

## **CABINET**

**DATE OF MEETING: 1 FEBRUARY 2024**

**TITLE OF REPORT: UK SHARED PROSPERITY FUND – LEVELLING UP**

**Report of: Chief Executive**

**Cabinet Portfolio: Leader of the Council**

**Key Decision: Yes**

**Confidentiality: Non Exempt**

### **PURPOSE OF REPORT**

1. Hart District Council (HDC) has been granted £1million through the Government's UK Shared Prosperity Fund (UKSPF) to fund projects identified in HDC's Local Investment Plan (LIP). This report provides details of the Community Hub and Young Persons projects to be delivered in 2024 and provides an update on the programme to date.

### **RECOMMENDATION**

That Cabinet agrees:

- To approve the Community Hub and Young Persons Engagement applications recommended to be delivered in 2024
- To approve the revised financial plan in **Appendix 1** which includes all changes since Cabinet last approved the plan in March 2023 and reflects the officer recommended grant amounts in this report.
- To approve the revised Programme Plan in **Appendix 2**

### **BACKGROUND**

2. In March, Cabinet approved the UKSPF spending proposals for 2022/23 and 2023/24 which are in line with the approved Local Investment Plan (LIP) and the Government's prescribed funding profile over the three years.
3. One of the approved projects, the Data Mining review, has now been completed. The data mining project aimed to better understand hidden need within the district by analysing the national datasets/statistics and therefore enable the Council and our local stakeholders to target support to maximum its impact.
4. The results of the Data Mining review have also helped to inform two other UKSPF projects, Community Hub and Young Persons Engagement.
5. In October, the Council launched an Expression of Interest followed up in November with an open bidding round for applications for projects:
  - to support the development and enhancement of local spaces where communities can come together to connect and access activities and support and/or
  - to help increase access to a range of education, skills and training opportunities for young people
6. The bidding process was publicised across the whole district and officers engaged with community organisations and town and parish councils before and during the process. At the bidding deadline, 30 applications had been submitted in total. The Council has now reviewed all applications using the published scoring criteria (attached at **Appendix 3**) and a summary of each

application along with their overall score is attached at **Appendix 4**. Details of the projects recommended to proceed with are listed below.

## MAIN ISSUES

### Data Mining Review

7. A comprehensive data mining exercise was undertaken using publicly available data sets. Sources included Office of National Statistics (ONS) data from the 2021 census, Hampshire County Council Joint Strategic Needs Assessment and Citizens Advice Hart. The aim of the data mining review was to look at variation within the district, to better understand community needs and inequalities across Hart, but not to compare Hart against other local authority areas. Regional or national comparison data is not provided in the report unless considered important for understanding the picture within Hart.
8. Whilst Hart is an affluent district, there are pockets of deprivation and need. The ONS Index of Multiple Deprivation (IMD) provides a good overview of the pockets of deprivation and need in the district. The IMD provides a measure of living environment and access to resources, as well as income, employment, education, skills and training, health and crime. Hart has three areas which score more highly on the ONS indices than the rest of the district. These are Yateley East/Blackwater and Hawley, the Bramshill/Hound Green area and areas south of Church Crookham. Other data sets build on, or provide supporting evidence to, the IMD to create a detailed narrative of community needs and inequalities.
9. The Data Mining review has been used to inform the criteria against which Community Hub and Young Persons Engagement applications have been assessed.
10. It should be noted that the Data Mining review will be completed under the approved budget. It is proposed that the savings be allocated to the Community Hub and Young Persons Engagement projects identified below, see paragraph 36

### Community Hub and Young Persons Engagement projects

11. 30 applications were submitted in November during the open bidding round - 19 applications related to Community Hub projects and 11 applications to Young Persons Engagement projects. A summary of each application along with their overall score is attached at **Appendix 4**.
12. It is recommended that based on the applications received, that the following projects and associated budgets are approved:

Project	Application	Amount
Community Hub applications	Citizens Advice - Enhancing Inclusive Community Hubs	£37,000
	Church Crookham Parish Council - Access to Athletics	£14,771
	Ewshot Village Hall - Access For All	£5,874

