



## Report to Executive

Meeting Date – 23 April 2024

Key Decision – Yes

Public/Private – Public

Portfolio – Leaders' Portfolio

Directorate – Sustainable Growth and Transport

Report Author – Jane Meek, Assistant Director for Thriving Places and Investment

**Title – UK Shared Prosperity Fund Programme 2024-25**

### **Brief Summary:**

Cumberland Council has been allocated £10.5m funding through the UK Shared Prosperity Fund (UKSPF) and £2.5m of Rural England Prosperity Fund (REPF) to spend on projects and programmes aimed at levelling up and overcoming geographical inequalities. Spend is spread across three core themes – Communities and Place, Local Business Support and People and Skills.

This report provides members of the Executive with an overview on the delivery and successes of the 2023-24 UKSPF and REPF programmes and subsequently sets out the 2024-25 programme for approval.

The report highlights that the 2024-25 programme for Cumberland is in excess of £8.5 million and therefore, it is vital that delivery commences immediately in the new financial year – April 2024 - to enable full delivery and spend by the deadline of March 2025. However, based on previous years, the annual funding allocation from government will not be received by the Council until June /July 2024.

On this basis the report seeks approval from the Executive to commence delivery of the 2024-25 programme in advance of the receipt of government funding and therefore, at risk. The report also seeks approval for a specific set of delegations for the management of the UKSPF Year 3 and decision making.

## Recommendations:

The members of the Executive are asked to:

1. Note the successful delivery of the 2023-24 Cumberland UKSPF / REPF programmes outlined in Section 2 of this report.
2. Approve the principles of the proposed 2024-25 Cumberland UKSPF / REPF programmes outlined in Section 3 of this report.
3. Approve the use of Council funds of approximately £3.5m so the delivery of the 2024-25 Cumberland UKSPF / REPF programmes can commence immediately in the new financial year in advance of the grant funding being received from government in approximately July 2024.
4. Delegate the decision making and management of the UKSPF Year 3 in accordance with the Scheme of Delegation for this fund set out in Appendix 1

## Tracking

|            |               |
|------------|---------------|
| Executive: | 23 April 2024 |
| Scrutiny:  |               |
| Council:   |               |

## **1. Background**

- 1.1 The UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) replace the European funding streams following the exit of the UK from the European Union. Cumberland Council has been allocated £10.5m UKSPF funding and £2.5m REPF funding, which is to be spent by March 2025.
- 1.2 The UKSPF programme is a mix of mainly revenue funding but includes a small proportion of capital. The types of eligible interventions / projects that can be supported by SPF fall within three broad themes that are aligned with the objectives set out in the Levelling Up White Paper:
- Communities and Place: aimed at strengthening our social fabric, fostering a sense of local pride and belonging and building resilient and safe neighbourhoods.
  - Support for Local Business: aimed at creating jobs, promoting business networking and collaboration and increasing private sector investment in growth-enhancing activities.
  - People and Skills: aimed at boosting core skills by targeting adults with no or low-level qualifications and supporting disadvantaged people to access the skills they need to progress in life and into work.
- 1.3 The REPF programme is a top-up to the UKSPF and is a wholly capital fund aimed at strengthening the rural economy and rural communities, addressing the particular challenges rural areas face. For the purposes of the REPF, rural areas are defined as:
- Towns, villages and hamlets with populations below 10,000 and the wider countryside.
  - Market or 'hub towns' with populations of up to 30,000 that serve their surrounding rural areas as centres of employment and in providing services (Carlisle urban area is therefore excluded from REPF).

## **2. Overview of Cumberland 2023-24 UKSPF and REPF programmes**

- 2.1 The total budget for the Cumberland 2023-24 UKSPF and REPF programmes was just over £3.3 million, including the carry forward from 2022-23.
- 2.2 The UKSPF and REPF 2023-24 programmes have been successfully delivered through a combination of grants programmes, grant awards, procurement and direct delivery. The programmes have been developed to ensure that there is an even balance between Council direct spend and external grants to local organisations and businesses. Over £1.4M has been issued as external grant through our partners (Copeland Community Fund, Cumbria Community Foundation and Cumbria LEP), with a further commitment of

just over £1 million issued by Cumberland as direct grant to businesses and partners and over £840k delivered and commissioned through the Council.

