

EXTRACT FROM
REDDITCH TOWNS DEAL BOARD – 11th May 2023, 9.30 am

Notes of the Meeting

9.	<p><u>UK SHARED PROSPERITY FUND</u></p> <p>Georgina provided a verbal update, with written updated to be provided in future. See written note attached notes.</p> <p>Kevin asked the Board whether there is a desire to move monies between schemes; whilst knowing there is a requirement for skills provision.</p> <p>Gary supported that it is too difficult to try and move/pivot funds and <u>projects</u>; thanking Georgina for all her hard work. Important to now bring these projects forward and realise the delivery/results. Agrees with recommendation put forward.</p>	
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REPORT TO THE TOWN DEAL BOARD MAY 2023
UPDATE ON UK SHARED PROSPERITY FUND

PROJECT APPROVAL

The UKSPF sub-group of this board met on 6/1/23 to consider project proposals under the Supporting Local Business investment priority for years 1, 2 and 3; and to consider project proposals for the Communities & Place investment priority for years 1 and 2 only. Following endorsement by the full board, recommendations of the sub-group were sent to the borough council.

The role of the board is to assess project for strategic fit and deliverability. Following this process, the fund was still significantly oversubscribed. The council took the approach of prioritising the projects based on their assessment score.

The following projects have been approved for funding:

Communities & Place (Years 1 & 2 only)

Supporting Local Business (Community Energy Efficiency Programme)

Act on Energy Caseworker

Redditch Community Grants

The Canopies Event Space

Town Centre Improvements – Lighting

Designing Out Crime Housing Improvement Programme

Moons Moat Volunteer Programme

Volunteer It Yourself

The Volunteer Centre

Morton Stanley Park Improvements

Supporting Local Business (Years 1,2 & 3)

Support to Local Business Grant Programme

Betaden

Worcestershire Growth Hub

In total, £478,217 of funding has been allocated to Communities & Place projects and £639,856 of funding has been allocated to Supporting Local Business projects.

The sub-group is scheduled to meet on 15/5/23 to consider recommendations for year 3 Communities & Place projects and the People & Skills project proposals.

2022/23 EXPENDITURE AND CARRY FORWARD TO 2023/24

The borough's allocation for 2022/23 was £303,647 split £108,500 capital and £195,147 revenue. At 31/3/23, expenditure was £51,602 capital and £23,000 revenue (£74,602 in total); an underspend of £229,045.

The fund's guidance allows Lead Local Authorities to carry forward underspend in year 1 to year 2, subject to them having a credible plan as to how the underspend will be used. This credible plan formed part of the 6 monthly report that was submitted to Government in April.

In the credible plan we have advised DLUHC that 83% of the underspend has been committed to projects and the remaining 17% has been allocated (ie agreed but not yet contracted).

The allocation for 2023/24 is £607,294. Together with the underspend for 2022/23 of £229,045, available funds for 2023/24 are £836,339. 91% (£765,000) of this funding has been allocated / committed.

We are currently in the process of issuing contracts to the project deliverers and once these are in place will be defraying the funding. We anticipate that all contracts will be in place by the end of June.

CHANGES TO THE FUND GUIDANCE

There have been a number of changes to the fund's guidance since it was first published in April 2022. Most recently, the Government has changed the rules regarding expenditure on the People & Skills investment priority. There is now no restriction on this expenditure in year 2. This will have little impact on Redditch's investment plan as most of the funding for year 2 has been allocated to Communities & Place projects and Supporting Local Business projects.

The Government has changed the definition of material changes, ie changes to the investment plan that would require prior approval by DLUHC. This includes the removal of the condition that any changes to the plan that would result in a 20% or more drop in the forecast outputs against an intervention would require prior consent. This means that Lead Local Authorities are free to make changes to their investment plan, including removing interventions, regardless of the impact on outputs. Lead Local Authorities are still required to get prior consent to move funding of 30% of the total allocation between investment priorities.