

Meeting of the Corporate and Economic Strategy Select Committee

Report of the Director of Regeneration and Enterprise

UK Shared Prosperity Fund / Multiply Programme Update

Purpose

1. This report is to provide Corporate and Economic Strategy Select Committee with an update on the Council's UK Shared Prosperity Fund (UKSPF) and Multiply Programme.

Recommendations

2. It is recommended that the Corporate and Economic Strategy Select Committee acknowledges:
 - The progress being made with regards to the Council's financial year 1 (2022-23) and year 2 (2023-24) programme of activity.
 - The continued risk linked to the original delays in the receipt of both year 1 and year 2 funding.
 - The year 3 funding allocations and the proposed range of activity across Communities & Place, Local and Regional Business Support, People & Skills and Multiply

Background

3. In March 2022, the Government launched the Levelling Up White paper, which included as a central pillar, £2.6 billion of funding via the UK Shared Prosperity Fund (UKSPF) for local investment to March 2025 with the primary aim being 'to build pride in place and increase life chances across the UK aligning with the Levelling Up White paper missions.

To achieve the overarching aim, UK SPF will focus investment priorities on

- Communities and Place
 - Supporting local business and
 - People and Skills
4. The Levelling Up White Paper made clear that where Mayoral Combined Authorities (MCA's) exist, MCA's will have responsibility for the development and delivery of a UKSPF Investment Plan with the investment plan being approved at the WMCA Board meeting on 28 October 2022 and subsequently submitted to Government in early November 2022.
 5. As referenced in the 27 October 2023 Cabinet report, following internal workshops and discussions with key stakeholders, including Dudley Community and Voluntary Sector, Dudley Business Champions and Dudley Economic Growth Board, a desire in Dudley to focus UKSPF 'Communities and Place' activity on town centre interventions (public realm enhancements, events, capacity building), support for culture and heritage activity as well as enhanced support for the continued promotion of Dudley as a tourism destination.
 6. In addition, given the low business birth rates in Dudley it was felt that business startup support should be a key propriety for the 'local Business Support' pillar together with improving innovation and productivity rates of local businesses. It was also agreed that the 'People and Skills' activity which is not due to come on stream until year 3 (2024-25), would seek to replicate (acknowledging reduced funding) the successful Black Country Impact Dudley delivery model following the project end date of 31 December 2023.
 7. On 5 December 2022, Government subsequently announced that all UK SPF Investment Plans had been approved, and the Council formally signed the UK SPF grant agreement with the WMCA in February 2023 which included year 1 grant. A meeting of the cabinet on 16 March 2023 approved the high level year 2 and year 3 programme schedule as well as approving the governance arrangement for the UK SPF programme, and the Council subsequently signed a deed of variation with the WMCA in October 2023 to accept the year 2 funding allocation of £2,173,403.

UKSPF Funding allocation

8. As previously confirmed (27 October 2022 Cabinet report), Dudley has been allocated £4,496,355 as part of the double devolution of UK SPF funding to support Communities and Place, Local Business Support and People and Skills activity to cover the period 1 April 2022 to 31 March 2025. The Council will also receive an additional local funding allocation of £2,333,830 to support with the development of a core business support programme as part of the regional UK SPF business support allocation.

9. In addition, the Council will also benefit from a management fee of £275,000 for the three-year period to support with the programme and project management of projects as well as ongoing monitoring and evaluation activities. The year 1 amount was £55,000 to reflect the delayed start to the programme with year 2 and year 3 allocations being fixed at £110,000 per annum. The breakdown of Dudley UK SPF allocations across years the three themes is detailed below.

