



UKSPF Investment Plan Update

Corporate Priority:	Delivering sustainable and inclusive growth in Melton
Relevant Ward Member(s):	N/A
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No
Key Decision:	No
Subject to call-in:	No Not key decision

1 Summary

- 1.1 This report will provide an overview of the work undertaken to date since the council secured £1.19m of investment to delivery its UKSPF investment plan
- 1.2 Significant work has been undertaken to ensure the programme is ready to begin delivery and provide support to residents and local businesses. This has included:
 - a) Setting up the relevant internal and external governance to ensure the UKSPF is managed in a compliant manner and meets both the Council's and Government's expectations and to provide assurance around this.
 - b) Ongoing conversations with partners relating to joint proposals (business support programme, tourism initiatives, Inward Investment and shared admin) to enable greater value for money and consideration as to how these will be mobilised.
 - c) Working with corporate services to develop appropriate mechanisms and processes to ensure we can spend the funding in a compliant manner.
 - d) Held the first UKSPF programme delivery group to mobilise for delivery of interventions against the first years spend
- 1.3 The council is now able to begin its first-year delivery as outlined in the investment plan and to also begin mobilising for delivery of the second years interventions.

2 Recommendation(s)

That Cabinet:

- 2.1 **Confirms commitment to delivery of the UKSPF Investment plan as previously submitted to government**
- 2.2 **Delegates Authority to Director for Growth and Regeneration, in consultation with the Portfolio Holder for Growth and Prosperity, to authorise spend and undertake decisions, approvals and awards of contract that ensure continued delivery of the UKSPF programme in line with the investment plan. This is to include, not only council led projects, but also where funding needs to be released for delivery by a third party (via grants, commissioning, procurement of services etc)**
- 2.3 **Delegates authority to Director for Growth and Regeneration, in consultation with the Portfolio Holder for Growth and Prosperity, to make amendments to the plan, as required, and to submit change requests to Govt, relating to the delivery of Melton's UKSPF programme, in accordance with the requirements of the fund.**
- 2.4 **Delegates authority to the Director for Growth and Regeneration, in consultation with the Portfolio holder for Growth and Prosperity, to agree and implement the Council's Business Grant policy and to make any future amendments required to continue to deliver the UKSPF investment plan.**

3 Reason for Recommendations

- 3.1 The UKSPF programme is an allocation made to the council to support its local communities and economy. Its successful implementation will directly support growth throughout the borough. Following significant consultation with partners across the borough, all with direct experience of the issues being faced by our communities and local businesses, the UKSPF programme interventions have been prioritised and selected precisely because they directly target and provide support where it is most needed.
- 3.2 The UKSPF programme is a package of interventions that will align with, and are complimentary to, the recently successful Levelling Up Fund submission to further support extensive growth within key sectors and key locations. The UKSPF will deliver key interventions that have been highlighted by our business community through direct feedback at UKSPF workshops but also through information collated through the adopted Town Centre Vision.
- 3.3 The UKSPF programme is a significant investment in our local communities and economy. The programme has clearly defined objectives and expectations regarding outputs and outcomes generated. There is also a very short timeframe for delivery and sets out the level of investment that must be made per year across the many different interventions.
- 3.4 Melton Borough Council as the accountable body for the programme has significant responsibilities to ensure the funding is spent in a timely and, more importantly, compliant manner. This will be managed internally but will require the council to be able to be flexible in its delivery approach to ensure it continues to deliver against these expectations and meets the targets it is responsible for delivering. This will require officers, in accordance with relevant local and national regulation, to be able to make decisions regarding project and programme delivery to ensure effective delivery of the proposed interventions.

- 3.5 Due to the fast-paced nature of these projects and the length of time for delivery there is an ongoing need to ensure the programme can react to changing local needs and reflect the demands of our local communities and economy at any point in time. There will be a need to continually monitor outputs, engage with partners and assess how projects are delivering to identify any potential required changes. These changes then need to be agreed at the local level and a request made to government to secure their sign off to put these changes in place. This will be often a small scale change and delegated authority is sought to retain flexibility to enable these changes to be made in a timely manner to enable ongoing delivery against original programme expectations.