| Theme                         | Delivery to date   |
|-------------------------------|--|
| <b>Communities and Place</b>  | <ul style="list-style-type: none"> <li>• Investment in our city and town centres through high streets grants and public realm investment, plus looking at opportunities to re-use prominent empty premises.</li> <li>• Support to local organisations working in arts, culture, heritage and sports to redevelop their facilities and run events &amp; activities.</li> <li>• Investment in strategic priorities such as Carlisle Castle, Roman Carlisle, the Light District and Cumberland Story.</li> <li>• Development of our place programme, with a focus on Borderland place plans for Longtown, Wigton &amp; Egremont.</li> <li>• Investment in green spaces.</li> <li>• Support to local organisations to deliver volunteering and well-being initiatives and invest in the rural circular economy.</li> </ul> |
| <b>Local Business Support</b> | <ul style="list-style-type: none"> <li>• Investment in specialist markets, including artisan, Christmas and teenage markets.</li> <li>• Development of Cumberland itineraries, promoting accessible tourism, sustainable travel, food and drink, the natural playground and coast, etc.</li> <li>• Support for business growth support programmes, aimed at private sector growth, tourism and social enterprise, including targeting sector support to close skills gaps.</li> </ul>  |
| <b>People and Skills</b>      | <ul style="list-style-type: none"> <li>• Support for economically inactive people to gain work experience, as well as access to training and skills support.</li> <li>• Focus on employment support, targeting gaps in current provision and digital inclusion.</li> </ul>   |

2.3 The Council has reduced the risk to the programme by using third parties to manage grant schemes where it did not have established programmes and benefit from the governance already in place within those organisations to manage significant grant funding. These grant funders also have strong networks in place which helped the Council improve the reach and support our communities and businesses to access funding. It is proposed that this approach continues in year 3 to enable delivery in the timeframe.

2.4 The strategic partners that supported 2023-24 delivery were:

- Copeland Community Fund, distributing UKSPF and REPF funding across Cumberland under the Communities and Place theme, with a focus on cultural and heritage assets and events, sports and green spaces. This is building on grants programmes that the Fund delivered in 2022-23.
- Cumbria Community Foundation, distributing UKSPF and REPF funding across Cumberland under the Local Business Support theme, with a focus on business support, social enterprise, volunteering and wellbeing and digital inclusion. Again, building on grants programmes that the Foundation delivered under UKSPF in 2022-23 and links with its existing delivery of the Spark programme.
- Cumbria LEP, distributing REPF funding across Cumberland under the Local Business Support theme, to support rural and tourism businesses.
- Direct grants were issued to strategic partners such as Cumbria Chamber of Commerce and Inspira to continue providing business growth support; Cumbria Tourism to support growth in the visitor economy and Groundwork to help meet the needs of economically inactive clients in Cumberland.
- Cumbria Social Enterprise Partnership has worked with Cumbria Community Foundation to deliver support to the social economy, building on current programmes and providing continuity across the County.
- The Council also continued to work with partners in its Skills and Enterprise Partnership and provided an allocation to continue to support people and skills delivery across Cumberland.

### **3. Proposed UKSPF and REPF programmes 2024-25**

3.1 The previous section of the report outlined that the 2023-24 UKSPF and REPF programmes have been successfully delivered through a combination of grants programmes, grant awards, procurement and direct delivery. It is proposed that the programmes for 2024-25 continue that approach, based on learning and experience from delivery to date, combined with an assessment of capacity in Cumberland and our strategic partners.

3.2 The total budget for the Cumberland 2024-25 UKSPF and REPF programmes is £8,628,859. The breakdown of the funding under the three investment themes is set out in the table below:

| <b>Theme</b>                   | <b>Budget 2024/25</b> |
|--------------------------------|-----------------------|
| Communities & Place – UKSPF    | £2,963,074            |
| Communities & Place – REPF     | £832,438              |
| Local Business Support – UKSPF | £1,466,594            |
| Local Business Support – REPF  | £1,064,788            |

|                            |                   |
|----------------------------|-------------------|
| People & Skills – UKSPF    | £2,107,925        |
| Management & Admin – UKSPF | £194,040          |
| <b>TOTAL</b>               | <b>£8,628,859</b> |

3.3 The following tables below set out the proposed UKSPF and REPF programmes for 2024-25 and provide an overview of the budgets and proposed activity.