	Frogmore and Darby Green Community Hub (at St Barnabas Church, Darby Green)	£229,157
	Hawley Leisure Centre - Improvements	£16,313
	St.Peter's Church - Fully Accessible W.C.	£20,000
	Yateley Men's Shed - Extension Project	£11,000
	Yateley School Wellbeing and Community Hub	£150,000*
Total		£484,115
Young Persons Engagement applications	Fleet Phoenix - Open Door Extra	£8,580
	Inclusion Hampshire - Inclusion EB8	£63,643
	MOD - Knowing me knowing you	£8,700
	Hook Parish Council - Pilot youth work project in Hook to re-start youth provision	£20,840
	Vision for Youth - Blackwater Youth Club (@ St Barnabas Church)	£4,915
	Yateley Industries - Job Coach Service	£18,957
	Yateley School Wellbeing and Community Hub	£80,000*
Total		£205,635

\* Reduction in amount requested. It is recommended that all applications received the full amount requested with the exception of the Yateley School's applications (1 x Community Hubs and 1 x Young Persons Engagement). It is proposed to give Yateley School a combined grant of £230,000, which is £60,000 less than they requested. Yateley School have confirmed that with the reduction they can still provide the majority of the services proposed in their application.

13. Some of the applications identified above are new schemes and would use the UKSPF as start-up revenue funding, to get the scheme up and running and to pilot it for the duration of the funding timetable. If successful, the majority of applicants have said that they would then seek external funding to continue the scheme. This process is widely used by stakeholders, given their charity status and associated funding streams.
14. The Council has assisted applicants throughout the process and intends to work with unsuccessful applicants to assist them where possible to seek funding from other sources. Other sources could include other funds available to the Council such as S106 contributions.

## Programme Update

15. An updated high-level financial and programme plan for the delivery of the LIP is attached at **Appendix 1** and **Appendix 2** respectively.
16. In line with the funding profile of the grant, the focus in 2023/24 was project planning and strategy, with implementation in 2024/25.

## Communities and Places Projects

17. An update on the Data Mining, Community Hub and Young Persons Engagement projects have been provided above.
18. In terms of progressing the Development of the Green Grid Framework, the LCWIP will be considered by Cabinet in early 2024. The UKSPF allocation for 2024/25 could then be used to fund a feasibility study for a route identified in the LCWIP. It is envisaged that the route would be one of those identified in the LCWIP as having a higher priority. Selection of the route will be identified when the LCWIP is considered by Cabinet next year.

## Supporting Local Business Projects

19. Rushmoor Borough Council (RBC) and HDC have drafted and are in the process of signing a S117 agreement for work to begin on the projects at the beginning of 2024.
20. The details of the workplan are highlighted in the programme plan attached at **Appendix 2**.

## OVERVIEW AND SCRUTINY COMMITTEE COMMENTS

21. The O&S Committee considered this report at its meeting on 16 January 2024 and asked a number of questions and raised some concerns.
22. O&S discussed the scoring criteria and raised concerns with the process. Officers confirmed that an officer panel reviewed and scored the applications. The results of the Data Mining review helped to inform officers when scoring against a number of the criteria. The officer panel scoring (full scores) have been provided to applicants and councillors when requested. In the light of the concerns raised by O&S Committee, the scoring process has been subject to an assurance check by an officer independent of the officer panel. This review has concluded that the scoring process was appropriate, and the scores have been applied consistently and fairly against the pre-set criteria.
23. O&S queried whether match funding should have been a criterion for scoring applications. The UKSPF guidelines state:

*Match funding will not be required to unlock an area's allocation. This provides flexibility, reduces bureaucracy and empowers lead local authorities to tailor their approach to local circumstances.*

*The sourcing of match funding/leverage will not be a factor in the assessment of each place's investment plan.*

*Although match funding is not required and will not form part of the investment plan assessment criteria, in England, Scotland and Wales, all lead local authorities are strongly encouraged to consider match funding from the private, public and third sectors and leverage options when selecting communities and place and supporting local business interventions to fund. This will maximise the value for money and impact of the Fund.*

24. Stakeholders at the Here for Hart forum in June raised concerns that many local organisations may struggle to provide match funding. To encourage as many applicants to submit applications as possible, match funding was not selected as a scoring criterion. Match funding was however identified on the application forms and applicants were asked if they were able to provide any match funding to maximise the value for money and impact of the fund.
25. O&S questioned where the information regarding 'reach' came from. Officers confirmed this information was taken directly from the application forms as provided by the applicants.
26. O&S discussed whether decreasing funding to the Community Hub project was desirable. In light of the O&S comments and in light of both projects being oversubscribed, the project team have reviewed the overall programme budget allocations and have proposed a revised 2024/25 budget – Please see **Appendix 1** - This budget now provides a contingency of £30k to increase the flexibility in the use of the fund.
27. O&S also queried whether the promotion of the fund was sufficient and district-wide. The Council undertook both an Expression of Interest (EOI) and full application bidding round to give potential applicants from all areas of the district the maximum time to refine their applications. The EOI round was opened in mid-September and closed in October and the full application round was open for a month in November. Promotion of both opportunities were extensive, utilising multiple channels available to the Council including social media and Councillor Connect. Here for Hart members and Town and Parish Councils also were also notified by email, with reminders sent.
28. The Council has assisted applicants throughout the process. As stated at paragraph 16, the Council intends to work with unsuccessful applicants, including the town and parish councils, to assist them where possible to seek funding from other sources.
29. Please see O&S minutes for further details of the discussion and questions asked and answers provided.