4 Background

- 4.1 Following the successful submission of a UKSPF investment plan MBC received confirmation in December 2022 that it had secured the £1.19m investment and is now able to begin delivery of this plan.
- 4.2 The UK Government (BEIS) required the Council sign a MOU (which was then returned on 16 December 2022) and also provided confirmation of the first year's funding that would be drawn down to enable delivery of the 1st years' worth of interventions.
- 4.3 BEIS also confirmed the success of the requested uplift from 4 to 8% allowance of the total fund for the admin fee. This allowance is the proportion of funding that the Council are able to take from the overall amount to ensure we can successfully administer not just the UKSPF scheme but also, the due to be announced, Rural England Prosperity Fund (REPF) schemes. In total this will give the Council £95,200 to fund administration and monitoring over the duration of the programme.
- 4.4 The interventions within the investment plan were broadly split between 3 priority areas:
- a) Communities and Place
 - b) Supporting Local Businesses
 - c) People and Skills
- 4.5 Each of these priority areas have interventions identified that will now be required to proceed. Many of these interventions are multiyear and will require ongoing oversight to ensure the outputs and outcomes the council is responsible for delivering are achieved.

5 Main Considerations

- 5.1 **Governance and oversight:**
- 5.1.1 To ensure mobilisation of projects can now proceed at the required pace, the relevant internal documentation and governance processes have been established.
- 5.1.2 Due to the importance and diversity of the investment plan, a Charter has been developed for the overarching UKSPF programme. The charter sets out how the programme will be governed and delivered.
- 5.1.3 A Programme Delivery Group has been established, and will include the Project Sponsor, Programme manager, support services and Intervention leads. This delivery group will maintain overarching operational responsibility for the programme and be responsible for the day-to-day delivery of this action plan. Any significant issues will be raised to the

Programme Board as and when required. This group will meet monthly to ensure activities remain on track.

- 5.1.4 This Delivery Group will report in to the UKSPF Programme Board which will consist of the Senior Leadership Team. This Board will provide a strategic overview of the programme and will determine and approve any changes that are required to be made to the overall programme to ensure we continue to deliver against our expected outputs and outcomes.
- 5.1.5 This Board will be advised and informed on matters relating to changing local need and continued impact of the programme by the External Local Advisory Board. This Advisory Board will be made up of partners and stakeholders drawn from existing Partnership Boards to provide the broad expertise required to cover the entire remit of the UKSPF programme. The Advisory Board will meet quarterly to receive updates on the interventions being delivered and discuss any required changes and improvements that may be needed to the programme of activity over the next two years to ensure the programme continues to meet local needs and have maximum impact on our communities.
- 5.1.6 Through the developing Internal Audit workplan, the Council's Audit and Standards Committee will maintain periodic oversight of the UKSPF Investment Plan delivery, and it is anticipated the Council's Scrutiny Committee will continue to play a role in scrutinising aspects of the plan as and when required.
- 5.1.7 Cabinet will be updated on a quarterly basis and Council updated on an annual basis on progress against the delivery requirements outlined within the programme. The quarterly report will also highlight topics such as any risks and issues that can be foreseen in regard to programme delivery and any advice or notes from external partners around potential changes to improve project or programme outcomes.
- 5.1.8 Should there be any expectation of underperformance regarding delivery of required outputs these will be managed proactively through the established governance structures. Any project level changes will be reported back to central government.
- 5.2 **Mobilisation and programme commencement:**
- 5.2.1 Now the necessary internal documentation and associated governance for this project has been agreed, delivery of the interventions proposed in the investment plan will start to commence.
- 5.2.2 The Programme Manager will now begin to work with the nominated Intervention leads via the UKSPF programme Delivery Group to start the delivery process in line with the requirements and responsibilities set out by Govt. Work will also commence on preparing for the second years projects. It is anticipated the delivery of some key projects will commence shortly (welfare checks at cattle market, community grants and business grants) with more becoming operational over the next couple of months.
- 5.2.3 Any 1st year interventions that are not able to be started by the end of this financial year will require a request being made to Govt to justify the delay in delivery. Following informal discussions it is believed that these will largely be accepted in the first year due to the significant delay in announcing the outcome of the UKSPF awards and thus a reduction in our ability to move these projects forward in line with original timescales.
- 5.2.4 A condition of approval to enable any projects to roll into the 2023/24 financial year will be a submission of a credible plan for delivery. Whilst government are yet to confirm what would be considered a credible plan for delivery it is expected that the Council will be