2022-2023	2023-2024	2024-25	Total
£545,674	£1,091,348	£2,859,332	£4,496,355

Year 1 activity

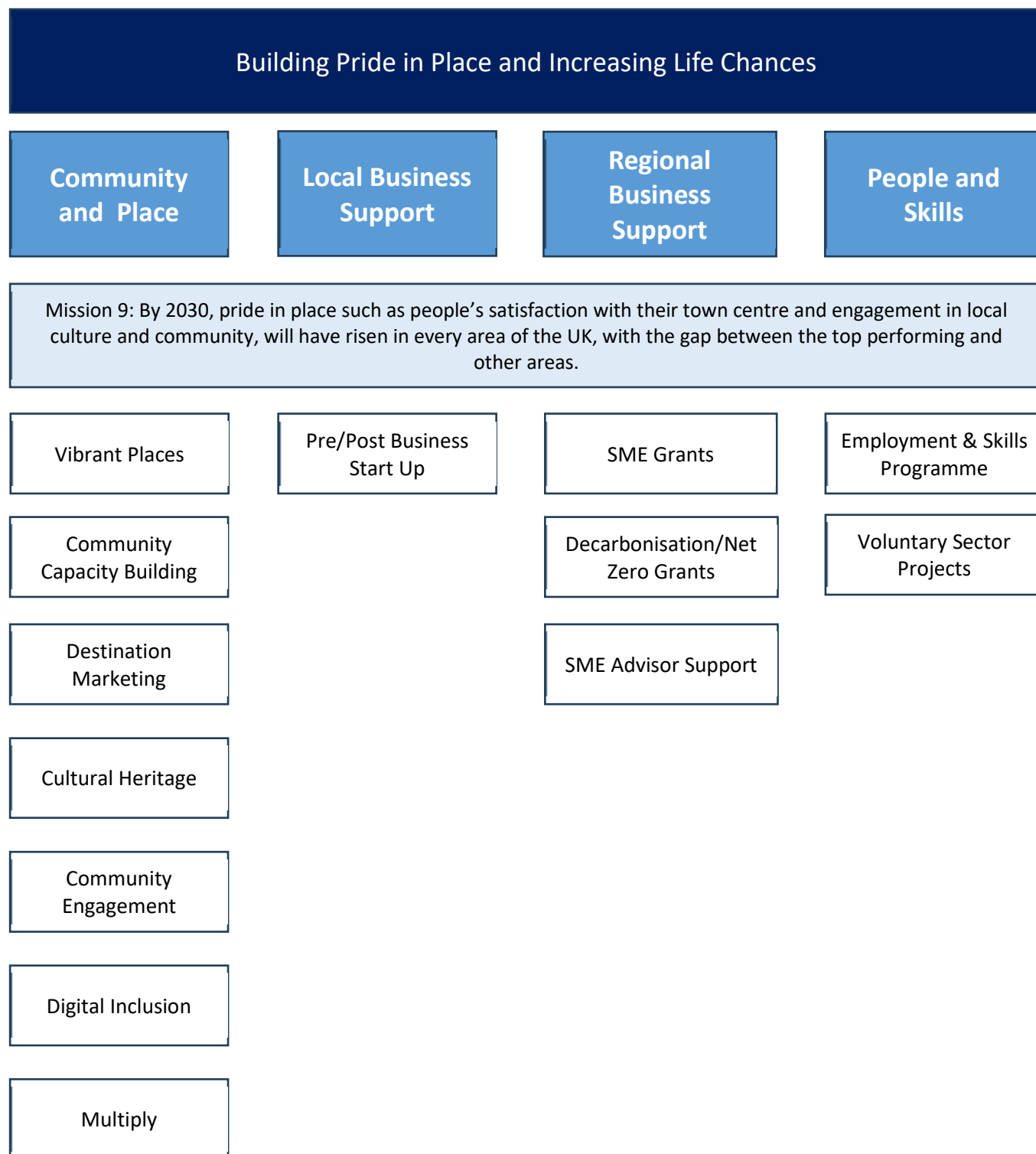
10. As noted above, given the delays in the confirmation of the year 1 grant award, and in order to ensure that the year 1 allocation was fully spent, activity focussed on projects that could be completed by 31 March 2023 and included using UK SPF to supplement core funded projects which meet the UK SPF eligibility criteria. Example projects included:
- i.) Masterplan and Feasibility Studies
- Supporting the development of the Stourbridge Town Centre and Shell Corner masterplans
 - Master planning and design works aligned to the councils Levelling Up Fund programme and projects.
 - A feasibility study for Dudley Town Centre and Stourbridge Town Centre to identify opportunities to use UKSPF to support in the development of business and/or community groups to drive forward improvements to the respective Town Centre's with the aim being to replicate the successful models in Halesowen (Halesowen Business Improvement District) and Brierley Hill (Brierley Hill Community Forum)
- ii.) Enhancements to local parks
11. Several Parks and Green Spaces projects are also being funded including,
- Stevens Park, Quarry Bank – resurfacing of the skate park and play area and installation of knee rails
 - Buffery Park, Dudley – improvements and resurfacing of pathways and introduction of bollards and knee rails
 - Netherton Park – improvements and resurfacing of pathways
 - Priory Park, Dudley – replacement and refurbishment of benches
 - School Drive, Amblecote – improvements to the play area

12. The respective masterplan projects were included within the year 1 spend on the basis that UKSPF year 2 and 3 funding allocations will provide opportunities for small scale capital projects in town and district centres resulting from the masterplan and design works.

