

Report for: **Cabinet Member Signing**

Date: 23 February 2023

Title: **UK Shared Prosperity Fund: Entering into Funding Agreement**

Report
Authorised by: **David Joyce, Director of Housing, Regeneration and Planning**

Lead Officer: **David Lee, Head of Programme Management, Regeneration & Economic Development**

Ward(s) affected: **All**

Report for Key/
Non Key Decision: **Key**

1. Describe the issue under consideration

- 1.1. This report seeks approval from the Cabinet Member for Economic Development, Jobs and Community Cohesion to accept a grant of £1,789,313 from the Greater London Authority (GLA), and to enter into a funding agreement. This grant agreement will allow the delivery of a series of interventions across various policy areas, through the UK Shared Prosperity Fund (UKSPF). The GLA acts as lead authority for the UKSPF in London.
- 1.2. The GLA and London Councils asked London local authorities to submit proposed allocations of UKSPF spend by 7th October 2022. UKSPF is the Government's post-Brexit replacement for a series of EU funding programmes, with Haringey's direct allocations across the Communities & Place and Supporting Local Businesses categories totalling £1,789,414 over three financial years.
- 1.3. Those proposals have now been accepted by the GLA, who have confirmed they are in accordance with its Investment Plan, which sets out how UKPSF funds can be spent in London. The UKSPF grant funding agreement now requires completion, so that planned activity (including project delivery before the end of the 2022/23 financial year) can proceed.

2. Recommendations

The Cabinet Member for Economic Development, Jobs and Community Cohesion agrees:

- 2.1. To enter into the UKSPF grant agreement with the GLA, to the value of £1,789,414
- 2.2. To give delegated authority to the Director of Placemaking & Housing and the S151 Officer, after consultation with the Cabinet Member for Economic Development, Jobs and Community Cohesion, to agree the final terms and conditions and finalise the funding agreement if required.

3. Reasons for Decision

- 3.1. Government set out proposals for the UKSPF in a prospectus in April 2022, which set out the aims of the fund, desired outputs and outcomes, reporting and monitoring requirements, allocations of funding per area and parameters for lead authorities to comply with. It asked lead authorities for individual areas to set out Investment Plans, detailing how the required outputs would be delivered and parameters for local authorities to comply with. The GLA acts as lead authority for London, and in July 2022 it in turn submitted the UKSPF Investment Plan for London, which was approved by Government on 5th December 2022.
- 3.2. Plans for spend in Haringey, within the parameters set by the UKSPF Investment Plan for London, were submitted in October 2022 and have now been agreed with the GLA. This included allocations for spend across multiple areas by March 2023. The UKSPF Funding Agreement now requires completion.

4. Alternative options considered

- 4.1. **Do not accept UKSPF funding** – The council could proceed without UKSPF funding. However, there are not currently other funding sources identified for many of the activities described within Haringey's UKSPF submission, which would mean related projects are not delivered. It should also be noted that there are no match funding requirements for UKSPF, and therefore accepting this funding does not create any new risks to the council's budgetary position.
- 4.2. **Enter into UKSPF funding agreement** – this is the recommended option, allowing the interventions set out in Appendix A to proceed.

5. Background Information

UK Shared Prosperity Fund

- 5.1. In February 2022, the Government announced a new three-year £2.6 billion UK Shared Prosperity Fund (UKSPF) alongside its Levelling Up White Paper. It confirmed UKSPF as a 'central pillar' of the levelling up agenda, to be allocated to all parts of the country by funding formula rather than competition. UKSPF is badged as a domestic replacement for the seven-year European Regional Development Fund and European Social Fund programme, which close in 2023-24 and which are devolved to the GLA, and in some cases directly to sub-regional partnerships and local authorities. The UKSPF is devolved to the GLA and has provided an opportunity for the approach to the funding to be co-designed together with London Councils, and for it to align with the London Recovery Board's Economic Recovery Framework objectives.
- 5.2. The Levelling Up White Paper set out three proposed UKSPF investment priorities:
 - 5.2.1. **Communities and Place** – improvements to high streets, cultural/visitor economy interventions and capital funding to improve neighbourhoods
 - 5.2.2. **Local Businesses** – Business support and collaboration; and
 - 5.2.3. **People and Skills** – Employment and Skills activity

