

UKSPF and Inward Investment

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Chief Officer Responsible:	Edd de Coverly , Chief Executive 01664 502536 edecoverly@melton.gov.uk
Lead Member/Relevant Portfolio Holder	Councillor Pip Allnatt - Leader of the Council & Portfolio Holder for Housing, Leisure and Landlord Services

Corporate Priority:	Delivering sustainable and inclusive growth in Melton
Relevant Ward Member(s):	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No
Key Decision:	Yes a) Incurring Expenditure of £50,000 or more
Subject to call-in:	Yes

1 Summary

- 1.1 To provide an update and seek delegation for officers to begin delivery on the proposed priorities funded through the 4th year of UKSPF funding.
- 1.2 To highlight corporate priorities that are unable to be funded through UKSPF and where appropriate propose alternate routes for funding these interventions.

2 Recommendations

That Cabinet:

- 2.1 **Notes the contents of this report.**
- 2.2 **Delegates to the Director for Place and Prosperity in consultation with the Leader to undertake any actions required to enable delivery of the UK Shared Prosperity Funding programme by 2025/26 financial year end.**

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| <p>2.3 Delegates to the Director for Place and Prosperity to enter into any agreements that are required to support the successful delivery of UKSPF year 4 activity.</p> <p>2.4 Endorses and approves the Inward Investment Strategy, and delegates authority to the Director for Place and Prosperity, in consultation with the Portfolio Holder for Town Centre, Growth and Prosperity, to make any minor amendments to the strategy that may be required following the current period of consultation.</p> <p>2.5 Approves the allocation of £42,500 from the Regeneration and Innovation Reserve to support delivery of Inward Investment Strategy and other related priorities outlined in Section 5.9 of this report.</p> |
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3 Reason for Recommendations

- 3.1 Melton Borough Council will receive a further allocation of UK Shared Prosperity Funding for the financial year 25/26 for delivery from April 25 and spend by March 31st 2026. Local authorities will continue to have flexibility to invest across a range of activities that represent the right solutions for their areas. The Council is responsible for managing the funding in line with 5 UK-wide themes, assessing and approving applications, processing payments and monitoring to HM Government.
- 3.2 In order to deliver the outputs and outcomes of the Fund, whilst meeting the needs of the Borough, decision making capacity is required at the officer level, in liaison with Portfolio Holder, including changes to existing programmes at short notice. This will also require third parties to deliver interventions on the Council's behalf and where appropriate enter into grant funding agreements with delivery partners.
- 3.3 In order to deliver interventions that are part of the Council's Corporate Plan, a range of projects are planned that fall outside of UKSPF eligibility or the Fund allocation. The Council's regeneration and innovation fund will be called upon to support project development and delivery, including the continuation of the inward investment activity (An overview of this inward investment plan and proposed activity can be found in Appendix A). These interventions will not continue without the allocation from the Council's regeneration and innovation fund. The Inward Investment Strategy is currently subject to stakeholder consultation and any minor amendments arising from that consultation will be addressed under the delegation requested above.

4 Background

- 4.1 On 13th December 2024 a fourth year of funding was confirmed by HM Government. It is intended that this programme would act as a transitional year to ensure continued delivery of positive outcomes through the UKSPF programme whilst a more permanent arrangement was put in place.
- 4.2 It has been confirmed that Melton Borough Council will receive £389,948 of funding, which consists of £317,952 of revenue funding and £71,996 of capital funding.
- 4.3 Due to the reduced scale of the 4th year of UKSPF investment not all the current UKSPF delivery will be able to continue.
- 4.4 A review of the Fund and delivery of the outputs and outcomes over the last 3 years has been undertaken alongside the new Guidance, which is focused on economic growth. The UK Shared Prosperity Fund investment priorities have been aligned to the Government's missions, mapping existing interventions into Mission-led themes 1-5; these being:

Mission 1: Kickstart Economic Growth

Mission 2: Make Britain a clean energy superpower

Mission 3: Take Back our streets

Mission 4: Break down barriers to Opportunity

Mission 5: Build an NHS fit for the future

These missions have to be delivered through the existing priority areas: Communities and Place; Support for Local Business; and People and Skills. This has informed the proposed recommendations highlighted below. An outline of this assessment process can be found in Section 6.1.

