

North East Derbyshire District Council

Cabinet

27 FEBRUARY 2025

North East Derbyshire UK Shared Prosperity Fund Investment Plan 2025-26

Report of Cllr J Barry, Portfolio Holder for Growth and Assets

<u>Classification:</u>	This report is public
<u>Report By:</u>	Steve Lee, Assistant Director – Regeneration and Programmes
<u>Contact Officer:</u>	Steve Lee, Assistant Director – Regeneration and Programmes

PURPOSE / SUMMARY

For Cabinet to endorse the North East Derbyshire UK Shared Prosperity Fund (UKSPF) 2025-26 Investment Plan allocations. The East Midlands Combined County Authority (EMCCA) has approved an allocation of £1,050,067 to the Council to deliver a UK Shared Prosperity Fund (UKSPF) programme for the District between April 2025 and March 2026, with Investment Plan allocations to reflect the District's approach to aligning with the UK Government's UKSPF investment priorities and EMMCA's regional policy priorities. To also seek approval to maintain the role as accountable body for a multi-Authority business support programme and to request Cabinet's authority to delegate to the Director of Finance and Resources and Section 151 Officer the responsibility, in consultation with the Leader and Managing Director, for signing off the final iteration of the Investment Plan should EMCCA require this.

RECOMMENDATIONS

1. Approve the proposed North East Derbyshire 2025-26 UKSPF programme.
2. That approval of variations to the final Investment Plan is delegated to the Director of Finance and Resources and Section 151 Officer, in consultation with the Leader, Portfolio Holder for Growth and Assets and Managing Director, should amendments be required by EMCCA.
3. Agree that NEDDC remains the accountable body for the multi-Authority Derbyshire Accelerator contract for 2025-26, subject to receiving a 4% administrative contribution from participating Local Authorities.

Approved by the Portfolio Holder: Cllr J Barry, Cabinet Member for Growth & Assets

IMPLICATIONS

Finance and Risk: **Yes** **No**

Details: The Council is responsible for managing the process of allocating £1,050,067 through direct delivery, commissioning external provision or competitive open grant schemes.

4% of the allocation will be used to support the administration and operating costs of the programme, such as publicity, promotion and engagement.

If the Council remains the accountable body for the Derbyshire Accelerator contract, a further 4% of the contract value will be received to cover administration costs.

On Behalf of the Section 151 Officer

Legal (including Data Protection): **Yes** **No**

Details: All programme activities, procurement and funding agreements will be compliant with Council and UKSPF regulations.

On Behalf of the Solicitor to the Council

Staffing: **Yes** **No**

Details: Existing Officers will support the delivery of the programme and specific activity that aligns with established departmental responsibilities.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>NEDDC: Revenue - £125,000 <input checked="" type="checkbox"/> Capital - £310,000 <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	Yes
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	Yes
District Wards Significantly Affected	All
Equality Impact Assessment (EIA) details:	
<p>Stage 1 screening undertaken</p> <ul style="list-style-type: none"> Completed EIA stage 1 to be appended if not required to do a stage 2 	Yes, superseded by stage 2
<p>Stage 2 full assessment undertaken</p> <ul style="list-style-type: none"> Completed EIA stage 2 needs to be appended to the report 	Yes, appended.
<p>Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Cabinet <input checked="" type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input checked="" type="checkbox"/></p>	Yes Details: Meetings and correspondence

Links to Council Plan priorities;

- A great place that cares for the environment
- A great place to live well
- A great place to work
- A great place to access good public services

Links to all priorities.

REPORT DETAILS

1 Background

1.1 North East Derbyshire was allocated of £2,568,204 to deliver a programme that supported projects and interventions based around the following priority areas between October 2022 and March 2025:

- Communities and Place
- Supporting Local Business
- People and Skills

The Ministry for Housing, Local Government and Communities (MHCLG) has advised that any funds not sent and delivering its outcomes by 31 March 2025 must be returned to Government; any risks for underspend have been mitigated. Whilst the current programme has almost completed, the Council retains the capacity and experience within the Programme Management Team to deliver future programmes should funding become available.