UKSPF Year 2 and Year 3 Project Activity

13. The 16 March 2023 Cabinet Report approved the high level year 2 and year 3 programme schedule however, subsequent Government delays in approving the year 2 funding contract with WMCA meant that the Council was not presented to formally sign the deed of variation with WMCA to enable year 2 funding to be released until late October 2023. This has effectively resulted in the need to deliver a (12 month) year 2 programme of activity in less than 6 months.
14. Notwithstanding the above, the delays in the start of year 2 activity meant that the programme team could focus on the development of a UK SPF Dynamic Purchasing System (DPS) to operate throughout the period of funding which would enable services to be procured from local, regional and national organisations who successfully applied to become registered providers on the UK SPF DPS. The DPS has allowed the Dudley UK SPF programme to be divided into categories of products, works or services that are defined under the category of the procurement. An initial call for delivery organisations to register an interest in becoming part of the DPS was launched in May 2023 and currently 74 organisations have successfully registered on the DPS. As the programme is now in the delivery phase the DPS remains open for new organisations to register on an ongoing basis.
15. The diagram below shows how the UK SPF functional pillars determined at a national level have influenced the focus of programme level activity at a local level. The regional business support project is shown as a separate pillar given the dedicated funding and pre-determined outputs and outcomes assigned to the funding.

Dudley UKPSF Programme by functional pillar



16. As noted above, to simply the procurement of activity via the DPS, the four functional pillars have been split into nine service lots (including the Multiply programme which is a Department for Education funded programme) each with a focus of activity and indicative funding allocation. These reflect the high-level intervention areas included in the 16 March 2023 cabinet report. The table below notes the anticipated value of activity to be procured against each service lot for years 2 (23/24) and year 3 (24/25)

Table 1. UK SPF/Multiply funding breakdown via Service Lot:

Service Lot	Description	Cap Rev Split	Year 2	Year 3	Total Lot value
			2023-34	2024-25	
Lot 1	Vibrant in Towns and High Streets	Capital	£200,000	£350,000	£550,000
		Revenue	£111,782	£39,960	£151,742
Lot 2	Visit, Discover Dudley	Capital	£0	£0	£0
		Revenue	£75,000	£125,000	£200,000
Lot 3	Culture and Heritage	Capital	£0	£0	£0
		Revenue	£75,000	£125,000	£200,000
Lot 4	Community Engagement	Capital	£0	£0	£0
		Revenue	£250,000	£210,000	£460,000
Lot 5	Increasing levels of Digital Inclusion	Capital	£0	£0	£0
		Revenue	£15,000	£20,000	£35,000
Communities & Place Totals		Capital	£200,000	£350,000	£550,000
		Revenue	£526,782	£519,960	£1,046,742
Lot 6	Pre-start, Start-up and early growth support	Capital	£0	£0	£0
		Revenue	£75,000	£115,883	£190,883
Lot 7	Established Businesses	Capital	£459,746	£851,557	£1,311,303
		Revenue	£260,993	£525,867	£786,860
Business Totals		Capital	£459,746	£851,557	£1,311,303
		Revenue	£335,993	£641,750	£977,743
Lot 8	Engagement, employment, training and skills.	Capital	£0	£0	£0
		Revenue	£0	£550,000	£550,000
People & Skills Totals		Capital	£0	£0	£0
		Revenue	£0	£550,000	£550,000
Lot 9	Communities and Place, Visit, Discover Dudley	Capital	£0	£0	£0
		Revenue	£206,715	£233,115	£439,830
Multiply Totals		Capital	£0	£0	£0
		Revenue	£206,715	£233,115	£439,830

Dudley UKSPF project updates

Communities and Place

Vibrant Towns & Places (Service lot 1)

17. The project seeks to improve vibrancy in town centres, high streets, neighbourhoods and green spaces. The project will also identify challenges and deliver targeted support to retail and leisure businesses. It will support and encourage alternative uses within public spaces and/or vacant units to increase vibrancy and appearance. Projects will also support wider aims towards improving safety, reducing crime and greening and cleaning of spaces. Marketing campaigns for businesses such as national high street campaigns may also be supported.