### Communities and Place

3.4 Grants delivery is predominantly focused through using partners that have established grant giving programmes and processes, with good community networks. The Council is only delivering grants where it has a proven track record and processes in place. Remaining funding is allocated to strategic priorities such as the Cumberland Story, Roman Carlisle and the Light District or focusing on bringing priority green spaces; publicly owned buildings or sites back into use to support new services and facilities/attractions as appropriate. Sports grants will be delivered with input from our Neighbourhoods and Communities teams, including Active Cumbria.

| Priority Intervention  | 2024/25 Budget |          | Indicative budget / grant allocations   |
|--|----------------|----------|---|
|  | Capital        | Revenue  |   |
| <b>Communities and Place</b>   |                |          |   |
| E1: Improvements to town centres & high streets  | £925,634       | £48,000  | <b>£475,634</b> – allocated to direct delivery of High Streets Grants through Cumberland Council. Focus on Cumberland city/town centres, upgrading premises through offering facelift and reuse capital grants.<br><b>£450,000</b> – retained for potential investment in public premises in Cumberland city/town centres.<br><b>£48,000</b> – allocated to further design/development to reuse public buildings in our town centres. |
| E6: Enhancing existing cultural, historic & heritage institutions offer and local arts, cultural, heritage & creative activities | £355,000       | £638,640 | <b>£740,640</b> – allocated grant to Copeland Community Fund to deliver cultural, historic & heritage grants (£340,000 capital and £400,640 revenue).<br><b>£253,000</b> – allocated to Roman Carlisle, Carlisle Fireshow and the Light District (£15,000 capital and £238,000 revenue).  |
| E8: Campaigns to encourage visits and exploring of local area  |                | £148,800 | <b>£148,800</b> – allocated to the delivery of the Cumberland Story   |

|   |                   |                   |  |
|---|-------------------|-------------------|--|
| E10: Local sports facilities, tournaments, teams & leagues              | £415,000          | £254,400          | <b>£657,400</b> – allocated grant to Copeland Community Fund to deliver sports grants (£415,000 capital and £254,400 revenue) working with Active Cumbria and Neighbourhoods.                    |
| E12: Community capacity building  |                   | £38,400           | <b>£38,400</b> – allocated to support Place Planning as match to the Borderlands Place programme.  |
| E14: Feasibility Studies  |                   | £139,200          | <b>£139,200</b> – allocated to further design/development to reuse public/private buildings and public spaces in our town centres.   |
| <b>Sub-total UKSPF</b>  | <b>£1,695,634</b> | <b>£1,267,440</b> |  |
| REPF 2.3: Improvements to local rural green spaces                      | £272,438          |                   | <b>£172,438</b> – allocated grant to Copeland Community Fund to deliver capital grants.<br><b>£100,000</b> – retained for potential investment in public spaces in Cumberland city/town centres. |
| REPF 2.5: Enhancing existing cultural, historic & heritage institutions | £310,000          |                   | <b>£310,000</b> – allocated grant to Copeland Community Fund to deliver capital grants.  |
| REPF 2.7: Rural circular economy  | £100,000          |                   | <b>£100,000</b> – allocated grant to Cumbria Community Foundation to deliver capital grants, working with Cumbria Social Enterprise Partnership.   |
| REPF 2.8: Volunteering and Wellbeing                                    | £150,000          |                   | <b>£150,000</b> – allocated grant to Cumbria Community Foundation to deliver capital grants.   |
| <b>Sub-total REPF</b>   | <b>£832,438</b>   |                   |  |
| <b>C&amp;P Sub-total</b>  | <b>£2,528,072</b> | <b>£1,267,640</b> |  |

### Local Business Support

3.5 Grants delivery is focused through using partners that have established grant programmes and processes, with good third sector and business networks. Remaining funding is allocated to strategic priorities such as markets delivery and bringing priority privately owned buildings or sites back into use, supporting city/town centre vibrancy. The focus through the visitor economy is to build product through itineraries and the Cultural Frontier programme through Borderlands, developing the Hadrian's Wall and coastal offer. Business support measures will help consolidate existing delivery, with an opportunity to develop new approaches and support grant applicants to access UKSPF/REPF grants programmes.