1.2 The Government has announced that 2025-26 is a transition year for UKSPF before it determines how its successor programmes will be delivered; confirmation of this is expected in June 2025. EMCCA has been designated Lead Funding Authority for the regions £25.17m 2025-26 UKSPF monies, who in turn agreed at its 10 February 2025 Board meeting to distribute a proportion of the funds to Local Authorities based on the national funding formula. This allocation has been supplemented with £6.54m capital funds, whilst £2.4m revenue has been top-sliced for cross-region inward investment and business support and visitor economy work to be commissioned by EMCCA.

1.3 As a result, the 2025-26 UKSPF local allocation for North East Derbyshire is £1,050,067 (£460,060 capital and £590,007 revenue) from the £24,770,820 regional shared budget. 4% of the total NEDDC allocation can be utilised for project administration (£42,002). To allocate this funding a North East Derbyshire Investment Plan is being presented to Cabinet for consideration.

1.4 Details and timescales of how EMCCA will be approving proposed Plans and contracting with Local Authorities have yet to be finalised, with discussions to commence imminently. Due to any potential amendments required by EMCCA, delegation to the Director of Finance and Resources and Section 151 Officer, in consultation with the Leader, Portfolio Holder for Growth and Assets and Managing Director of necessary amendments to the final Investment Plan submission is proposed.

1.5 EMCCA elected not to regionalise the management of the generic business support programme currently delivered by East Midlands Chamber through the Accelerator programme. NEDDC is the accountable body of the current 2023-25 service on behalf of most Derbyshire District/Borough Councils and is in the best position to extend this for a further year to avoid any service gaps due to procurement processes, with discussions underway with the other Local Authorities. This extension would be procurement compliant, and it has been noted that NEDDC would expect a contribution towards the administration and re-contracting costs, at the 4% rate set by Government.

2. Details of Proposal or Information

- 2.1 Whilst the UKSPF priorities of Communities and Place, Supporting Local Business and People and Skills will be retained, greater focus will be placed on Themes and Sub-Themes which link back to the [Government's Missions \(Appendix 1\)](#) EMCCA has also approved its own focus in the priorities on 10 February 2025 ([Board Papers Item 8, Sections 2.7-2.9; Appendix 2](#)).
- 2.2 The exercise to develop a £1,050,067 North East Derbyshire Investment Plan has been informed by proposals and discussions held with departments and some external partners. The proposed programme is based on deliverability within the financial year and compliance with new and existing scheme priorities and rules, with the 4% administration allowance to be utilised for activities including project assessment, contracting, monitoring and evaluation and stakeholder engagement. The funding to be allocated is therefore £1,008,065.
- 2.3 Due to the timescales involved in the allocation this Plan has had to be delivered at pace. Budgets in some areas are still being finalised whilst costs are awaited and therefore the proposed Investment Plan is to follow as **Appendix 3** as soon as possible before the Cabinet meeting. The UKSPF Priorities of Communities and Place, Supporting Local Business and People and Skills have been addressed within the Plan, although due to the modest funds and timescales not all of the new Themes and Sub-Themes can realistically be covered.
- 2.4 The priority areas which will be detailed in Appendix 3 and will be linked to the UKSPF Themes and Sub-Themes include:
- District Parks, Play Areas and Open Space
 - Strategic Public Realm Improvements
 - Safer Communities (including youth engagement and crime reduction)
 - Exploring the District (visitor economy, promotions and events)
 - Inclusive Communities (support to residents on issues including cost of living, energy efficiency, money and debt advice and community participation)
 - Shopfront Enhancement Scheme Grants
 - Business Advice
 - Skills development (including digital skills)
- 2.5 The Plan is subject to review and approval by EMCCA, who will continue to hold discussions with its Local Authority partners about how the funding will be received and to ensure that they have sufficient clarity for how the funding is being deployed locally. Further detail is pending in terms of what details and process EMCCA required from the Local Authority partners before 1 April 2025.
- 2.6 EMCCA will manage the UKSPF through its Devolution Leadership Group in consultation with the Section 73/151 Officer group. It is therefore recommended that sign-off of any necessary Investment Plan amendments required by EMCCA is delegated to the Director of Finance and Resources and Section 151 Officer, in consultation with the Leader, Portfolio Holder for Growth and Assets and Managing Director.