Sub projects include:

- i. **Dudley Town Centre Vibrancy Feasibility study (year 1)** which produced priority recommendations to improve vibrancy in Dudley Town Centre. Actions implemented as a result of the year 1 feasibility study include:
 - Pilot project to develop a business led **partnership for Dudley Town Centre**, building multidisciplinary stakeholder relationships, capacity and ownership. This partnership is helping to shape the recommendations and actions from the feasibility study.
 - Employing a **dedicated neighbourhood services officer** to bring enhanced cleaning and greening to Dudley Town Centre and problem areas. Includes enhanced graffiti and deep cleaning, small budget for planting and additional cleaning of the town centre full time until March 2025.
 - **Increased events and activities in the town**, including events budget and member of staff. Events have taken place at the marketplace during Summer, Halloween, and Christmas for example.
- ii. **Development of a Business Improvement District for Stourbridge Town Centre.**
- iii. **Public realm improvement projects / enhancements** – see paragraph 20 to 25 below.
- iv. **Procurement of a Crowdfunding Platform** and ringfencing of a grant pot to deliver community grants totalling up to £155k in match grant funding to be made available financial year 2024/25.

18. All projects are moving forward positively. The Town Centre Partnership in Dudley has been well received and attended, forging better links with wider stakeholders such as the council, Midlands Metro Alliance, Castle Hill, Transport for West Midlands. A core steering group is held monthly, and wider topic focussed session every quarter. It is clear from past experience that the partnership has to be business led, not Council led and this has been acknowledged by key stakeholders and as a result the partnership are beginning to look at potential governance structures that could help it become sustainable post March 2025. The Stourbridge BID project has also been extremely well received by local businesses and collaboration is already strong.

More recently three projects as listed below have been approved for capital funding totalling £106,960 to deliver public realm improvement projects following an internal call for projects.

Stourbridge Northern Gateway Lighting Project (£15,000)

19. The project will deliver a lighting scheme which will not only improve safety and security in the area making it more likely that people will use this space and travel to and from the town centre, thereby supporting town centre footfall, but alongside the Community Infrastructure Levy investment in the pocket park will create a new area of public realm for people to dwell and enjoy the town centre, and forms part of the Stourbridge Town Centre project which has recently launched a public consultation.

Improvements to Dudley Market (£40,000)

20. The Council recently appointed an independent consultant to advise on the work required to improve the vibrancy of the market, ensuring it once again becomes a welcoming and attractive place for customers to visit. Furthermore, advice was requested on ways to attract new traders.
21. An Action Plan was developed which included issues such as improving communication, signposting, cleanliness etc. We now wish to carry out their recommended improvements to the configuration of the market stalls which will open up the area aimed at ensuring increased footfall. A new catering area within the centre aisle has been designed, again, aimed at attracting more customers to the market.

The Council and Tudor Markets are keen to look at initiatives to attract a wider range of traders including food vendors and college students. Engaging with such 'operators' may be more productive once the new layout has been developed.

Furthermore, the new metro link is scheduled to stop near to the town centre, this has the potential to increase footfall into the town.

Refurbishment of outdoor gyms across Dudley (£51,960)

22. The project is for the refurbishment work required to nine outdoor gyms that we have in the borough. The age of these gyms varies according to the time of their installation, but some date back to 2009. Although the equipment has generally remained functional and popular, there are inevitable issues, deterioration and failing items through use and age.

The nine sites are located across the borough, and as such the benefits would not be concentrated to a particular part of the borough. The nine sites are:

- Mary Stevens Park, Stourbridge
- Huntingtree Park, Halesowen
- Stevens Park, Quarry Bank
- Netherton Park
- Hawne Rec, Halesowen
- The Dell Stadium, Brierley Hill
- Clayton Park, Coseley
- Buffery Park, Kates Hill
- Silver Jubilee Park, Coseley

All of these actions will complement UKSPF outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- No of neighbourhood improvements undertaken
- No of facilities supported/created
- No of local events or activities supported
- Amount of green or blue space created or improved (m2)
- Number of new or improved cycleways or paths

Service Lot 1 Outcomes

- Increased footfall (% increase)
- Improved perception of facilities/amenities (%)
- Increased use of cycleways or paths (%)

Discover Dudley (Service Lot 2)

23. The project will provide a refreshed promotion and marketing campaign for Dudley's local areas of historic interest, visitor attractions, and experiences to increase visitors and pride in place. Investment in additional in-house

communications will enable additional place marketing for key attractions in Dudley resulting in increased number of visitors.

Activities to date include:

- A significant number of digital, print, and social media advertising for Summer 2023.
- Advertisements promoting the Discover Dudley offer.
- Half page advertorial promoting the Stourbridge Glass Quarter in the December issue of Country Living Magazine.
- Three-page wrap in the Express & Star on 21 March 2024 targeting Easter school holiday's distributed to 70,000 homes across West Midlands and Staffordshire.