- 4.5 New Government guidelines were published on 23 January 2025. This technical note aligns the Fund interventions with the new Government missions, particularly focusing on economic growth. Collaboration with other places remains 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.
- 4.6 The Council will be required to complete a formal reporting request every 6 months on a new reporting system. Officers have training for this system booked in on the 14th March. It is expected that reporting requirements for the 4th year, the performance management, reporting and monitoring information will be covered at this training.
- 4.7 In order to enable effective monitoring of the UKSPF programme a table will be produced for cabinet which will outline how the proposed UKSPF interventions align to the new government missions and what the expected outputs will be.

5 Main Considerations

- 5.1 The UKSPF programme has been delivering significant positive outcomes for the Melton Borough area. These will be reported back to members following the closing of the 3rd year of the programme on the 31st March 2025.
- 5.2 As highlighted above there is both a revenue and capital allocation of the UK Shared Prosperity Funding in the 2025/26 financial year. It is proposed the full allocation of the capital amount (£71,996) will support delivery of improvements to the town centre as well as priorities identified through the councils 'Pride in Place' programme.
- 5.3 In terms of the revenue proportion of the funding, HM Government has confirmed that 8% (£25,436) can be allocated on administering the scheme. The remainder of the funding (£292,516) will be spent on delivering activity across the Borough in accordance with the updated Guidelines (Technical note on UK Shared Prosperity Funding 23 January 2025).
- 5.4 A series of interventions have been assessed, as outlined in section 6, to inform the delivery of the UKSPF programme for the 25/26 financial year. The interventions outlined in Table 1 (below) have been agreed through the budgeting process (considered at full council on 12th Feb 2025). This accounted for £200,354 of the UKSPF.

Table: 1

Priority Intervention	Cost	UKSPF Missions	Comment
Community Coordinator	£35,044	Mission 3 Mission 4	Continuation of the positive programme of work to support rural food hubs and wider activity to support communities delivered through this service. This post has, through evolution of its focus and impact and most effective delivery options, combined the interventions of the current community coordinator and rural food hub, linking across to work and skills to enhance our reach and delivery of services for our rural communities, and to increase connection with our parish councils.
Green and Open Spaces Officer	£34,000	Mission 3 Mission 4	Essential for delivery of the 'Pride in Place' programme.
Active Communities	£25,000	Mission 4 Mission 5	Continuation of the positive programme of work to support healthy communities. The team are part funded through public health funding and the outcomes achieved are wide ranging to support health and wellbeing outcomes and to address health inequalities across the borough. The provision of this funding will ensure added value to maximise community health and wellbeing.
Strategic Funding Coordination	£52,720	Mission 1 Mission 3 Mission 4	Ensuring funding is available to MBC to enable the development of applications for external funds such as Heritage Lottery Fund, Arts Council and any others that are available and would support delivery of any council priorities
Planning enforcement and compliance	£53,590	Mission 1 Mission 3	Reviewing eligibility against UKSPF 25/26 guidelines (received on the 20th of Jan). Any outputs will have to adhere to these new measures and deliver against outputs that are predetermined by UK Government.
TOTAL	£200,354		

5.7 With the remaining UKSPF funding of £92,162 it is proposed to be allocated towards delivery of the interventions outlined in table 2 below. The interventions below equate to £90,732. The remaining £1,430 will be set aside as contingency to cover any potential budgetary increases during the financial year.

Table 2: additional priorities for 2025/26 UKSPF programme

Priority Intervention	Cost	UKSPF mission	Comment
Work and Skills Project	£19,000	Mission 1 Mission 4	Continuation of the very successful project that has proven benefits to the local community.
Farmers Health Checks	£15,803	Mission 1 Mission 4 Mission 5	Continuation of incredibly well performing intervention to support agricultural businesses. This project has received national recognition as best practice and is an example of a proactive and evidence-based health and wellbeing initiative that is directly relevant to our rural context.

Priority Intervention	Cost	UKSPF mission	Comment
Town Centre Operative	£38,000	Mission 1 Mission 4	To support wider Pride in Place programme.
Comms and engagement additional resource	£17,929	All	Continued support for this resource to support promotion and communication of all interventions funded by UKSPF for 25/26. To increase awareness, uptake and participation across these interventions.
TOTAL	£90,732		

5.9 There are a number of remaining interventions which the council wishes to be delivered over the next financial year. As it currently stands there is not enough income through UKSPF to cover this cost. As well as this some of these interventions may also not be considered eligible for UKSPF funding as per the updated guidance. For these reasons it has been proposed to draw down funding from the regeneration and innovation reserve to enable these to be delivered. The interventions to which this approach applies can be found in table 3 below:

