

This Report will be made public on 04 March 2024

Report Number: **OS/23/11**

To: Finance & Performance Sub-Committee
Date: 12 March 2024
Status: Non Key
Head of Service: Rod Lean: Chief Officer Place and Growth
Cabinet Members: Councillor Holgate Cabinet Member for Folkestone Place Plan, Heritage, District Economy and Tourism, Councillor Blakemore Cabinet Member for Community and Collaboration.

SUBJECT: UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) Update

SUMMARY:

The report outlines the activity to date regarding the UKSPF and REPF programme, giving an overview of the programme, activities being implemented and outputs being achieved. Members are asked to take note of the update report.

REASONS FOR RECOMMENDATION:

The committee is asked to note the recommendations below.

RECOMMENDATIONS:

1. To receive and note report: OS/23/11.
2. To note progress to date for both UKSPF and REPF programmes

1. INTRODUCTION

UK Shared Prosperity Fund Background

- 1.1** The £2.6 billion UK Shared Prosperity Fund (UKSPF) was launched in April 2022 as part of the Government's 'Levelling Up' programme and was the domestic replacement for the EU European Structural and Investment Programme (ESIF).
- 1.2** The aim of the UKSPF is to support the UK government's Levelling Up commitment through three investment priorities:
- (a) Communities and place
 - (b) Supporting local business
 - (c) People and skills (this cannot be included in years 1 and 2 of the scheme).

Within each investment priority there are a range of interventions which have associated outcomes and outputs. For more details on the funding please follow this link can be found.

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

- 1.3** FHDC was allocated £1,000,000 (previously reported C/22/25) and produced an UKSPF investment plan which focused on 2 investment priorities :
- (a) Communities and place
 - (c) People and skills

There were 3 key projects that emerged from the 2 investment priorities:

1. Home Essential Fund
2. Mobile Pantry Project
3. UKSPF Skills Project

(See section 2 for details)

Rural England Prosperity Fund Background

- 1.4** The £110m Rural England Prosperity Fund (REPF) <https://www.gov.uk/government/publications/rural-england-prosperity-fund-prospectus> was announced on 3rd September 2022 which builds on, and is complementary to, the UK Shared Prosperity Fund (UKSPF). To access the REPF allocation, the Council was required to provide additional information via an addendum to the UKSPF investment plan to Government.

FHDC were allocated £571,471 over a two-year period (23-25).(Previous Report, Number C/22/57 23/11/22).

The REPF supports activities that are seen as particular challenges in rural areas, and encourages productivity and prosperity in places that need it most by supporting local business and community and place as investment priorities.

FHDC are supporting the following key priorities:

Business

- Capital grant funding for small scale investment in micro and small enterprises in rural areas
- Capital grant funding for small scale investment in micro and small enterprises in rural areas, Capital grant funding for developing and promoting the visitor economy.

Community

- Capital grant funding for investment in capacity building and infrastructure support for local civil society and community groups

Capital funding:

Year 2 – £142,868

Year 3 - £428,603

2 UKSPF PROJECT OVERVIEW.

2.1 The three UKSPF projects are

- Home Essential Fund
- Mobile Pantry Project and Wrap Around Support and Community Hubs
- UKSPF Skills Project

2.2 Homes Essential Fund (HEF):

The HEF has a strict qualifying criterion to ensure those that benefit are those in need and cover 5 key areas

- Boiler servicing to ensure boilers are as efficient as possible.
- Boiler replacement for items that are no longer suitable for use.
- Oil heating tune ups and support for residents that use oil for fuelling their home.
- White goods provision. To supply replacement or new energy efficient items to households including cookers, fridges/freezers, washing machines/dryers, microwaves and other items as appropriate.
- Beds and mattresses to homes that do not have suitable bed provision.

The investment plan outlined a series of outputs and outcome that the project needs to meet. The table below shows our position at the last reporting period.

E11 Outputs	Project Target	Accumulative Total*
--------------------	-----------------------	----------------------------

Number of households receiving support (numerical value)	1000	2535
Number of households supported to take energy efficiency measures (numerical value)	1000	285
Number of people reached (numerical value)	10000	4000
E11 Outcomes	Project Target	Accumulative Total*
Estimated Carbon Dioxide equivalent reductions as a result of support (Tonnes of Co2e)	20	4
Increased take up of energy efficiency measures (Number of Households)	100	285

*Note (to end of Sept 23)

2.3 **Mobile Pantry Project, Wrap Around Support & Community Hubs:**

The mobile food vehicle will provide a mobile facility for foodbank and pantry provisions. The vehicle was delivered September 2023, with drivers and volunteers trained in preparation for launch in October 2023. Community hubs - support provider - Signposting, distributing items, providing info & advice and hosting cookery classes.

Other cookery provision, financial advice and wrap-around support is also being implemented as extensions to these projects – commenced in January and will continue until March 25.

Outputs	Project Target	Indicative Target*
Number of organisations receiving financial support other than grants (numerical value)	3	1
Number of organisations receiving grants (numerical value)	4	4
Number of organisations receiving non-financial support (numerical value)	10	10
Number of local events or activities supported (numerical value)	60	68
Number of volunteering opportunities supported (numerical value)	60	35
Number of projects (numerical value)	15	5

Outcomes	Project Target	Indicative Target*
Improved Engagement Numbers (% increase)	10	30
Number of volunteering opportunities created as a result of support (No. of volunteering roles created)	50	30

*Note (to end of Sept 23)

2.4 UKSPF Skills Proposal

The construction industry in Kent is significantly higher than the national average, with a noticeably higher proportion of enterprises based here. This sector within Kent comprises approximately 48,000 employee jobs, alongside a substantial number of self-employed individuals. Folkestone & Hythe District have a significant number of construction-based SME's and have several major developments proposed and ongoing across the district.