All of these actions will complement UKSPF outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- Number of people reached (Number of people)

Outcomes

- Increased visitor numbers
- Increase number of web searches for a place

Culture and Heritage (Service Lot 3)

24. A Dudley Cultural Strategy and Action Plan has recently been commissioned to maximise culture's contribution to Dudley's economy, through collaborative working and implementation of a 10-year strategic vision and supporting action plan involving key partners and stakeholders.

Key outputs for the strategy include:

- a. Identifying the priorities, objectives, and outcomes for the strategy, alongside regional priorities for the sector.
- b. Positioning Dudley strongly to secure funding and investment in culture, ability to lever in funding making the case for investment, from regional and national sources.
- c. Bringing the cultural sector together and develop a wider network of stakeholder, champions, and providers in other sectors.
- d. Setting out the role for culture as a catalyst for change to the benefit for residents, businesses, and visitors alike.

e. Baseline the cultural provision and sector in the borough of Dudley.

25. An Action Plan will also be developed which sets out:

- f. Prioritised deliverable actions and approach over the lifetime of the strategy for the short, medium, and long term.
- g. A framework which allows for its evolution as actions are completed and new ones emerge with a clear, justifiable process for incorporation.
- h. Outlines a resourcing and funding plan, including who will invest and where new investment might come from, including alternative scenarios and options.
- i. Considers communication, marketing, and ongoing engagement.

26. The Cultural Strategy and Action Plan is due to be completed by 31 March 2024 and it is envisaged that year 3 funding will be ring fenced to support the delivery of priority activity within the action plan in addition to utilising emerging double devolved cultural funding via the Commonwealth Games Legacy Enhancement Fund

All of these actions will complement UK SPF / Multiply outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- Number of local events or activities supported

Outcomes

- Number of community-led arts, cultural, heritage and creative programmes as a result of support

Community Capacity Building – Residents (Service Lot 4)

27. Six community organisations were appointed via the DPS in September 2023 to deliver community engagement programmes across the borough with a focus on engagement with local hard to reach residents to support their journey back into education and employment. The six organisations are:

- Just Straight Talk
- Black Country Housing Group
- Beacon Centre for the Blind
- Black Country Healthcare Foundation Trust

- Provision House (formerly known Loaves 'n' Fishes)
- The Connect Project, Top Church Training

28. Since September 2023, 101 residents have been engaged in the programme and meetings have recently been held with the Department for Work and Pensions and health partners to consider wider needs of the project to help shape and prioritise year 3 activity.

All of these actions will complement UKSPF outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- Number of local events or activities supported
- Number of people reached

Outcomes

- Improved engagement numbers (% increase)

Local Business Support (Service Lot 6)

29. This project comprises 3 strands of activity:
- **Pre-start, start-up, and early growth ('Start-Up Dudley')**: support to improve the life chances of new businesses. The budget will be used to commission start-up support appropriate to Dudley's needs.
 - **Grassroots entrepreneurship**: activity to promote pre-prestart entrepreneurship in Dudley's communities.
 - **Innovation**: activity to promote and support innovation within Dudley's business population, including raising awareness of innovation funding and support opportunities and highlighting success in innovation.
30. Good2Great Limited were contracted in December 2023 to deliver the BGWM in Dudley, startup programme for delivery across years 2 and 3 with delivery now underway. In addition, a first start-up eco market was held in Halesowen Town Centre on 2 December 2023 with support from Halesowen Business Improvement District
31. As part of the Innovation strand the Council supported Venturefest to bring their new Mobile Hub format to Dudley on 15 November 2023. This is the first time Venturefest has been outside of Birmingham. A Programme of innovation engagement is also being developed, including working with Innovate UK to bring an Innovate Local event to the Dudley in March 2024 and a further Venturefest Mobile Hub event scheduled for autumn 2024.

All of these actions will complement UKSPF outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- Number of potential entrepreneurs assisted to be enterprise ready

Outcomes

- Number of new enterprises created as a result of support

Regional Business Support (Service Lot 7)

SME Advisor Support

32. Provision of business support service to small medium enterprises (SME) in Dudley Borough to include triage, information, diagnostic, brokerage, and ongoing account management. The service level agreement with WMCA sets out the standards for the delivery of the business support service by each local authority - the service must be universal but tailored so that all businesses can access support, with resources targeted at priority businesses, such as those:
 - seeking to grow by employment and/or productivity measures
 - identified in the WMCA Plan for Growth
 - seeking to achieve net zero transition
 - eligible for local programmes, including grants
 - identified by local strategies
33. The Council has appointed Oxford Innovation Services (November 2023) as the supplier for the business support delivery contract to run across years 2 and 3 to provide navigator and account management services. Oxford Innovation's delivery team is now in place and work is underway to identify priority business support requirements for further spend within this project.