required to demonstrate progress on starting the intervention (agreements in place, procurement underway etc) and how the money can be spent on top of the following years amount.

5.3 **Admin support:**

5.3.1 Following successfully securing the additional administrative fee, half of this amount (£47,600) will be utilised to secure admin support in partnership with Harborough District Council. It is expected this admin support will be in situ for the duration of the project and support officers in performing administrative duties relating to the overall programme (arranging grant panels, meetings, paperwork, taking actions and minutes, collating evidence for reporting purposes and other tasks of this nature).

5.4 **Business Support Programme:**

5.4.1 The districts and boroughs in Leicestershire have agreed to come together and pool funding relating to business support activities from the 2nd year of the programme onwards (2023/24 and 2024/25) to provide a countywide support programme that will encourage business start-ups and support high growth potential businesses in each local authority area.

5.4.2 Melton has allocated circa £70k of its overall allocation to this proposal with the option of adding to this fund later on in the programme. This wrap around support programme will also be designed to complement any local grants made available through the UKSPF and REPF to ensure those applying are in the best position to receive the grants and they have the maximum impact on the local economy.

5.4.3 Significant progress has been made to date and following agreement of all partners is it hoped to have the support services up and running before the start of the summer.

5.5 **Programme Interdependencies**

5.5.1 Levelling Up Fund – the UKSPF programme will compliment the activity of the recently secure levelling up fund proposition. Significant investment is being targeted at the Highstreet and immediate areas surrounding this over the next couple of years to enhance its existing landscape and the activity that take place within it. This will make the town a more attractive proposition to tourists and investors which will mean it is going to benefit more from the additional footfall generated by the Stockyard and theatre proposals.

5.5.2 Food Enterprise Centre (FEC) – the recent success of the FEC pilot has shown there is a significant need for this type of sectoral support in the borough and a desire amongst the food and drink producers we have met to bring together and develop a community of producers within Melton. Whilst the Stockyard will provide the flexible units the producers need, it is expected that through the UKSPF programme we will be able to continue the food technologist support that is currently being provided via the FEC but due to run out at the end of March 2023.

5.5.3 Town Centre Vision – Many of the potential projects and deliverables identified as priorities by partners through the town centre vision consultation will be enabled specifically as a result of UKSPF interventions. These include, but are not limited to; a critical appraisal of the market with funding to implement any recommendations, support for Highstreet businesses, enhancing greenery and general cleanliness in the town and also an assessment of potential future uses of the Bell Centre.

5.5.4 Business Grants Policy – Many of the interventions identified within the UKSPF investment Plan (specifically the supporting Local Businesses priority) will be carried out

through a competitive grants process which businesses throughout Melton will be able to apply for. To enable transparency and effective management of these programmes a business grants policy has been developed and will be adopted. This policy will be published on the Council's website alongside the first call for applications for the grants. This will enable businesses to see exactly what funding they could be eligible for, the criteria and information required to access these grants, approximate timescales associated to the grants programme and what they can and cannot be used for. This policy will also outline any businesses post payment requirements to report back to the council on successes, outputs, and outcomes to enable effective monitoring of the grant schemes impact.

- 5.5.5 Community Grant Policy - some of the community focussed interventions within the UKSPF investment plan will be delivered through a competitive grants process. For this the council will utilise the existing policies and processes as set out in the community grants policy. A separate report on the Cabinet agenda confirms distribution of some of this funding.
- 5.5.6 Rural England Prosperity Fund – Defra has recently confirmed a slight delay in announcing this programme. Due to the criteria outlined by DEFRA it is expected that this will be delivered through a capital grants programme directed at key interventions in our local communities and Economies. To ensure effective delivery of this, once agreed by DEFRA the Councils 'Business Grants Policy' will be expanded to reference this project.