- 5.3. In April 2022 a template for this plan and allocations for London were confirmed. London was allocated £185.3m, of which £40.9m has been ‘topliced’ to support ‘Multiply’, an adult numeracy scheme managed through the Department for Education and which, for Haringey is to be assigned to Haringey Learns. For the remaining £144.4m, the GLA was required to submit an Investment Plan to government, with approval expected after October 2022.
- 5.4. Previous EU programmes, which the UKSPF seeks to replace, were worth approximately £90m per year for London over the last 15 years. Previous EU funding allocations are now fully committed and cease by December 2023. The government also directly funded further related activity, which had enabled the London Economic Action Partnership (LEAP) to run programme such as the Good Growth Fund and the Skills for Londoners Capital Fund, but these ‘domestic’ funding programmes are not being replaced. Therefore, overall there is considerably less funding available across London over the coming years to support local jobs and growth activity, compared to the previous three years. This decline in funding has also impacted other areas of England, but the scale of the decline is greater in London.

GLA/London Councils UKSPF Investment Plan

- 5.5. The GLA and London Councils have co-designed the approach to London’s UKSPF Investment Plan. The London Recovery Board agreed that, in principle, most kinds of activities and outcomes currently supported through LEAP and EU programmes should continue and that the starting point for policy alignment would be the Economic Recovery Framework, including net zero goals, tackling structural inequalities and social inclusion.
- 5.6. UKSPF guidance advises that lead local authorities keep Investment Plans broad, and recommends that spend profiles and delivery programmes are adapted as delivery develops. There is therefore flexibility to refine spend proposals as delivery progresses, which is helpful as this funding covers a broad range of policy areas, as delivery spans three financial years and as the GLA have asked for initial submissions to a very challenging deadline.
- 5.7. The GLA and London Councils were able to choose what proportion of London’s total £144.4m UKSPF funding would be directly allocated to boroughs, directly grant funded to pan-London delivery partners, or subject to competitive bidding. This has resulted in a mixed approach across various funding categories in the Investment Plan:

Funding Stream	Means of Distribution
Multiple (adult numeracy)	Adult learning providers (including most boroughs)

Communities and Place	Borough allocations
Supporting local business	Direct grants; competitive bidding; borough allocations
People and Skills	Single pot for skills, with proportion of fund for employment support for adults, careers support for young people and those not in education, employment or training. A proportion via borough allocations.

- 5.8. Across all categories, boroughs receive just over half (£78m) of the total UKSPF funding for London as direct allocations. These direct allocations are not subject to competitive bidding; local authorities are asked to describe how the funding will be spent, which interventions will be delivered and to contribute proportionally to programme-level outputs.

LBH allocation and funding split by year

- 5.1. Government guidance suggested a proportional funding allocation to local authorities based on a combination of 70% population and 30% need (CRF methodology) but allowed for this to be varied by lead authorities. The GLA and London Councils, in consultation with sub-regional partnerships and local authorities, chose to assign funding based on 50% population and 50% need. This has resulted in a higher allocation than may have been expected for Haringey – a total of £2.63m or £9.88 per capita, which is the 6th highest allocation in London. This figure of £2.63m includes further funding, beyond that covered by the current funding agreement, for the People & Skills category, which the GLA has chosen to disburse via sub-regional partnerships, with the final amount to be received by Haringey yet to be formally confirmed.