All of these actions will complement UKSPF outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- Number of enterprises receiving non-financial support
- Number of potential entrepreneurs assisted to be enterprise ready

Outcomes

- Number of enterprises with improved productivity

Dudley SME Grants Programme (DGP)

34. A capital grant programme to stimulate business and enterprise activity, encourage investment and create local jobs by supporting eligible SME businesses. Assistance from DGP is in the form of a capital grant contribution of £2,500 - £50,000 with up to 50:50 match.
35. The project seeks to fund businesses where there is a demonstrable need for the proposed project and clear evidence of future growth of the business as a direct result of the proposals. Eligible activity includes relocation, expansion, and growth of existing businesses; developing new market opportunities; innovation, including the development of new products, including prototyping, testing, and commercialisation; improving systems and processes.

Dudley Decarbonisation and Net Zero Grants (DNZ)

36. A capital grant programme to support SME businesses to make carbon savings through increased energy and resource efficiency. Assistance from DGP is in the form of a capital grant contribution of £2,500 - £50,000 with up to 50:50 match.
37. Grants will support businesses to purchase assets that will support them to become more efficient and cost effective. Eligible activity includes but is not limited to ventilation, heating, renewable technologies, lighting, refrigeration, compressors, insulation, recycling and waste and water management. Before applying for either grant, a free Business Growth West Midlands (BGWM) diagnostic must be completed through the Business Growth West Midlands in Dudley team. Both grant schemes went live in December 2023 and will run across years 2 and 3.

All of these actions will complement UKSPF outputs and outcomes reported to the Department for Levelling Up, Housing and Communities:

Outputs

- Number of enterprises receiving grants

Outcomes

- Increased amount (£) of Investment

People and Skills and Multiply (Service Lot 8 and 9)

38. Multiply is part of the government's UK Shared Prosperity Fund but is funded via the Department for Education. The overall objective of Multiply is to increase the

levels of functional numeracy in the adult population across the UK. Government have identified the following success measures for the whole programme at a national level:

- More adults achieving maths qualifications courses (up to, and including, Level 2 – with GCSEs and FSQs as the qualifications of choice in England – or equivalent) and an increase in participation in numeracy courses. We expect local areas to evidence improvements in functional numeracy, rather than solely participation in Multiply interventions.
- Improved labour market outcomes e.g., fewer numeracy skills gaps reported by employers, and an increase in the proportion of adults that progress into sustained employment and / or education.
- Increased adult numeracy across the population – this overall impact, which goes beyond achieving certificates or qualifications, will track both the perceived and actual difference taking part in the programme makes in supporting learners to improve their understanding and use of maths in their daily lives, at home and at work - and to feel more confident when doing so.

39. In Dudley the focus of the Multiply activity is to support residents to improve their financial resilience by working closely with voluntary and community sector organisations to deliver support. Five organisations have been appointed via the DPS to deliver Multiply activity on behalf of the council and these are,

- Aston University
- Business 2 Business
- Dudley Caribbean Friends Association
- Just Straight Talk
- Provision House formerly known as Loaves 'n' Fishes

To date, a total of sixty two residents in Dudley have been supported with financial resilience training via the programme since it was launched in September 2023.

40. Multiply Outputs

- Expected number of learners participating in substantive learning provision.
- Number of people engaging in outreach/engagement focussed provision.
- Number of different types of initiative.
- Number of initiatives to be developed in collaboration with community groups.
- Number of initiatives that lead to a qualification.

Multiply Outcomes

- Increased number of adults achieving maths qualifications up to, and including, Level 2.
- Increased number of adults participating in maths qualifications and courses up to, and including, Level 2.
- Increased number of adults participating, acquiring, and evidencing skills through non-qualification provision, or towards a qualification, including online learning.
- Improved labour market outcomes.
- Increased adult numeracy (by supporting learners to improve their understanding and use of maths in their daily lives, at home and at work).