5.6 Delivery in the first year

- 5.6.1 As part of our first year's commitment to delivering the UKSPF investment plan the following interventions were due to be delivered in the first year of the programme 31 March 2023. Due to the delay in confirmation of the outcome of the investment plan there has been a knock-on impact on delivery of the programme but where possible the programme will be delivered against its original expected timeframes. Should this not be possible there is a mechanism in place whereby the council can roll over the first years funding into the second year should a credible plan for delivery be submitted as part of this request.
- 5.6.2 Following the first meeting of the UKSPF programme delivery group an analysis of the first year's interventions has been undertaken and the programme manager is satisfied that there is a credible plan for delivery. This plan will need to demonstrate capability of 1st and 2nd year spend for those interventions that were originally planned to be delivered in the 1st year of the programme but will need to be rolled over into the next.
- 5.6.3 For completeness a table has been provided below identifying those initiatives that were originally planned for this year, the amount of money available and progress on delivery to date:

Project	Amount	Overview
Cost of living support initiative	£40k	To support with immediate cost of living pressures. Proposals being refined through discussion with partners with an emphasis on ensuring doesn't create dependency. Specification being drafted and ready to begin delivery in April (see separate report on the Cabinet agenda)
Tourism (Destination	£6k	Promotional campaigns – spending was incurred at risk as part of normal tourism programme – this can be retrospectively claimed - Complete

Management promotion etc)		
Community grants	£10k	To provide additional expenditure to the Council's existing grants pot to support projects in the wider borough area. This funding has been notionally allocated already and is ready to award subject to member approval (see separate report on the Cabinet agenda)
Health checks	£7k	Continue a service that would have otherwise ceased providing easy access to physical and mental health checks at the market for often hard to reach communities. This programme is ready to progress.
Retail grant scheme	£5k	Support expansion of Pop-up shop scheme within the Town Centre, will form part of overarching business grants programme
Youth Engagement	£5k	Potential grants to support youth engagement in the borough. Allocated through community grant process
Physical activity in Priority Neighbourhoods	£5k	Support to expand the successful Fairmead football league or to provide grants to organisations trying to reduce inequality through sport. Allocated through community grant process
Inward Investment – account management and pro-active engagement	£26,667	Support to develop a proactive and comprehensive approach to inward investment in the borough, securing new businesses to the area and helping bring key employment sites forward. Discussions underway to enable joint working with partners and attract inward investment to the area.
Supporting new business start-ups	£10k	Will be allocated through competitive grants process as per Business Grants Policy
Graduate retention	£20k	Grants to encourage graduate placements through a competitive grants process as per business grants policy
Supporting those furthest from the market to access work	£10k	Potential joint project with neighbouring LA. May require change request and reprofiling which will form part of Melton's submission of a credible plan for delivery

6 Options Considered

- 6.1 Not to deliver UKSPF — in two tier local authority areas the Borough Council is the only authority that is able, as per the UKSPF guidance, to act as the accountable body for this programme and to bear responsibility for its delivery. Should the Council not wish to deliver the programme the borough would not receive £1.19m of much needed investment into the area to directly support our economy and residential communities meet the local challenges they are currently facing. This would likely put the area at a comparative disadvantage to its neighbours moving forward.