Table3: Regeneration and Innovation reserve request

Activity/ intervention	Cost	Comment
Inward Investment	£35,000	<p>Priority activity based on successful delivery of 24/25 work programme. Should this programme not be delivered next year we would have to pause the enhanced Inward Investment activity and engagement that has been taking place over the last 18 months. Whilst some low-level activity could continue within existing resource there is a risk that we would potentially lose the goodwill generated over the last 12/18 months from the private sector and public sector partners. The draft Inward Investment strategy at Appendix A and associated action plan (in development) would not be delivered without additional budget/resource.</p> <p>The existing agreement for support in delivery of this service is being monitored through regular reporting and engagement with the Place Marketing Organisation for Leicestershire. The work done to date has set the foundation for further activity, including proactive investment enquiries and account management support, working with and supporting the growth plans of existing businesses and bring forward employment sites across the Borough.</p>
Economic Development additional resource,	£7.5k	Continued support for this resource to support the delivery of the Inward Investment Strategy and the key aspirations the Corporate Plan.

6 Options Considered

6.1 A range of options have been considered when assessing the delivery of interventions for next year and how these should be prioritised. As part of this process all existing UKSPF interventions have been assessed with the following criteria to prioritise those that should continue and highlight those that should end

- **Value of money:** how much did the intervention cost, how much would it likely cost to continue and what outputs has it delivered. Are these outputs deliverable through an alternative and cheaper method
- **Outputs delivered against what was expected:** what has been the impact of the programme/intervention Has the predicted impact in our local communities been as successful as it could have been, would any changes to the programme enable it to be more effective
- **Uptake by users and its impact on them:** has the programme/intervention be well utilised in the area, is there an ongoing need for its services what is the feedback from those users and what would the impact of discontinuation be?
- **Administrative cost of delivery:** what has been the impact on officer time of delivery against its uptake and the outputs its generated. Does this seem proportionate and could it continue to be justified considering resource pressures within the organisation.
- **Changing local need:** is the intervention being considered what our users, partners and stakeholders believe is still required, have priorities changed and how can UKSPF take this into account. What are the council priorities for delivery of the next financial year for our residents and economy. Do these new priorities require additional support and how can the Council facilitate their delivery.

6.2 These options appraisals have input into Portfolio Holder briefings and have led to the inclusion of these proposals for the UKSPF 25/26 allocation, as well as the proposal to draw down from the Regeneration and Innovation fund.

7 Consultation/Engagement

7.1 A range of consultation has taken place throughout the 24/25 financial year to inform proposals for expenditure of the 25/26 year of UKSPF. These include;

- **Surveys:** over 630 responses from visitors, residents and businesses on a range of topics relating to their experiences in Melton town. This feedback has been key to developing the fourth years programme of UKSPF activity and will continue through this year also
- **Stakeholder and user Feedback:** Feedback provided by users and stakeholders that have been provided over the course of delivering the existing interventions. This has covered everything from how stakeholders have managed to engage and how users are experiencing these services.
- **Local Advisory Board:** collection of local partners who meet 3 times a year to ensure interventions continue to delivery to meet local needs.
- **Ongoing discussions with delivery partners and intervention leads:** Occurs monthly to ensure programmes are continuing to meet local needs and to discuss any minor changes that are required to ensure they continue to deliver effectively. These discussions have also considered the legacy impact of the programmes, how they can be changed to be delivered for less and what this impact of not having these programmes in place would be to inform 4th year of delivery.

8 Next Steps – Implementation and Communication

- 8.1 Once it has been confirmed what the final projects that will be funded by UKSPF are an update report will be submitted to Government to confirm the proposed expenditure for the 4th year of UKSPF activity as well as the proposed outputs they will be delivering. A new system is being used to collate all this information. Officers will be undertaking training on the 14th March on how to use this system. It is expected that an update on proposed 4th year spending will be required shortly after
- 8.2 A range of promotional and engagement activity will take place to inform the local community as to what can be expected from the fourth year of funding. This will include:
- Website updated to reflect latest proposals
 - Specific comms and engagement plans drawn up to ensure those who can benefit from the proposals continue to be supported by them
 - Ongoing social media promotion
- 8.3 In instances where third parties are required to support the delivery of the interventions the standard governance and procurement processes will be followed to secure them and begin/ continue delivery.
- 8.4 Officers from Regeneration will work with finance to release funding from the regeneration and innovation reserve ready to begin delivery of the activities identified in table 3 above. A regular reporting schedule will reflect the monitoring and performance of the requirements of UKSPF.

