Housing, Communities and Local Government and Homes England to ensure that the benefit to the regeneration areas. In addition, the Executive agreed at its 27 April meeting its approach to Levelling-Up Fund Round 2.

The strategic context for assessing these demands is provided by several existing and emerging key strategies and plans all of which have been developed based on substantial engagement with the public, private and voluntary and community sectors and hence have strong legitimacy. These will be utilised to provide the basis of preparing the Investment plans and generating proposals which will then be prioritised on the basis of those which make the strongest contribution to the achievement of the Shared Prosperity Fund criteria and Blackpool's strategic objectives.

These key strategies and plans are (see Appendix 2a for further details):

- Blackpool Local Plan Part 2 Local District Centers Assessment (April 2019)
- Our Claremont Masterplan (June 2020)
- Revitalising Revoe (July 2020)



- Town Investment Plan (submitted July 2020)
- Town Prospectus (January 2022 update)
- Town Centre Strategy (May 2022 – elsewhere on this agenda)
- Blackpool South Regeneration Framework Masterplan (September 2022)*

Nb: Blackpool South Regeneration Framework Masterplan is being undertaken now with Homes England and whilst it is not due for completion until September 2022 the commission includes the need to explore any opportunities as early as possible that may be forthcoming during the course of the Commission suitable for SPF.

It is proposed to use initial direction provided by these strategies and plans and the Council's Corporate Leadership Team alongside the Town Deal Board with its sub- group, the Town Deal Investment Panel as the basis of determining the final schemes for inclusion and for engaging stakeholders (where the Council remains the accountable body).

Does the information submitted include any exempt information?

No.

7. List of Appendices:

Appendix 2a: Key Strategies and Plans

8. Financial considerations:

Without the Shared Prosperity funding, the Investment Plan and activities and schemes noted within would not be pursued. Where any co-funding is required, this will already be provisionally agreed at submission stage.

9. Legal considerations:

Management and Governance Arrangements

Should the Council be successful with its submission, it is required to directly enter into a funding agreement with DLUHC. The Council will also potentially need to enter into legal agreements with local delivery partners (via direct appointment or further to tender) for which Executive Approval is hereby requested. The role will also require undertaking claims, monitoring and assurance activity.

As the accountable body, Blackpool Council would retain overall responsibility for the delivery of the projects with reports to the Corporate Leadership Team, Executive and Government as



required.

10. Risk management considerations:

With all projects there are risks, and each scheme will have a risk assessment developed and allocated to it.

11. Equalities considerations:

There are no equalities issues with the Investment Plan programme outlined. With regards to individual Shared Prosperity Fund projects which are capital based, where any development requires new build or redesign e.g. full equalities and accessibility requirements will be taken into account at the design stage. Revenue based schemes, will require confirmation that there will be no equalities issues or if there is the potential, how this will be addressed.

12. Sustainability, climate change and environmental considerations:

Reducing the impact of climate change and ensuring sustainability will be taken into account as projects will need to evidence how they will work towards the aims of the government "Net Zero" policy as a requirement of any bid submissions.

13. Internal/external consultation undertaken:

With the Shared Prosperity Fund Investment Plan creation, the Town Deal Board and its engagement processes will provide an established method of consultation on projects.

14. Background papers:

None.

15. Key decision information:

Is this a key decision?

Yes.

If so, forward plan reference number:

1/2000

If a key decision, is the decision required in less than 5 days?



HM Government

Blackpool Council

No.

If yes, please describe the urgency:

Not applicable.

16. Call-in information:

Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process?

No.

If yes, please give reason:

Not applicable.

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To be completed by the head of democratic governance

1.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 6 May 2022

Date approved:

2.0 Declarations of interest (if applicable):

2.1

3.0 Executive decision:

3.1

4.0 Date of Decision:

4.1

5.0 Reason(s) for decision:

5.1

6.0 Date Decision published:

6.1

7.0 Executive Members in attendance:

7.1

8.0 Call-in:

8.1

9.0 Notes:

9.1