| Priority Intervention  | 2024/25 Budget  |                   | Indicative budget / grant allocations  |
|--|-----------------|-------------------|--|
|  | Capital         | Revenue           |  |
| <b>Local Business Support</b>                                      |                 |                   |  |
| E16: Open markets & town centre retail & service sector            | £125,000        | £239,994          | <p><b>£95,000</b> – capital funding retained for potential investment in public premises in Cumberland city/town centres.</p> <p><b>£155,000</b> – allocated to specialist markets and Taste events (£30,000 capital and £125,000 revenue).</p> <p><b>£114,994</b> – allocated to further design/development to reuse public buildings in our town centres.</p>  |
| E17: Development & promotion of visitor economy                    | £60,000         | £268,800          | <p><b>£160,000</b> – allocated grant to Cumberland Cultural Frontier to develop Borderlands Hadrian's Wall business case (£10,000 capital and £150,000 revenue).</p> <p><b>£168,800</b> – allocated to development of visitor economy (£50,000 capital and £118,800 revenue).</p>  |
| E26: Growing the local social economy                              |                 | £158,400          | <p><b>£100,000</b> – allocated grant to Cumbria Community Foundation to deliver revenue grants.</p> <p><b>£58,400</b> – allocated grant to Cumbria Social Enterprise Partnership to support growth in social enterprises and rural circular economy.</p>   |
| E30: Business support measures to drive business growth            |                 | £614,400          | <p><b>£180,000</b> – allocated grant to Cumbria Community Foundation to deliver business support grants.</p> <p><b>£184,400</b> – allocated to business growth delivery.</p> <p><b>£250,000</b> – allocated to direct delivery of business revenue grants through Cumberland Council.</p>  |
| <b>Sub-total UKSPF</b>   | <b>£185,000</b> | <b>£1,281,594</b> |  |
| REPF 1.1: investment in micro and small enterprises in rural areas | £662,788        |                   | <p><b>£662,788</b> – allocated to direct delivery of grants through Cumberland Council.</p> <p>The Council worked with Cumbria LEP to deliver capital funding to Cumberland based businesses in year 2, as well as direct delivery in-house of the High Streets grants and anticipates delivering all business grants in-house in year 3 with the assimilation of the Cumbria LEP team from 1<sup>st</sup> April 2024.</p> |
| REPF 1.2: growing the local social economy                         | £158,000        |                   | <b>£158,000</b> – allocated grant to Cumbria Community Foundation to deliver capital grants.   |
| REPF 1.3: investment in tourism businesses                         | £244,000        |                   | <b>£244,000</b> – allocated to direct delivery of grants through Cumberland Council.   |



|                         |                   |                   |  |
|-------------------------|-------------------|-------------------|--|
| and the visitor economy |                   |                   |  |
| <b>Sub-total REPF</b>   | <b>£1,064,788</b> |                   |  |
| <b>LBS Sub-total</b>    | <b>£1,249,788</b> | <b>£1,281,594</b> |  |

## People and Skills

- 3.6 Grants delivery is focused through using a partner with established grant programmes and processes, with good third sector networks. Remaining funding is allocated to help consolidate existing delivery, with an opportunity to develop new approaches and pilot roll out of sovereign schemes across the Cumberland area. Funding will be focused to support both individuals and businesses looking to train and recruit those currently facing barriers to work.

| Priority Intervention   | 2024/25 Budget |                   | Indicative budget / grant allocations  |
|---|----------------|-------------------|--|
|   | Capital        | Revenue           |  |
| E33: Employment support for economically inactive people            |                | £645,845          | <b>£300,000</b> – allocated to work experience.<br><b>£345,845</b> – allocated to individual support through networked approach.   |
| E35: Enrichment & volunteering activities                           |                | £587,520          | <b>£200,000</b> – allocated grant to Cumbria Community Foundation to deliver revenue grants.<br><b>£387,520</b> – allocated to consider targeted approach with public health partners.       |
| E36: Increase levels of digital inclusion, essential digital skills |                | £231,360          | <b>£231,360</b> – allocated grant to Cumbria Community Foundation to deliver revenue grants.   |
| E38: Local areas to fund local skills needs                         |                | £643,200          | <b>£200,000</b> – allocated to pilot new approaches to meet needs of agreed key target groups (DWP led).<br><b>£443,200</b> – allocated to continuation of sector specific training support. |
| <b>Sub-total UKSPF</b>  |                | <b>£2,107,925</b> |  |
| <b>P&amp;S Sub-total</b>  | <b>£0</b>      | <b>£2,107,925</b> |  |

- 3.7 Given the sum of the Cumberland UKSPF / REPF allocation for 2024-25, which is in excess of £8.5 million, and must be fully spent and defrayed by March 2025, it is vital that programme delivery commences as early as possible in the new financial year. Based on experience from previous years, the funding from Government is received late, typically around June / July, in Quarter 2. Delaying the commencement of programme activity until the funds have been received presents a risk to the successful delivery of the programme. Therefore, the proposed approach for 2024-25 involves the Council

commencing delivery in advance of receiving the funding and spending at, albeit relatively low, risk.

