

# WAVERLEY BOROUGH COUNCIL

## EXECUTIVE

7 FEBRUARY 2023

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<b>Title:</b>	<b>UK Shared Prosperity Fund projects and Rural England Prosperity Fund</b>
<b>Portfolio Holder:</b>	<b>Cllr Liz Townsend, Portfolio Holder for Planning and Economic Development</b>
<b>Head of Service:</b>	<b>Abi Lewis, Executive Head of Regeneration and Planning Policy</b>
<b>Key decision:</b>	Yes
<b>Access:</b>	<b>Public</b>

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### **1. Purpose and summary**

- 1.1 The Department of Levelling Up, Housing and Communities (DULHC) allocated Waverley BC £1 million of UK Shared Prosperity Fund grant in April 2022. Identifying the challenges for the local community an investment plan was submitted to Government in July, proposing the allocation of these funds to key projects in disadvantaged areas of the borough. These 20+ projects are to be delivered by external partners. In September 2022 Department of Environment, Food and Rural Affairs (DEFRA), allocated a further £400,000 grant funding through the Rural Prosperity Fund, earmarked to support rural communities. The due diligence and approved governance journey of the proposed projects to be supported has now taken place.
- 1.2 This report sets out the proposed projects supported by this funding. The report seeks the Executive's approval to these projects and to agree to the Rural England Prosperity Fund being allocated to three areas of business support, and that businesses to receive the limited grant funding would be approved via a panel.

### **2. Recommendation**

It is recommended that the Executive approve:

1. the projects that have gone through the governance journey required by government, engagement with MPs in addition to internal governance requirements, for the £1 million UK Shared Prosperity Fund (UKSPF) allocation to Waverley.
2. Waverley's Rural England Prosperity Fund (REPF) allocation of £400,000 is used as a continuation of the Rural Development Programme for England:

[LEADER](#) Funding (2015-2020) to support Waverley’s rural business community, working with Surrey County Council, Guildford BC and Tandridge DC.

### 3. Reason for the recommendation

The allocation of £1.4 million is a considerable sum that will have a significant impact on local communities and businesses.

The projects funded support the priorities of the Council during the recent cost-of-living crisis and new Economic Development Strategy, currently being consulted on with external and internal stakeholders.

The projects have travelled through the internal and external governance route, as approved in July 2022.

### 4. Background and detailed proposals

In April 2022 the Department of Levelling Up, Housing and Communities launched a UK Shared Prosperity Fund (UKSPF), the [prospectus](#) “...It 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. It will help places right across the country deliver enhanced outcomes and recognises that even the most affluent parts of the UK contain pockets of deprivation and need support.”

Waverley Borough Council (WBC) (a” lead authority”) has been allocated a total of £1,000,000 for the three years from 2022 to 2025 and the Council submitted an investment plan for approval to access the monies on 1<sup>st</sup> August 2022.

WBC received confirmation from the Department of Levelling Up, Housing and Communities on 6 November on the investment plan, and the funds have been approved. These can be transferred once a Memorandum of Understanding has been signed. Legal and finance are currently looking at the documents received.

As a delegated fund, WBC has identified its’ own challenges and needs at a local level, increasing life chances and delivered through the investment priorities: communities and place and local businesses.

The funding profile is:

<b>Funding Profile:</b>				
<b>Funding Sources</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>Total</b>
UKSPF Allocation	£62,489.00	£124,978	£812,533	£1,000,000
Capital proportion	10%	13%	20%	
Capital amount	£6,248.90	£16,247.14	£162,506.60	£185,003
Revenue proportion	90%	87%	80%	
Revenue amount	£56,240.10	£108,730.86	£ 650,026.40	£814,997

### Projects

Each project has submitted a detailed business case for the funds to WBC. The Funding and Projects Officer has had considerable communication with each project on the outcomes and outputs, to ensure value for money, delivery, procurement, branding and monitoring compliance.