UK SPF Programme Governance

41. The UK SPF programme has implemented the successful governance arrangements used to manage Black Country Impact, with the same Programme Management Team managing and administering all process and systems as well as establishing a Steering Group, Technical Support Group and an Operational Group. Each group has specific functions as articulated below and specifies in its Terms of Reference. All meetings will be formal with a chair, agenda, and minutes.

UK SPF Steering Group (SG)

The SG oversees the strategic operations of all UK SPF activities to ensure that innovative solutions are found to tackle worklessness and business support in the sub-region. The group will be responsible for approving all funding requests from external delivery partners and advise on how to tackle issues escalated to the group.

42. The Steering Group is chaired by the Director of Regeneration and Enterprise and has representation from
- Cabinet Member
 - Shadow Cabinet Member
 - Public Health
 - Public Realm
 - Children's Services
 - Housing
 - Economic Growth & Skills
 - Programme Management Team
43. The group meets on a quarterly basis and will receive information on activities, progress, achievements, risks, and issues. The chair will in turn provide programme update reports to Dudley MBC's Major Projects Group and Cabinet.

Technical Support Group (TSG)

44. The TSG is an internal Dudley MBC group made up of senior staff from Economic Development, Employment and Skills, Community and Place, Programme Management Team, Finance, IT, information governance, HR, internal audit, procurement and marketing. The groups remit is to ensure that all technical challenges faced by the Council in managing UK SPF are addressed in an efficient and timely manner to ensure the programme meets its strategic and operational objectives. The group is chaired by the Head of Economic Growth & Skills and meet quarterly.

Operational Group (OG)

45. The OG's primary remit is to focus on delivery related matters and ensure that, all activities are addressing the needs of residents, businesses, and the local area, are fully compliant with funders regulations, and projects are achieving their contracted expenditure and output targets. The OG will also be responsible for implementing any recommendations or decisions made by the Steering Group or Technical Support Group regarding the programme, or specific individual activities. The group is chaired by the UKSPF Programme Manager and currently meets on a weekly basis.

Finance

46. As previously noted, Dudley has been allocated £4,496,355 of UKSPF for Communities & Place, Local Business Support and People and Skills activity in order to develop a programme of activity which aligns with the priorities of UK SPF. A grant agreement was signed in February 2023 which included year 1 funding only. The council subsequently signed a deed of variation with WMCA in October 2023 to accept the year 2 funding allocation of £2,173,402.
47. This figure also includes an allocation from the regional business support programme to enhance the SME advisor capacity in Dudley as well as providing SME/Net Zero grants to businesses . We are now in discussions with WMCA regarding the timing of our year 3 Funding Agreement. It should be noted that WMCA has confirmed that any year 2 underspend can be carried forward into year 3.
48. As Government / WMCA continue with annual grant allocations the Council will need to manage the financial risk where the commissioned activity goes into

year 3, and this will be managed via back-to-back agreements with delivery partners / projects.

49. The Council will also receive annual revenue funding to support with the financial and performance monitoring of UKSPF projects. A total of £55,000 has been claimed to cover year 1 costs and further annual allocations of £110,000 have been confirmed in years 2 and 3 respectively. Capital funding allocations for year 1 to 3 have been included in the Councils capital programme which was reported to cabinet on 16 February 2023.

Law

50. Section 111 of the Local Government Act 1972 empowers the Council to do anything calculated to facilitate the discharge of any of its functions. Pursuant to Section 1 of the Localism Act 2011, a Local Authority has the power of competence to do anything that individuals generally may do. Further advice will be required on the terms of any funding that is provided. However, the Council should expect to be required to confirm that all funded projects will comply with procurement and public sector subsidy requirements.

Risk Management

51. As indicated in the financial section of the report there is a financial risk to the council where UKSPF activity is being commissioned across years 2 and 3, and this will need to be managed via back-to-back grant agreements with delivery partners / projects.
52. The reality of delivering programmes and projects under an entirely new system for UK SPF is not to be underestimated. As an authority, we have worked with existing funding systems and processes for skills and business support for decades. What is currently proposed is different from what has previously operated, meaning there is a steep 'learning curve' to go through, and it is crucial that resources are adequately allocated to the process of embedding UK SPF funded activity into council services if reputational risk is to be mitigated.
53. In order to mitigate these risks, the council has established a Programme Management Team (PMT) to oversee the development and management of all UKSPF activities. Until 31 December 2023, the team were the Lead Accountable Body for a £58m ESF Youth Employment Initiative programme delivered in collaboration with all four Black Country local authorities and has extensive knowledge and experience of managing complex programmes.
54. UKSPF projects and programmes are now subject to monthly internal monitoring meetings led by the PMT where progress against expenditure, outputs and outcomes are scrutinised to maximise performance against

contracted KPI's. Risks will be assessed at the meetings and mitigating actions will be logged and reviewed regularly. Where risks are deemed to be major, they will be reported to operational and or steering group meetings for discussion and decision where necessary.