Haringey spend allocations

- 5.2. Allocations of funding, as agreed with the GLA, are at Appendix A.
- 5.3. The Appendix describes projects to be delivered, against both Communities and Place and Supporting Local Businesses strands. In addition to finding projects which fit with the pre-determined allocation of funding across years, and between capital and revenue, for each project there has to be strategic alignment at three levels;
- 5.3.1. National – UKSPF Priorities
- 5.3.2. Regional – GLA Investment Plan
- 5.3.3. Local – Haringey Strategic Priorities.

6. Contribution to Strategic Outcomes

- 6.1. By meeting the project criteria for each intervention strand, officers have ensured strategic alignment and hence eligibility for funding at the national and regional level. To ensure alignment at the local level, each project has been selected as supporting the delivery of a strategic aspiration of the Council. Appendix A describes what these are for each project.

7. Statutory Officers Comments

7.1. Finance

- 7.1.1. This report is for the Cabinet Member to approve the recommendations as set out in para 2 of this report. The UKSPF total grant funding of £1,789,414 is made up of Capital £910,847 and Revenue £ 878,567 and covers spend incurred in the period of 2022/23 to 2024/25. The grant will be payable on accruals basis upon delivery of outputs but with some upfront funding. It should also be noted that there are no match funding requirements for UKSPF.

7.2. Procurement

- 7.2.1. CSO 17.1 provides that process for accepting grants is the same as set out in CSO 9.07 whereby grants valued at £500,000 or more require a Cabinet decision.
- 7.2.2. Strategic Procurement note the contents of the report relate to the acceptance of the grant.
- 7.2.3. Strategic Procurement support the recommendation of the report

7.3. Legal

- 7.3.1. The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.
- 7.3.2. The receipt of the grant from the GLA is a Key Decision and will therefore need to comply with the Council's governance processes in respect of Key Decisions including publication in the Forward Plan.
- 7.3.3. The Council will also need to ensure that in spending of the grant it complies with the Subsidy Control Act 2022 and all relevant procurement legislation including the Public Contracts Regulations 2015.
- 7.3.4. Where the Council receives a grant from an external body, the process for approval of the receipt as set out in Contract Standing Order 17.1 mirrors that for award of contracts as set out in CSO 9.07. As the value of the grant is above £500,000, the approval would normally fall to Cabinet. However, in-between meetings of the Cabinet, the Leader may take a decision which would fall to Cabinet or allocate to the Cabinet Member with the relevant portfolio (CSO 16.02).
- 7.3.5. The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member from approving the recommendations in this report.

7.4. Equality

7.4.1. The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

7.4.2. The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

7.4.3. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

7.4.4. This decision is to accept a grant of £1,789,414 from the Greater London Authority (GLA), and to enter into a funding agreement. This grant agreement will allow the delivery of a series of interventions across various policy areas, through the UK Shared Prosperity Fund (UKSPF). Every project under each intervention strand must align with national, regional, and local Haringey strategic priorities.

7.4.5. Appendix A describes the activities planned for each project, and how they align with local strategic priorities. Most of the projects planned under the UKSPF are at an early stage of development, and as such have not had detailed equalities analyses carried out. However, each local strategic priority that they align with has been subject to detailed equalities analyses, which found positive equalities impacts for groups who share the protected characteristics. Where negative impacts were identified, they have been mitigated as far as is possible, and any remaining negative impacts assessed as being the result of proportionate means of achieving legitimate aims.

7.4.6. As these projects to be delivered move into detailed design stages, and come forward for approval in each case, they will be subject to detailed equalities analysis, including full Equalities Impact Assessments if appropriate, which will inform any necessary mitigations and changes to ensure compliance with the Public Sector Equality Duty.