Challenge	Disadvantaged communities	Organisation name	Activity applied for	Proposed Funding Total £
Activities and support for young people	x	Godalming Town Council	New Ockford Ridge Youth Centre	275,866
	x	Haslemere Hub	Haslemere Hub - extend opening hours to reach more youths	75,000
	x	Hale Community Centre, Farnham	Hale Community Centre - Adult Support	70,000
	x	Places Leisure	Friday Night Project & wellbeing hub x4 areas. ,	45,000
Outreach work	x	South-West Surrey Domestic Abuse Outreach Service	Community Support Programme (domestic abuse) all areas	110,000
	x	Waverley Citizens Advice	Crisis Support Project - part fund	33,000
Transport issues	x	Hoppa	Waverley Hoppa Community Transport	70,000
Decarbonisation	x	WBC, SCC to build	Active travel cycle route and pilot	75,000

Addresses which challenge?	Supports disadvantaged?	Organisation name	Activity applied for	Proposed Funding Total £
Decarbonisation	x	Building Research Establishment	Feasibility study of domestic energy	40,000
Supports business		Farnham Maltings	Craft incubator	50,000
Supports High Streets and employment		SCC	SCC Cranleigh High Street Public Realm Enhancement (contributions to the 4M overall project cost) including water fountain	28,000
		SCC	SME Decarbonisation Loan Scheme	40,000
		Surrey Hills Enterprises	Cranleigh Sustainability Fair	7,500
		WBC	SPF monitoring to government costs of 20k in yr. 1 and yr. 2 (4% allocated by govt)	40,000
		LEADER capital grant scheme (SCC)	Rural England Prosperity Fund delivery	40,000

### Governance journey

An internal councillor/officer board has been established to act as the governance structure at Waverley, with the following members:

- Cllr Follows
- Cllr Merryweather
- Cllr Townsend
- Abi Lewis– Head of Service, Regeneration and Planning Policy
- Ian Hunt, Legal Services
- Catherine Knight - Economic Development Manager
- Paul Smith, Funding and Projects Officer

- Finance representative for the S151 officer.  
Candice Keet
- As and when:
- Ian Mackie Interim Communications & Engagement Manager.
  - Katie Webb, Communities Manager

The newly establish Local Economic Advisory Forum (LEAF) with representatives from key business sectors and local stakeholders has been used as the external governance sounding board for this fund.

Local MPs are invitees to this group and the Leader of the Council Cllr Follows, Portfolio Holder for Finance Cllr Merryweather and Cllr Townsend Portfolio Holder for Economic Development were also in attendance.

This group met on the 24th of November 2022 to provide feedback on the investment plan projects to be awarded monies. Due to the number of community projects within the investment plan, representatives from the Voluntary sector and NHS were invited to attend this first meeting.

Where there were choices, such as the business support project or the weighting of the REPF priorities, a show of hands or prior email contact was used to determine the approach to take. Angela Richardson, MP for Guildford and Cranleigh, Cllr Follows and Cllr Townsend abstained on votes for projects involving their areas.

Change management

S151 officer to sign off a change request to DLUHC after Christmas, to reflect changes to the projects and outputs since the investment plan went in in August.

### **Rural England Prosperity Fund**

Waverley has been allocated £400k capital funding by DEFRA under the Rural England Prosperity Fund, the successor to LEADER funding, to be used in 2023-24 (£100k) and 2024-25 (£300k). The fund is to be used to benefit rural areas only, however DEFRA's definition of 'rural' befits all of Waverley excluding the town of Farnham due to its higher population.

An addendum to the UKSPF investment plan was submitted to government on 29<sup>th</sup> November which sets out the challenges, opportunities, and funding priorities for Waverley. The approach was agreed by the LEAF meeting on 24<sup>th</sup> November.

The proposal is to focus on business challenges and opportunities - since community projects were prioritised for UKSPF, and to award grants to businesses via SCC's LEADER team. To co-fund the team (along with Guildford and Tandridge councils) a new project will be set up under the UKSPF allocation to deliver business advice to local companies and allocate grants to projects that are most able to deliver jobs the following interventions and associated outputs for Waverley:

- (1) Capital Grant Funding for growing the local social economy and supporting innovation
- (2) Capital Grant Funding for Developing and Promoting the Visitor Economy

(3) Capital Grant Funding for Small Scale Investment in Micro and Small Enterprises in Rural Areas

This is all pending approval by the Executive and DEFRA.

