

Economy and Property Committee	
Meeting Date	23rd July 2024
Report Title	UK Shared Prosperity Fund (UKSPF) – Capital Allocations for Town Centres
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods
Head of Service	Joanne Johnson, Head of Place
Lead Officer	Kieren Mansfield, Strategic Programmes and Assets Manager
Key Decision	No
Classification	Open
Recommendations	<ol style="list-style-type: none"> 1. That the UKSPF town centre capital allocations are used to support the delivery of the projects identified at Appendix I. 2. That the Head of Place is given delegated authority to make changes if required, in consultation with the Prosperity Fund Member Working Group, in line with delegation 2.8.19.3. <i>To implement key regeneration projects across the Borough.</i>

1 Purpose of Report and Executive Summary

- 1.1 The Regeneration and Property Committee (as was), agreed the outline programme of projects to be supported through the use of government funding allocations for Swale, via the UK Shared Prosperity Fund (UKSPF) and the Rural England Prosperity Fund (REPF) in January 2023.
- 1.2 Delegated authority is in place to deliver the programme and make changes in consultation with the Member Working Group established. However, choices regarding the use of £130,000 of the Town Centre Capital funding within the programme require a further committee decision.
- 1.3 This report sets out the background and recommendations for the use of the funding.

2 Background

- 2.1 The UK Shared Prosperity Fund (UKSPF) is a £2.6bn government fund covering financial years 2022/23 to 2024/25 and is the replacement for European Structural and Investment Funds. Government also launched the £110 million Rural England Prosperity Fund (REPF), as a top-up to UKSPF allocations for Councils with significant rural areas. Swale received funding allocations from both funds of £1,169,496 and £502,995 respectively.
- 2.2 To access these funding allocations, the Council was required to submit a Local Investment Plan (LIP), which outlined the intended use of the funding against government set intervention areas, with prescribed outputs and outcomes.

- 2.3 The content of the LIP was developed with input from a Member Working Group and local partners, submitted and subsequently approved by Government in December 2022. In January 2023, the Regeneration and Property Committee (as was), considered a paper which set out a more detailed outline programme of activity to be funded, with the (now) Head of Place having delegated authority to deliver the programme and make changes in consultation with the all-party Prosperity Fund Member Working Group.
- 2.4 Within this, capital funds were identified in relation to each of the Borough's Town Centres. The sums set aside for each of the town centres (see Appendix I), reflected a programme wide approach which sought to reflect the relative populations and levels of deprivation for different parts of the Borough. Whilst not reflected at Appendix I, overall a greater sum was set aside for Sheerness, with the inclusion of additional capital sums for securing and display of the Montgomery Masts (£20,000) and a match funding contribution to the Sheerness Revival scheme (£85,000).
- 2.5 Whilst options were presented for the use of £130,000 capital funding for Town Centres allocated in 2024/25 funding year, a further committee decision is now required.
- 2.6 Available officer time has impacted on the deliverability of some of the project options that were originally identified in the programme. Consequently, the Prosperity Fund Member Working Group has considered how the available funding might be used, taking into account the absolute requirement to deliver by March 2025 and the need to meet a minimum capital spend within the current financial year.
- 2.7 The preferred projects of the Prosperity Fund Member Working Group are set out in Appendix I, against the allocated budgets and the original proposed options for the use of the funding, as at January 2023.
- 2.8 Within prescribed limits, the Council has the discretion to make changes to the UKSPF programme, with resultant changes to the outputs and outcomes involved. The proposed re-purposing of the £130,000 capital allocation would not constitute a material change and would not require authorisation from DLUHC. The rules around capital funding mean that the funds must still be used to support capital investment.

3 Proposals

- 3.1 That the UKSPF town centre capital allocations are used to support the delivery of the preferred projects identified at Appendix I.
- 3.2 The ability to deliver by March 2025 has been an important factor in determining the preferred projects. However, there will still be challenges to ensuring delivery within the time and budget available with a potential need to adapt swiftly should project delivery become more uncertain.
- 3.3 Therefore it is recommended that the Head of Place is given delegated authority to make changes if required, in consultation with the Prosperity Fund

Member Working Group in line with delegation 2.8.19.3. *To implement key regeneration projects across the Borough*

4 Alternative Options

4.1 Appendix I sets out the options that were originally considered for the use of the funding and the issues impacting on their delivery.

4.2 The Member Working Group considered a range of potential alternative options, in part informed by the types of capital projects that other Kent Authorities were seeking to deliver in town and city settings. These included the following:-

- **capital investments to support local markets**, largely through the provision of new, branded gazebos. Relatively inexpensive but would need to be after or alongside the re-tendering of the markets. Therefore, this would be subject to the chosen operator's co-operation and towards the very end of the programme, leaving uncertainty about spend by March 2025.
- **Shop improvement and shop front grant schemes**. There have been reservations about grant support to improve High Street premises, subsidising landlords and/or tenants' own responsibilities.
- **Capital improvements to parks and open spaces** in and around the City/Town Centres. Some opportunities for this were identified and Periwinkle Mill and Trinity Gardens were both supported as options by the Member Working Group
- **Town Centre buildings/workspace** – divert some funding to support the enablement of the Council's property assets within the Town Centres to provide more useable and beneficial space, with the potential to bring footfall to the towns. Whilst such projects could also bring longer-term revenue funding benefits to the Council they present challenges in delivering by March 2025. Some feasibility work at 'the Old Library' in Sheerness was supported, if funds allowed.

5 Consultation Undertaken or Proposed Considered and Rejected

5.1 A review of the capital spend of other authorities in Kent within town centres was undertaken to inform the Prosperity Fund Member Working Group's discussions.

6 Implications

Issue	Implications
Corporate Plan	Under the Economy priority the Corporate Plan identifies delivery of economic development through the UK Shared Prosperity Fund (UKSPF) and the Rural England Prosperity Fund (REPF) as a priority action.
Financial, Resource and Property	The projects would need to be funded from the UK Shared Prosperity Funding allocation for 2024/25 and any other previously identified funding from either other external funding sources or through existing project allocations. Significant officer

	time would be required to deliver capital projects directly and this would have to be managed within existing staff resources. Some external support may be required but would need to be contained within the overall budget envelope.
Legal, Statutory and Procurement	All activity identified within the Local Investment Plan is non-statutory. It will be necessary to undertake procurements to deliver the agreed projects. Direct commissions by Swale Borough Council will need to comply with Contract Standing Orders and are anticipated to be of a value that falls within officer delegations.
Crime and Disorder	None identified at this stage
Environment and Climate/Ecological Emergency	None identified at this stage
Health and Wellbeing	None identified at this stage.
Safeguarding of Children, Young People and Vulnerable Adults	None identified at this stage.
Risk Management and Health and Safety	The primary risks are associated with ensuring statutory compliance (such as planning), the management of budgets, outputs and outcomes and completing expenditure by the end of March 2025. The Council is required to report quarterly to Government on progress, with more detailed monitoring reports on spend, outputs and outcomes to government every 6 months. Monitoring and project management will identify the need to accelerate or make makes changes within the projects. Delegated authority to the Head of Place to make further changes to the programme would also provide an ability to respond quickly to emerging issues that could lead to the loss of funding should delivery by March 2025 become uncertain.
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Town Centre Capital schemes proposed for UKSPF investment.

8 Background Papers

- UK Shared Prosperity Fund Prospectus [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](#)
- Rural England Prosperity Fund Prospectus [Rural England Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](#)
- Report to Regeneration and Property Committee, UK Shared Prosperity Fund, January 2023