8. Use of Appendices

- **Appendix A – LBH UKSPF Allocations of Spend**
- **Appendix B – Draft UKSPF funding agreement**

9. **Local Government (Access to Information) Act 1985** : Not applicable

Appendix A – LBH UKSPF allocations of spend

UKSPF intervention strand	Project description	Activity	Local strategic rationale	Funding Allocation
E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people	Market Development: creation of spaces to facilitate market operation	Physical interventions to support the delivery and continuation of markets across the borough. Will involve electricity and water point provision, creative pavement design/market pitch indication	Supports the High Streets Recovery Action Plan by providing an offer that will increase footfall and thereby support high streets. Supports manifesto objectives of a Market Strategy providing opportunity to support residents starting their own business. Will support young people by providing the opportunity for youth markets.	£90,000 (capital)
	Public realm enhancements to town centres	Improvements in up to five town centres and including: to address disability access issues identified from the revenue funded review, to improve environment to encourage footfall, provide spaces for events and cultural activities.	Supports the High Street Recovery Action Plan by making high streets fit for purpose and welcoming to residents and visitors. Addresses disability access issues. Supports Manifesto statement of helping high streets recover.	£273,997 (capital)
	Disability Access Review for Town Centres	Programmes across the spend period to review town centres and high streets across the borough, prioritising those areas where issues have already been identified, and to make recommendations on actions that can be taken to address.	Will identify areas that need to address inequality of access for disabled residents and visitors to our high streets. Supports several priorities from the High Streets Recovery Action Plan.	£40,186 (revenue)

<p>E3: Creation of and improvements to local green spaces</p>	<p>Tottenham Green Chain: greening the public realm between three parks in North Tottenham. Supports and adds value to already existing work to invest in Down Lane Park, Hartington Park and Somerford Grove.</p>	<p>Will comprise a range of green interventions in the public realm such as pavement buildouts with up to seventy new street trees and SUDS, new community planting space, biodiversity improvements and wayfinding along the route. Community input will identify sites for interventions, and a community management group established to support delivery of the project and take responsibility for management of elements of the scheme after completion.</p>	<p>Supports the 3 key aims of the Draft Parks and Greenspaces Strategy – ‘Inclusion and Wellbeing’, ‘Climate Change and Sustainability’ and ‘Quality Parks’. Similarly, supports Policy 1 of the Walking and Cycling Plan, ‘Increase Active Travel’. Community involvement in design and management will support the participatory aims of the Haringey Deal/Conversation.</p>	<p>£240,442 (capital) £29,013 (revenue)</p>
<p>E4: Enhancing existing cultural, historic & heritage institutions offer</p>	<p>Create Space: Enhancing Haringey’s cultural infrastructure through improvements to our cultural</p>	<p>Programme will involve improvements to a number of different cultural spaces in the Borough, situated across our Libraries and Bruce Castle Museum, in line with existing capital programme plans. Working with local partners, a network of young people from underrepresented groups will identify</p>	<p>Supports the Haringey Deal’s aspiration for greater involvement of communities in designing services and mirrors the Manifesto focus on young people specifically. Delivers on our Recovery and Renewal framework’s commitment to fairness and equity by using local stories of migration and resilience as inspiration for works. Supports Good Economy and Employment and Skills Recovery Plans by</p>	<p>£162,820 (capital) £39,271 (revenue)</p>

<p>E6: Local arts, cultural, heritage & creative activities</p>	<p>spaces, to be co-designed with young people in partnership with local artists and creatives.</p>	<p>spaces to be transformed. A series of local creatives will be invited as artists in residence, to create an artist-led response to each space, working directly with local young people. Young people will receive training in new creative and heritage skills, building confidence and investing in their learning and development. Associated events will increase resident participation in cultural activity.</p>	<p>targeting support at those affected by the legacy of Covid-19, namely young people.</p>	<p>£143,588 (capital) £24,821 (revenue)</p>
<p>E9: Impactful volunteering and/or social action projects</p>	<p>Haringey Warm Welcome: The establishment of a network of community-operated spaces across the borough over the winter period, to support residents affected by the cost of living crisis, and also develop long-term community capacity and resilience in responding to shocks.</p>	<p>The programme aims to create a network of 'warm welcome' spaces, with the ambition that no resident is more than 10-minute walk from a venue. WW spaces will be volunteer staffed and run, and offer the opportunity for residents who are isolated, unable to heat their homes or otherwise vulnerable to be warm and connect with others. The network of spaces will allow for the provision of specialist support to especially vulnerable residents, create opportunities for early intervention & prevention with residents, and create opportunities for building social capital and connections between residents, local VCS groups and activities within their local areas.</p>	<p>In addition to delivering immediate practical support to residents impacted by the cost-of-living crisis, the programme of work will support a number of longer-term strategic aims for the Council. It will deliver on the aspiration of the Haringey Deal to facilitate community action, by providing the training and infrastructure necessary for VCS groups to deliver projects through this programme, and into the future. Similarly, it will support the focus on early intervention and prevention in the Recovery and Renewal framework by creating opportunities for peer and community support of residents before a personal crisis.</p>	<p>£101,048 (revenue)</p>