#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

30. With regards to approving the list of recommended applications associated with the Community Hub and Young Persons Engagement projects, an alternative option would be to approve a different selection. As highlighted above, the applications were scored against published criteria. If Cabinet chose alternative applications, justification for the selection against the criteria would need to be provided alongside the decision.

#### **CORPORATE GOVERNANCE CONSIDERATIONS**

31. The proposed projects align with the Corporate Plan and the Hart Vision 2040 as identified in earlier Cabinet reports.

#### **Service Plan**

- Is the proposal identified in the Service Plan? Yes
- Is the proposal being funded from current budgets? No, funded from external funding
- Have staffing resources already been identified and set aside for this proposal?  
Yes

## Legal and Constitutional Issues

32. The Council will need to adhere to the rules and guidance set out for the UKSPF.
33. In accordance with HDC's approved LIP, the Here for Hart forum will act as an advisory panel and the Council's Project Board will provide corporate oversight of the programme.
34. The programme will be subject to the Council's usual Overview & Scrutiny and Cabinet procedures. Key decisions, including the scope, finance and resourcing, will require Cabinet approval.

## Financial and Resource Implications

35. £1 million for capital and revenue funding will be provided by the Government, plus £20k for admin. This funding is staged over the three-year period as follows:
  - a. 2022/23 - £39,708
  - b. 2023/24 - £79,417
  - c. 2024/25 - £880,875
36. The financial plan attached as **Appendix 1** provides a high-level breakdown of the spend over the three-year period for each of the projects. The 2022/23 allocation has been defrayed. The majority of the 2023/24 allocation is on track to be spent by the end of the financial year. Any underspend will be moved into the 2024/25 budget (subject to consent from DLUHC). The Financial Plan also provides the spend plan for 2024/25. All of the necessary adjustments to the financial plan across spending heads, since Cabinet approved the original plan in March 2023, are included in the revised plan at Appendix 1. The plan also includes the total officer-suggested funding for the two bid programmes as set out in paragraph 12 of this report. This realignment process, which reflects savings achieved in staff resource, has resulted in a contingency showing in 2024/25 which is currently unallocated. This budget could be used to top up the funding available to allocate to community hub or young person engagement projects.
37. Project Management costs are budgeted at £82,450. Having shortlisted the applications, the resource required to support our partners to deliver the schemes is easier to estimate. The team is confident that this can be achieved with one senior project manager, without the need for an additional role.

## Risk Management

38. Each project will have a project plan, risk assessment and Integrated Impact Assessment to ensure suitable management of the project. Each contribution to a partner organisation will have a funding agreement signed which sets out the conditions of funding including deliverables, outcomes, timescales and communication/publicity requirements.
39. Whilst unlikely, there is a risk that the Government may change or cancel the indicative funding allocation in 2024/25. Hart will not incur new expenditure in 24/25 until the funding is confirmed and, wherever possible, it will aim to be flexible with its delivery and admin costs.
40. There is a risk that the council will need to provide legacy resource and/or costs to continue to support the community projects beyond 2024/25 if they are

not self-sustaining. Applicants have been asked to explain how projects will be funded after the end of the funding timetable. This information has helped to inform the selection of applications recommended above, with those applicants identifying clear plans for future funding (where required) scoring higher than those without.

## **EQUALITIES**

41. Equalities impact assessments will need to be carried out for all projects.

## **CLIMATE CHANGE IMPLICATIONS**

42. Many of the projects identified will have positive roles in delivering the Council's carbon reduction targets, for example by providing services in walking and cycling distance of residents or to progress sustainable travel opportunities in the district. The climate change implications will be assessed for any successful projects.

## **ACTION**

43. Subject to the decision of Cabinet, Hart District Council will progress work associated with implementing the local investment plan.

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## **Appendices**

**Appendix 1:** Financial Plan

**Appendix 2:** Programme Plan

**Appendix 3:** Scoring criteria

**Appendix 4:** Details of Community Hub and Young Persons Engagement applications