7 Consultation

- 7.1 A thorough evidence base which used a multitude of nationally available datasets and locally developed evidence (Strategies, previous consultation exercises, residents survey etc) was combined to build a profile on Melton. This was then assessed, and the evidence base interpreted to inform where the challenges currently faced by business and residents in the borough currently exist and where the UKSPF could be used to meet some of these challenges and mitigate their potential impact. Following this significant Consultation was carried out in the development of the UKSPF investment plan to inform its drafting and subsequent agreement. This included:
- a) Workshops with local stakeholders via the Local Advisory Board specifically on the key areas the investment plan should focus on and what the key priorities needed to be
 - b) Session with Scrutiny to enable them to provide feedback on key area the UKSPF investment plan should look to prioritise
 - c) Presentations and feedback discussion with local partners via forums such as the Place Board and Helping People board
 - d) Input and consultation with the Member of Parliament for the Melton and Rutland Constituency
 - e) 1-2-1 sessions with some partners who were unable to attend workshops to get their expertise
 - f) Requested feedback on draft investment plan following this discussion to ensure all priorities identified had support from the local stakeholders.
- 7.2 During the delivery of the programme there will be ongoing monitoring and consultation with local organisations, stakeholders and delivery partners to ensure the programme and its related interventions will continue to have maximum impact in the area. All feedback will be considered by the delivery group and reported to UKSPF programme board and the Local Advisory board for further consideration. The Local Advisory board will also perform a key consultative function and act as the first point of call for any feedback around programme effectiveness. This board, whilst not decision making, will have significant input into recommended changes to the programme and their support will need to be highlighted in any change requests before government agrees to them.

8 Next Steps – Implementation and Communication

- 8.1 Implementation of the investment plan is due to begin immediately with key interventions lined up to be delivered imminently.
- 8.2 Following the 1st meeting of the Programme Delivery Group a comprehensive comms plan is being developed to ensure key messages will be able to be relayed to partners and the wider community. This comms plan will be managed through the UKSPF programme delivery group to ensure all the individual projects that make up the wider programme are being appropriately communicated with their potential beneficiaries but to also ensure we are effectively communicated the benefits these programmes are delivering and how they can be continued to be accessed.
- 8.3 Due to the importance of implementation and communication of these interventions a member of the comms team sits within the project delivery group. This topic will also form an ongoing agenda item for each of these Project Delivery meetings. Through this the

communication of each intervention will be discussed at length to ensure we continue to effectively manage the comms not just for the whole programme but for the specific interventions as well.

9 Financial Implications

9.1 This £1.19m Funding is allocated to Melton Borough council as the accountable body for the delivery of the UKSPF programme in the Melton Borough area. This funding is currently released yearly to enable the council to deliver the proposed projects within the investment plan. Melton BC has received its first year's allocation so is now able to begin delivery of the investment plan. The council has also received the promised £20,000 capacity funding that has been used to refund the costs incurred to develop the investment plan itself.

9.2 The approved funding is summarised in the table below and outlines the minimum and maximum amounts that can be allocated to capital and revenue accordingly.

	2022/23	2023/24	2024/25
Govt profile	£144,657	£289,313	£758,000
Min. Cap	10%	13%	20%
Max. Rev	90%	87%	80%

9.3 An uplift in the administrative fee from 4% of the pot to 8% has been secured which means the council has resource to put towards the day-to-day management and delivering on its responsibilities in accordance with government expectations. The administrative fee is not ringfenced as part of the wider programme so each individual project allocation is having 8% top sliced from it to put towards the administrative costs.

9.4 A member of the finance team sits within the UKSPF programme delivery group to ensure their area is being covered and considered throughout all planning and programme related discussions. The method for dealing with budgets for the programme has been agreed by the programme manager and the finance team and will be under constant review to ensure it remains fit for purpose during the lifespan of the project.

Financial Implications reviewed by: Assistant Director for Resources

10 Legal and Governance Implications

10.1 Melton Borough Council has obligations and responsibilities as the accountable body for the programme. Adherence to these responsibilities will be overseen by the Assistant Director for UKSPF delivery and Regeneration via the UKSPF programme delivery group.

10.2 Legal support will be required in the delivery of contracts and grant agreements to enable delivery of a select few projects and interventions identified within the UKSPF programme. It is expected that the project leads that are responsible for the delivery of individual interventions within the UKSPF programme will liaise with the Legal team to ensure these agreements are in place in a compliant manner. This will be monitored and overseen by the Assistant Director for UKSPF Delivery and Regeneration and will form a re-occurring agenda item on the monthly delivery team meetings to ensure compliance is ongoing.