- 3.8 First payments to be made will be grant payment to third parties and direct grants from the Council, which if commencing delivery in April is projected to be around £3.6 million by the end of quarter 1. Quarter 2 expenditure will be through direct grants and commissions from the Council, projected at around £600k.
- 3.9 The Council can recover management and administration costs against UKSPF of up to 4% of the total revenue funding allocation. The Council is not expected to incur costs that are not covered by the grant, but existing officer capacity is being used to deliver the supported programme and agreed projects.

#### **4. Alternative options considered**

- 4.1 The alternative option considered was to delay the delivery of the 2024-25 programme until the Council had received the funding from Government. This option was rejected on the basis that delivery of the programme must commence as early as possible in the new financial year to enable the activities to be delivered and the funding to be spent.

#### **5. Conclusion and reasons for recommendations**

- 5.1 This report outlines the successful delivery of the 2023-24 Cumberland UKSPF and REPF programmes through a combination of grants programmes, grant awards, procurement and direct delivery the Council has supported a wider variety of projects and activity across the three themes of Communities and Place, Supporting Local Business and People and Skills.
- 5.2 The approach taken for 2023-24 has worked well and it is recommended that the programmes for 2024-25 continue that approach, based on learning and experience from delivery to date, combined with an assessment of capacity in Cumberland and our strategic partners.
- 5.3 A key consideration is the value and sum of the 2024-25 programme, which is in excess of £8.5 million and must be fully spent and defrayed by March 2025. In order to successfully deliver a programme of this scale, activity must commence immediately in the new financial year. Typically, government funding is received later in the year – usually June / July – which presents a risk as it does not allow sufficient time for projects and activity to be completed. This underpins the recommendation that the Council commences the delivery of the programme in advance of the receipt of funding by using council resources until such time as the government funding is received.
- 5.4 Government has confirmed that 100% of year 2 underspends can be retained by Local Authorities. Government's approach to year 3 UKSPF is threshold based and the year 3 payment expected next financial year (2024/25) will be determined by previous spend over the first two years of the Fund. The risk is less about whether Cumberland receives the funding, but more about when and how much. Government previously paid year 2

in August 2023, and although we anticipate an earlier payment, it may not arrive before June/July 2024. If Cumberland can demonstrate it has spent more than 80% of 2022/23 and 2023/24 combined, the Council will receive 100% of year 3 funding up-front. If 2022/23 and 2023/24 combined spend is 60% - 79%, the Council will receive 70% of year 3 funding up-front and can claim the remaining 30% in arrears. Government issued this guidance in November 2023 to allow Councils to plan with confidence in terms of year 3 commitments. Current spend is comfortably within the 60% - 79% threshold and subject to verification by Finance on the next progress report, may have reached the 80% threshold.

5.5 In order to enable effective management and decision-making for the 2024-25 programme a specific set of delegations are proposed. This will allow projects and activity to proceed in a timely manner reduce the pressure and risk on an already challenging programme.

**Implications:**

**Contribution to the Cumberland Plan Priorities** - The successful delivery of the 2024-24 UKSPF and REPF programmes will contribute central aim of improving health and wellbeing of Cumberland residents. The Cumberland Plan recognises that local environment has an impact on health and wellbeing. The activity / projects under the Communities and Place theme are aimed at strengthening our social fabric, fostering a sense of local pride and belonging and building resilient and safe neighbourhoods. The Plan also recognises that a strong local economy can have a significant positive impact on the health and wellbeing of individuals. The activity / projects under the Supporting Local Business theme are aimed at creating jobs, promoting business networking and collaboration and increasing private sector investment in growth-enhancing activities. The Plan also seeks to ensure that local inequalities are addressed and that our communities have the skills to take up opportunities. The activity / projects under the People and Skills theme are aimed at boosting core skills by targeting adults with no or low-level qualifications and supporting disadvantaged people to access the skills they need to progress in life and into work.