FHDC's proposed skills offer is specifically tailored around construction and the green skills sector and is closely aligned with the bespoke needs and requirements of employers in the district. It has been well informed utilising the latest Local Skills Improvement Plan (LSIP) <https://kentemployerskillsplan.org/resources/kent-medway-local-skills-improvement-plan-2023/> and local qualitative evidence. Having a workforce that is competent and trained to make the most of the future local opportunities is vital to ensuring the region has the volume of energy efficient homes it needs, the infrastructure to ensure the economy thrives, and to tackle the retrofit of the built environment to meet net zero targets.

FHDC's UKSPF skills proposal recommends implementing the following initiatives:

- Supporting post-16 to 19-year-old students (through apprenticeships and vocational courses) by allocating a portion of the funding to courses facilitated by local colleges (EKC, MKC, NKC) that will help support our local construction needs and green sectors.
- Expanding access to upskilling and reskilling programs (via short-courses offered by local colleges and training providers) to enable career progression and re-skilling for existing staff. Additionally, a potential provision to support with HNC and HND costs as a possible pilot is also being considered where requested.
- To develop and administer a bespoke grant scheme that is dedicated to supporting industry-specific, bespoke training programs. This will allow both new and existing employees to progress & widen their skill set where needed, tailored to personalised needs.

Strengthening partnerships with employers – this will allow for work placement opportunities, apprenticeships, and mentorship programs, allowing individuals to gain hands-on experience and develop practical

skills and working closely with all education institutions to ensure this happens. Furthermore, FHDC intend to collaborate closely with the DWP to ensure that individuals supported by the department have access to and benefit from the construction skills opportunities on offer.

Commencement April 2024

The Outputs and Outcomes are being agreed , however for an idea of the KPI set see below.

Outputs	Project target (TBA)
Number of people receiving support to gain employment (numerical value)	
Number of people receiving support to gain a vocational licence (numerical value)	
Number of people gaining a qualification or completing a course following support (numerical value)	
Outcomes	
Number of people in employment, including self-employment, following support (numerical value)	
Number of people in education/training (numerical value)	
Number of people gaining a qualification or completing a course following support (numerical value)	
Number of economically active individuals engaged in mainstream skills education and training (numerical value)	

3 REPF PROJECT OVERVIEW.

3.1 [FHDC's Rural England Prosperity Fund Grant Scheme](https://folkestone.works/rural-england-prosperity-fund/)

The REPF fund is split into 3 main funding streams as outlined below :

Rural Grants
Coastal Destination Project
Transport project

Rural Grant Scheme

Grants ranging from £3,000 to £10,000 are available (and up to £30,000 for projects that can demonstrate longer term impacts, wider benefits for the local rural economy and meet a range of objectives and outcomes). The grants will support rural business growth and resilience and improve local community facilities and amenities, especially projects relating to climate change mitigation biodiversity and tourism.

The grants are capital only, applicants must be in a qualifying location and match funding is required.

Current application received (to end Feb 2023) – 31 EOIs and 10 full received to date for REPF Grant Scheme.

Romney Marsh Coastal Destination project

The project aims to create an accessible visitor destination centre on Coast Drive carpark in Greatstone, that falls within the council’s ownership. The project is an opportunity to create a coastal destination centre, facilitate inward investment, improve the local economy and to bring forward a sustainable place making intervention. An allocation of £100,000 towards to the overall budget has been set aside within the REPF Capital programme.

Transport Project

As part of the preparatory work identifying the key needs within the rural communities for the REPF investment plan, Transport within the Romney Marsh area was seen as critical element to allow people to get to work, school/college and hospital at key points in the day. An allocation up to £50,000 has been set aside to help The Romney Marsh Partnership and New Romney Community Hub to find a sustainable way to create a fast track transport system.

4 Finance Overview UKSPF and REPF

Financial overview of both UKSPF and REPF over the duration of the project terms and the current forecast spend.

	YR 1	YR 2	YR 3
UKSPF			
Allocation (delayed allocation of UKSPF funds)	£100,035	£200,069 (plus £40K* carry forward) - £240K	£699, 896 (of which £356,696 is allocated to skills)
Actual	£60,000	£90,000 (to mid-year)	£0
Forecasted to year end	NA	£218K (£22K predicted to be carried forward to Year 3)	£699,896 to include any YR 2 CF
REPF			
Allocation	NA	£142,868	£428,603
Actual	NA	£0 (to mid-year)	£0
Forecasted Spend	NA	£142,868	£428,603

* Underspend of £40,000 - approved to be carried forward to Yr2 (due to delayed deposit of YR 1 funds – received on 31/01/2023).

5 LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officers Comments. (NM)

There are no legal implications arising directly from this report.

5.2 Finance Officers Comments.(RH)

See section 4 for full financial details. Finance are monitoring spend and income, in conjunction with Economic Development officers.

5.3 Diversities and Equalities (GE)

There are no equality and diversity implications directly arising from this report. The report documents how funding from both programmes is contributing to communities, people, and skills within the district.

6 CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officers prior to the meeting:

Rod Lean, Chief Officer Place and growth:

Rod.lean@folkestone-hythe.gov.uk