11 Equality and Safeguarding Implications

- 11.1 An EIA was developed before the submission of the investment plan to Government for consideration. There have, as at the time of writing of this report, not been any significant or material alterations from what was submitted and agreed by gov't and what the Council intends to deliver so it is not proposed to develop another EIA.
- 11.2 However, should any major changes be made to the delivery of the programme or any changes to what is being delivered on the ground the EIA will be updated to reflect these changes should it need to be so.

12 Community Safety Implications

- 12.1 The programme management of the UKSPF itself will not have any community safety implications but it is likely that some of the interventions delivered through the UKSPF programme will have an impact. Where necessary these implications will be considered through the individual intervention as part of the projects mobilisation and delivery.

13 Environmental and Climate Change Implications

- 13.1 The programme management of the UKSPF itself will not have any environmental and climate change implications but it is likely that some of the interventions delivered through the UKSPF programme will have a direct and positive impact. Where necessary these implications will be considered through the individual intervention as part of the project's mobilisation and delivery.

14 Other Implications (where significant)

- 14.1 Human Resources – there will be a requirement through the UKSPF programme to develop JDQs and undertake recruitment for very specific and time limited positions. Meetings have already been had to discuss these proposals and all recruitment will be undertaken in line with existing HR policy guidelines.
- 14.2 Procurement – there will be different routes to market chosen for delivery of each of the specific interventions within the UKSPF programme depending on how they are being delivered. The UKSPF project delivery group has a member of procurement sitting within it to help guide the delivery leads on this topic. Where procurement activity is required the UKSPF programme manager will ensure through the UKSPF project delivery group that they will be undertaken in a manner which is in line with the Council's internal procurement procedures and will enable us to meet our responsibilities as the accountable body to ensure compliance with national frameworks relating to this.

15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Existing resource pressures lead to delay in delivery of interventions or cause other council work to be delayed whilst this is prioritised	Low	Marginal	Low Risk
2	Ineffective Governance, monitoring or reporting mechanisms leads to underperformance of programme and required targets not being met	Low	Critical	Medium Risk
3	Poor communication of programmes to ensure uptake, awareness and better manage partner expectations	Significant	Marginal	Medium Risk
4	Timescales for delivery – this is a time sensitive programme of works with an end date of March 2025. Any projects delays could result in unspent money being handed back to govt	Significant	Critical	Medium Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant		3	4	
	3 Low		1	2	
	2 Very Low				
	1 Almost impossible				

Risk No	Mitigation
1	Additional resource to support management of programme is being secured in partnership with Neighbouring Local Authority. For delivery for delivery of specific interventions the relevant officers have been engaged throughout development of investment plan and are aware of the programme requirements which have been factored into workloads

2	A governance structure has been set up and is now in place to enable effective monitoring. The UKSPF Delivery group will meet as a minimum monthly to ensure projects and targets are on track against expectations and advisory bodies such as the Local Advisory Board will help provide a steer to ensure continued success and that maximum impact is achieved. The UKSPF is on the Audit forward plan for 23/24 which will add another layer of assurance around effective governance to ensure continued delivery against expectations.
3	An in-depth and UKSPF specific comms plan is in the process of being developed to support key messaging not just around the wider programme but relating to the individual interventions themselves. Intervention leads will be feeding into this plan to ensure it is kept up to date and this will be a recurring agenda item at the UKSPF delivery groups meetings
4	Through the governance of the programme and availability of change request to government it is expected that all interventions will be able to be delivered within the required timescales. This will be managed through the UKSPF delivery group and any areas of concern escalated to the board with recommendations with any required changes to bring the programme back on schedule.

16 Background Papers

- 16.1 UKSPF summary - <https://www.melton.gov.uk/media/byyofnhb/ukspf-investment-plan-accessible.pdf>
- 16.2 July 2022 Cabinet report - <http://mm-pr-modgov01/ieListDocuments.aspx?CId=202&MID=1364#A17536>

17 Appendices

17.1

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