- 2.7 Each receiving Authority will receive the funding as a grant from EMCCA once it has been received from the Government. EMCCA will not be forward funding the local allocations although each receiving Authority may forward fund projects at their own risk and with the expectation that procurement rules and subsidy controls will be properly applied as required.
- 2.8 UKSPF reporting has been simplified at the national and regional level, with 6 monthly reporting (rather than the current quarterly reporting) listing each project by UKSPF sub-theme. EMCCA require an initial forecast before the funding period starts on 1 April 2024 before reporting commences.
- 2.9 With EMCCA determining that generic business support should be commissioned at Local Authority level, all District and Borough Councils across Derbyshire and Derby City Council have been in discussions whether the current Derbyshire Accelerator support contract managed by NEDDC and delivered through East Midlands Chamber could be extended. The current contract and procurement procedures allow for this, which would allay concerns that procurement of new services would create delivery gaps and service fragmentation across most of the County, significantly destabilising the support available to local businesses.
- 2.10 At a time of heightened global economic pressures, it is therefore proposed that the current arrangement is extended for a further year to provide stability and support to the business community. It has been noted that NEDDC would expect a contribution towards the administration and re-contracting costs from participating Councils, at the 4% rate set by Government.

3 Reasons for Recommendation

- 3.1 Approval of the Investment Plan will enable timely submission of a balanced programme of activity that can respond at pace to meet the needs of the District and accesses additional investment of £1,050,067 UKSPF resources for local determination.
- 3.2 Delegating responsibility to the Director of Finance and Resources and Section 151 Officer, in consultation with the Leader and Managing Director, to approve any amendments to the final Investment Plan submission enables any requirements raised by EMCCA to be addressed at pace.
- 3.3 Extending the Councils leadership of the Derbyshire Accelerator contract ensures continuity of the business advisors and programme currently working in the localities, derisking the concern that skilled and experienced support will be lost to the local business base.

4 Alternative Options and Reasons for Rejection

- 4.1 Not to approve the proposed Investment Plan. The Plan has been developed and based upon engagement with officers and stakeholders in terms of what activity can realistically be delivered at pace and ensure appropriate positive impact within the 12-month operational period. Budget allocations are based

upon experience and identified costs. Approving the Investment Plan would enable access to UKSPF resources for local benefit.

- 4.2 Not to delegate the authority to approve necessary amendments to the Director of Finance and Resources and Section 151 Officer, in consultation with the Managing Director, Portfolio Holder for Growth and Assets and Leader of the Local Authority, would result in delivery delays which could impact the success of activity currently being mobilised subject to final approval by EMCCA. The UKSPF Investment Plan will support cross-District, cross-Portfolio activity and be compliant with established financial regulations. It is prudent that the Section 151 Officer has this responsibility should it be required.
- 4.3 To withdraw the Council’s role as accountable body for the Derbyshire Accelerator would destabilise the continuity of quality business support at a time when it is particularly required by the sector.