Equality Impact

55. It is envisaged that projects funded via UKSPF will have positive impact on people with different protected characteristics (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion, or belief, sex, and sexual orientation) by improving the access to employment and training opportunities as well as enhancing community infrastructure across the borough. In addition, the Council's Equality and Diversity policies will be applied throughout the delivery of any subsequent UKSPF projects.

Human Resources/Organisational Development

56. As detailed in the 27 October 2022 cabinet report, funding for the existing Black Country Impact Dudley delivery team and local accountable body team ended in December 2023. The majority of these posts are now being funded via UK SPF to oversee the programme management and delivery of 'People and Skills' activity following approval of decision sheet DRE/20/2023 in September 2023.
57. Where existing roles could not be extended or realigned to other service/council requirements this will be managed in accordance with the appropriate council HR processes.
58. Approval has also been sought to recruit to several fixed term project co-ordinator posts, via a secondment opportunity, which will be 100% funded via UKPSF. It is hoped that these posts will be in place by end of March 2024 following approval of decision sheet DRE/01/2024 in January 2024.

Commercial/Procurement

59. As a local authority, we are required by law to adhere to Public Contract Regulations 2015, therefore, and have adopted Council procedures in setting up a Dynamic Purchasing System (DPS) to operate throughout the period of funding to any delivery operator that satisfies the selection criteria.
60. The DPS will allow us to divide the whole programme into categories of products, works or services that are defined under the category of the procurement. It will also not restrict the number of delivery operators that can be admitted to the system.

Environment/Climate Change

61. UKSPF will positively support local businesses, residents and community groups to address issues relating to climate change and net zero targets by providing advice, support and funding to make buildings and homes more energy efficient as and to support with issues relating to fuel poverty.
62. In addition, UK SPF will support the following United Nations Sustainable Development Goals.

Goal 3: Good Health & Wellbeing

Goal 7: Affordable and clean energy

Goal 8: Decent Work and Economic Growth

Goal 9: Industry, Innovation, and Infrastructure

Goal 10: Reduced Inequalities

Goal 11: Sustainable Cities and Communities

Goal 13: Climate Action

Council Priorities and Projects

63. The UK SPF investment priorities of 'Communities and Place', 'Supporting Local Business' and 'People and Skills' and the proposed priorities for Dudley align fully with the Council priorities to be the 'Borough of Opportunity', the 'Borough of Ambition & Enterprise', a 'Safe and Healthy' borough and the 'Destination of Choice'.
64. in addition, the proposed interventions will support the aspirations of the Dudley Borough Vision 2030 through
 - Full of vibrant towns and neighbourhoods - improving the vibrancy in town centres and high streets access
 - A place to visit and enjoy that drives opportunity – continued promotion of Dudley as a tourist destination with improvements to the visitor experience
 - A place where everybody has the education and skills they need – proving employment and training support for local residents
 - Renowned as home to a host of innovative and prosperous business – dedicated support for businesses
 - A place of healthy, resilient and safe communities - supporting community capacity building and resilience
 - An affordable and attractive place to live with a green network of high quality parks, waterways and nature reserves – improvements to local green spaces and new open public spaces.



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List of Background Documents

UK Shared Prosperity Fund Prospectus

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

WMCA UKSPF Investment Plan

<https://www.wmca.org.uk/media/mm5dd5vp/ukspf-investment-plan-wmca-final.pdf>

UK Shared Prosperity Fund Cabinet Report 27 October 2022

<https://dudley.cmis.uk.com/Meetings/tabid/116/ctl/ViewMeetingPublic/mid/543/Meeting/6444/Committee/468/Default.aspx>

UK Shared Prosperity Fund Cabinet Report 16 March 2023 – Approval of Year 2 UKSPF Programme Schedule – Communities & Place and Local Business Support

<https://dudley.cmis.uk.com/Meetings/tabid/116/ctl/ViewMeetingPublic/mid/543/Meeting/6447/Committee/468/Default.aspx>

UK Shared Prosperity Fund Interventions, Objectives, Outcomes and Outputs – England

https://assets.publishing.service.gov.uk/media/62568938d3bf7f600782fd79/UKSPF_England_Outputs_and_Outcomes.pdf