## **5. Relationship to the Corporate Strategy and Service Plan**

WBC Corporate Plan 2020-25. Strategic priorities to:

Supporting a strong, resilient local economy  
Improving the health and wellbeing of our residents and communities

As this fund has been allocated within such a short time scale it is not within any existing service plans.

## **6. Implications of decision**

Successful allocation of £1.4 million for the benefit of local communities and businesses in Waverley, to increase the life chances of residents.

### **6.1 Resource (Finance, procurement, staffing, IT)**

These funds provide the Council with £1.4m of funds to invest in the Waverley area. This report seeks allocation of these external funds allowing the council to deliver a number of projects both externally and internally across various service areas including; communities, housing, economic development, sustainability.

These funds will require project management, financial, procurement, monitoring and evaluation resources. The fund allows for Waverley has recruited a temporary Funding and Projects Officer to support the monitoring of this fund alongside other projects

To deliver these funded projects there are internal resource implications. I.e. Service level agreements with delivery partners and payments of funds as well as monitoring quarterly for three years.

### **6.2 Risk management**

The established governance project board will reduce the risk of non-delivery of an approved investment plan, ensure the with compliance of submitted projects, and effective monitoring and evaluation of delivery of projects for central government throughout the three years.

Due diligence has taken place on the potential project partner organisations.

### **6.3 Legal**

The UKSPF represents a significant opportunity for the authority, although the delivery of the majority of the projects rests at least in part with partners this represents a significant risk, which will have to be carefully managed in the contractual arrangements. Ultimately the risk of this scheme rests with the Council, and the Council will have to manage and monitor this.

WBC will need a set of delegations to the Executive Director to approve the entering into contracts for the delivery of projects either directly by the Council or with partners and to approve the release / transfer of funds.

## **6.4 Equality, diversity and inclusion**

The UKSPF forms part of a suite of levelling up funding, the selection of UKSPF projects prioritises groups such as youth in Waverley.

Efforts to be made to prioritise projects with the REPF that support Waverley's disadvantaged rural communities and make additional support available to women and BAME owned businesses

## **6.5 Climate emergency declaration**

Investment made under this Fund should demonstrate the extent of contribution to [net zero and nature recovery](#) objectives and wider environmental considerations, such as resilience to natural hazards and the [25 Year Environment Plan](#) commitments

To support green growth, places have been asked to consider how projects can work with the natural environment to achieve project objectives.

The LEADER style grant programme will prioritise net zero, sustainability and the circular economy. The WBC Sustainability Manager will be invited to sit on the advisory panel to allocate grant funds. The LEADER grant team have a wealth of experience developed through their LoCase and LEADER work.

## **7. Consultation and engagement**

1. Meeting with Farnham, Godalming and Haslemere town clerks and Cranleigh parish clerk, and Chambers of Commerce June 2022
2. Request for projects form to external stakeholders and partners 1<sup>st</sup> – 14<sup>th</sup> July.
3. Engage with local MPs
4. Submission of investment plan August 2022
5. Development of business case studies August- November with projects delivery partners 2022
6. Internal governance meeting
7. Feedback on proposed investment plan projects to clerks/ chambers/ task group/ MP October 2022
8. LEAF external governance meeting with 1x MP attending meeting.
9. Governance journey to complete before confirming with partners and arrange MoU with partners. Jan/ Feb 2023
10. Continued conversations with SCC/ GBC/ TDC regarding REPF
11. Once projects confirmed can begin public communications on these projects February 2023.

## **9. Governance journey**

- 9.1 Corporate Management Board 20/12/22 and Executive 7/2/23
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## **Background Papers**

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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Agreed and signed off by:

Legal Services: 9/12/22

Finance: date 8/12/22

Strategic Director: 12/12/22

Portfolio Holder: 15/12/22