9 Financial Implications

- 9.1 An administrative allocation of £25,436 has been set aside to ensure the council can manage the programme effectively as per its requirements as the accountable body for UKSPF.
- 9.2 UKSPF funding will be used to support all activity outlined in Tables 1 and 2 above. This will amount to £291,086.
- 9.3 A capital amount of £71,997 is available for capital improvements or upgrades that are required through the pride in place intervention as well as the deliverable outputs highlighted in the Melton Town Centre Design Guide, in line with UKSPF guidelines. The Town Centre Design Guide is being finalised following consultation with members and external partners and is expected to be presented for adoption at the April Cabinet.
- 9.4 A sum of £42,500 is requested to be drawn down from the regeneration and innovation fund to support activity outlined in table 3 above. Subject to approval this would leave the unallocated balance on this reserve at £102k.

Financial Implications reviewed by: Interim Assistant Director for Resources, 27 February 2025

10 Legal and Governance Implications

- 10.1 Sums paid to the Council under the UK Shared Prosperity Fund are subject to the general revised guidance referred to in the body of the report and any specific conditions notified to the Council when those funds are allocated and/or paid. Accordingly, the Council holds those funds on terms similar to a trustee, i.e., there is a duty to ensure that those funds are allocated only for purposes which meet the criteria notified to it. Failure to do so may

result in the Council being required to refund the sums concerned, leading to failure to achieve the outcomes concerned.

- 10.2 In addition to the obligations referred to in the previous paragraph, the Council must also ensure that its own relevant procedure rules are followed when allocating and paying those sums, including those relating to contracts and procurement.
- 10.3 The approach recommended in the body of this report ensures that appropriate safeguards are in place to comply with these requirements and provides assurance as to delivering the desired outcomes. Additional advice will be provided by Legal Services where required to ensure that individual projects meet any specific requirements which apply.

Legal Implications reviewed by: Monitoring Officer

11 Equality and Safeguarding Implications

- 11.1 These will be assessed and considered on an intervention-by-intervention basis. It will be the designated interventions leads who will be responsible for this. This will be checked and discussed at the UKSPF delivery group meetings that are held monthly

12 Data Protection Implications (Mandatory)

- 12.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks to the rights and freedoms of natural persons arising directly from this report. Officers will ensure that data protection legislation is complied with where required to deliver the outcomes concerned.

13 Community Safety Implications

- 13.1 These will be assessed and considered on an intervention by intervention basis. It will be the designated interventions leads who will be responsible for this. This will be checked and discussed at the UKSPF delivery group meetings that are held monthly.

14 Environmental and Climate Change Implications

- 14.1 These will be assessed and considered on an intervention by intervention basis. It will be the designated interventions leads who will be responsible for this. This will be checked and discussed at the UKSPF delivery group meetings that are held monthly.

15 Other Implications (where significant)

- 15.1 HR implications: a change of establishment notice is currently being drafted for the roles that will be funded through the UKSPF programme.
- 15.2 Procurement: Where required the designated intervention leads will be required to liaise with procurement for any activity that will require securing consultants, third parties or purchasing of good in line with our procurement requirements.
- 15.3 Health and Wellbeing: These will be assessed and considered on an intervention by intervention basis. It will be the designated interventions leads who will be responsible for this. This will be checked and discussed at the UKSPF delivery group meetings that are held monthly.

16 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Delivery timescales exceeding programme deadline, no legacy in place for when it ends	Low	Marginal	Low Risk
2	Funding not able to be spent in time	Low	Critical	Medium Risk
3	Expected outputs not able to be delivered	Low	Marginal	Low Risk

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

Risk No	Mitigation
1	All programmes have been designed to be delivered within the 12 months period, ongoing discussion are being had between officers and delivery partners to ensure that, where appropriate, interventions are supported in delivering beyond the 12 month period of this programme, either through being funded from elsewhere (mainly external funding), or realigning services to enable programmes to be delivered as part of our day to day activity
2	Expenditure is monitored monthly with intervention leads, any predicted underspends are managed through the monthly meetings and can be redirected to other programmes where additional money is required or where additional money can increase the outputs and impacts the interventions are having
3	Again monitored monthly to ensure delivery against targets, any expected shortfall is flagged at the point it is assessed as being likely to occur and

	the UKSPF team work with the intervention lead to look at how changes to the programme could be facilitated to increase outputs (this may be a change to intervention level criteria, whilst still being compliant with UKSPF, or additional comms focus to drive awareness)
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17 Background Papers.

17.1 N/A

18 Appendices

18.1 Appendix A – Inward Investment Strategy

18.2 Appendix B – Inward Investment Strategy Action Plan