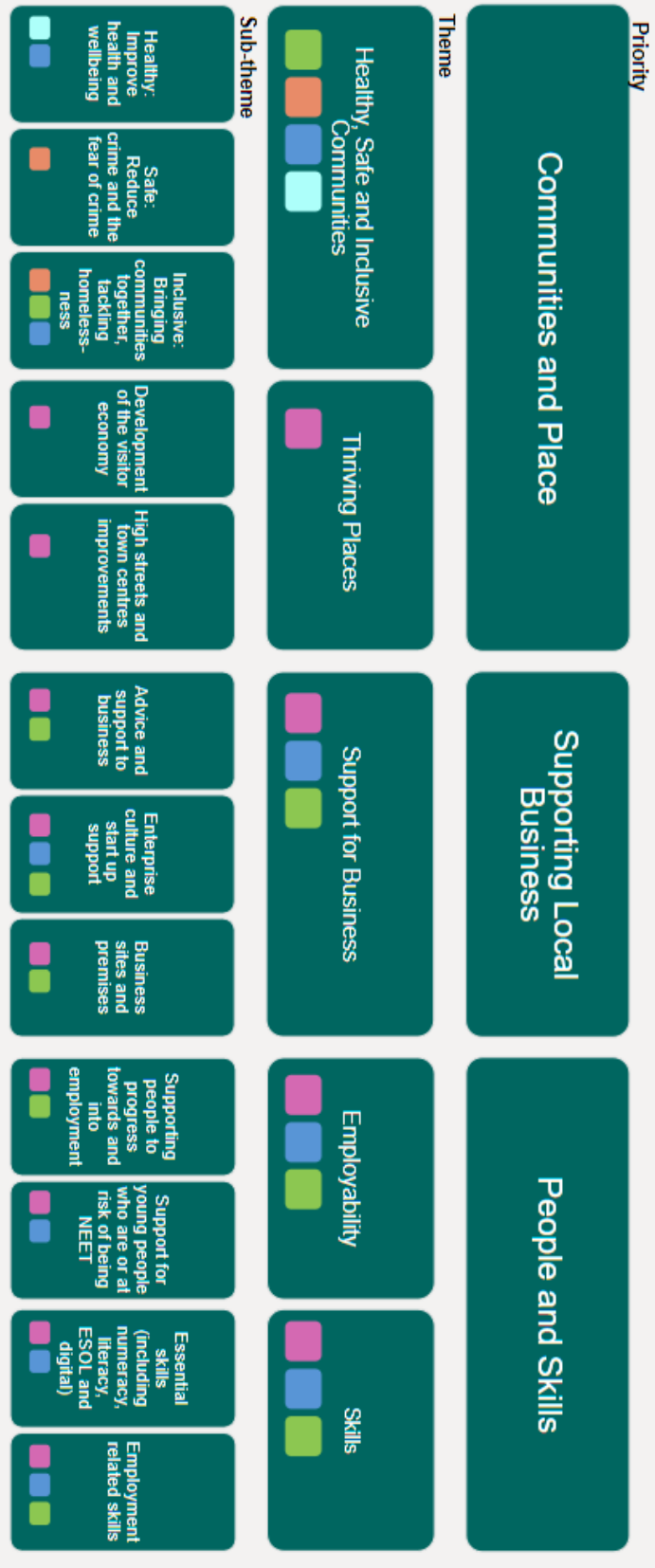
DOCUMENT INFORMATION

Appendix No	Title
Appendix 1	National UKSPF Investment Priorities and the Government’s Missions
Appendix 2	EMCCA Devolved UKSPF Priorities
Appendix 3 To Follow	Proposed North East Derbyshire UK Shared Prosperity Fund Investment Plan 2025-26
Appendix 4	EIA Stage 2
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	
Not applicable.	

National UKSPF Investment Priorities and the Government's Missions

UKSPF investment priorities and the government's Missions

Missions Key	
 Kickstart Economic Growth	 Break Down Barriers to Opportunity
 Make Britain a Clean Energy Superpower	 Build an NHS fit for the future
 Take Back Our Streets	



EMCCA Devolved UKSPF Priorities: **Taken From EMCCA Board 10th February 2025**

Within the **communities and place** investment priority, we recognise the opportunities to use UKSPF to restore and improve our green spaces, city and town centres and high streets, and how culture, creative and heritage assets, organisations and events can re-animate our centres to create exciting places residents and visitors want to visit and business wants to locate. This sits alongside the importance of supporting a strong and sustainable VCSE across the region. Therefore, we plan to focus funding on activities:

- a. To support communities to address cost of living.
- b. To support growth in the visitor economy (with reference to the priorities of the emerging Destination Management Plans).
- c. To improve access for communities to services.
- d. To support capacity building and infrastructure for local civil society.

Within the **supporting local businesses** investment priority, we recognise the importance of supporting the business environment to create jobs and improve living standards. Therefore, we plan to focus funding on activities:

- a. To support a broad and more coherent business support offer.
- b. To stimulate enterprise and growth.
- c. To create new, attractive spaces for businesses to innovate and grow across our cities, towns and growth locations.
- d. To accelerate R&D and innovation.

Within the **people & skills** investment priority, we recognise the opportunity to do more on the important agenda for strategic investment into skills and support to the labour market across the region. Only around 20% of current UKSPF funding was spent under this heading in the previous programme. Therefore, we plan to focus funding on activities:

- a. To support pathways to and access the benefits of economic participation and reduce barriers to work.
- b. To support adults to acquire the necessary skills they need to adapt to changing employer needs, from those newly entering employment through to retraining more skilled workers in their careers.
- c. To support young people leaving education and training to be ready to succeed in the labour market.
- d. To promote and build the skills base needed to support the clean energy economy.