E13: Community measures to reduce the cost of living	Energy efficiency support	Year 1 of this programme will comprise two aspects. 1) Additional capacity from SHINE for services include telephone energy advice, debt and complex case support, events, energy doctor visits, grant fund application support, referral to other services in London to maximise wellbeing, income and health. SHINE will be asked to prioritise interventions which provide more immediate reduction in household cost of living costs. On the assumption that the majority of capacity goes to energy doctor visits, an additional 175 Haringey households will benefit from this additional capacity in year 1. 2) A campaign with the aim of increasing take up of this energy efficiency advice in the context of wider cost of living pressures. Plans for years 2 and 3 funding will build on an assessment of the impact of this offer and reflect a fast developing policy context.	SPF guidance is that activity under this intervention focuses on energy efficiency interventions and we know there to be urgent local need: Haringey has high levels of fuel poverty and we expect Haringey residents to be significantly affected by cost of living pressures. The take up of existing SHINE support is good, and increasing capacity into the service will help us to achieve our short term objective of supporting residents experiencing financial difficulty, as well as our longer term strategic objectives relating to carbon reduction and financial resilience.	£206,363 (revenue)
E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks	Start Ups and Entrepreneurial Support programme	To include a Migrant and Refugee programme (to start their own businesses; become market traders and work as self-employed), creative sector freelancing and self employment programme, social enterprise programme including business support, mentoring, networking, marketing and capacity building to enable better selling opportunities	Supports community wealth building and an inclusive economy by providing training and support to residents who wish to start their own businesses, to build capacity and resilience as they grow and for existing entrepreneurs.	£149,556 (revenue)
	Cost Savings Programme	To provide support to businesses in identifying savings and/or better	Supports the work being done by the council on the cost of living crisis. Additionally supports Good	£134,000 (revenue)

		contractual arrangements with energy suppliers. Also to identify potential usage savings.	Economy Recovery Plan including the High Streets Recovery Action Plan by supporting businesses to build their resilience and sustainability	
	Federation for Small Businesses	Payment to the FSB enabling membership for local businesses and giving them access to FSB support. There has been significant take up by businesses when this was undertaken using ARG funding and a further phase is currently open. This provides longevity to the offer and enables more	Supports Good Economy Recovery Plan including the High Streets Recovery Action Plan by supporting businesses to build their resilience and sustainability by being able to access additional support through FSB programmes including Debt recovery, Legal protection scheme, HR advice, Health and Safety advice, PR & events, and crisis management, Cyber protection.	£59,309 (revenue)
	Business Growth Support	A programme to identify businesses with high growth and job creation potential. Will include specialist advice and mentoring. Will also deliver an industrial estates sector study with targeted and specialist support for businesses key to the Haringey economy and identify and deliver interventions This programme will identify and support Haringey's small businesses with high-growth and job creation potential business -to expand and generate more jobs.	BEIS, GLA and other studies have confirmed that high growth businesses create the highest number of jobs and other economic benefits, outperforming average firms and other business types. This programme strand will build on the successful GLA/Grant Thornton "High Growth Coach Programme" to support Haringey's high growth and growth-potential business to expand and generate more jobs.	£95,000 (revenue)