**Relevant Risks and explain how risks can be mitigated** – The following risks have been identified in relation to the delivery of the 2024-25 UKSPF / REPF programmes.

| Risk   | Impact   | Mitigation   |
|--|--|--|
| There is a risk that the Council does not fully spend the UKSPF / REPF 2024-25 allocation. | DLUHC / government likely to claw back any underspend.<br><br>Reputational risk regarding ability to manage major economic regeneration programmes - that may impact on future allocations | Commence delivery of 2024-25 programmes as early as possible in the new financial year (see risk 2).<br><br>Effective programme management and assurance (see risk 3).<br><br>External grant agreements and contracts to reflect the Council's |

|   |  |  |
|---|--|--|
|   |  | contracted outputs, outcomes and timeframes for delivery.  |
| There is a risk that the Council receives the UKSPF / REPF funding late in the financial year – as per previous years.    | The Council will not be in funds when the 24-25 programme is due to commence in April 2024.  | The Council agrees to proceed with the delivery of the 2024-25 programme and spend at risk until the funding is received.  |
| There is a risk that internal capacity within core services not sufficient to support programme management and assurance. | Ineffective programme management, Council does not have adequate controls or oversight over programme delivery and the activity of funders and grant recipients. | The Council uses the 4% Management and Administration allocation to provide co-ordination role - and bring in additional assurance resource to deliver the programme as required.                                  |
| There is a risk that that 2024-24 UKSPF / REPF programmes are not perceived to align with Cumberland Plan priorities      | Reduces the options for site stabilisations, increasing design complexity and cost – that could adversely affect the viability of the scheme.                    | A review of Investment Plan and the intervention included has taken place.<br><br>Cumberland UKSPF Investment Panel consider that Council Plan priorities are reflected and accommodated in the 2024-25 programme. |

## Consultation / Engagement -

**Legal** – The decision to submit the Investment Plans in order to access the UKSPF and become an accountable body for the fund as a result was taken by each sovereign authority and ratified by Cumberland Council Shadow Authority on 20th July 2022. This decision was a key decision for each authority including Cumberland Council and the decisions bind upon Cumberland Council as a result of the Local Government (Structural Changes) (Transitional Arrangements) (No.2) Regulations 2008.

The recommendations contained in this report are at a level which is defined as a Key Decision due to use of Council funds for a period of time as outlined in the report. It is therefore proper for the decision to be taken by the Executive and the Executive have the power to delegate the decision making in connection with the fund in the manner proposed.

The Council has a duty under s.3 of the Local Government Act 1999 to ensure the Council achieves best value when discharging its functions and exercising powers. Members and Officers should therefore be able to demonstrate that this project represents best value to the Council when making their decision.

The Council has the power to take action under the general power of competence contained in section 1 of the Localism Act 2011. This power allows the Council to do anything that individuals generally may do, provided the proposed action is not prohibited or restricted under other legislation.

Careful consideration of the funding terms and conditions imposed on the Council as the Accountable Body should be undertaken to ensure the Council can comply with the conditions. Any grant agreements entered into by the Council with third parties as Accountable Body should reflect the terms and conditions of the grant provided to the Council.

The Council is subject to the Subsidy Control Act 2022 and any grants provided by the council to third parties should be in accordance with the Act.

Any projects that are to be directly delivered via the procurement of goods or services from third parties must be procured in accordance the Council's Contract Procedure Rules.

**Finance** – The Council has secured grant funding of £13.115m from the UK Shared Prosperity Fund and the Rural England Prosperity Fund. This funding will be utilised for capital and revenue activities that align with the grant criteria. It is noted that the grant was accepted prior to the Local Government Reorganization (LGR). The grants cover a three-year period from 2022 to 2025.

By the end of March 2024, the program is expected to have completed investment projects worth £4.486m, leaving a remaining budget of £8.629m for investment in the following year (2024/25). This allocation of funds is detailed in the table below:

|                                      | £          |
|--------------------------------------|------------|
| UK Shared Prosperity Fund (UKSPF)    | 10,585,622 |
| Rural England Prosperity Fund (REPF) | 2,529,634  |
| Total Grant Awarded                  | 13,115,256 |
| Estimated Spend 2023/24              | -4,486,000 |
| Remaining Grant for 2024/25          | 8,629,256  |

Local investments need to be completed by 31 March 2025 to avoid the risk of grant clawback by the fund. Timely project completion will mitigate clawback risks.

The Council has the flexibility to allocate the grant funding to either revenue or capital projects based on its discretion. As per the current proposal, £3.8m has been provisionally allocated for capital projects, while £4.8m has been earmarked for revenue projects. The Finance department will closely monitor all projects and provide progress reports in accordance with the Council's financing reporting framework.

There is no requirement for match funding in this grant agreement therefore, the Council is not obligated to provide additional funds from its own resources to complement the grant.

To expedite project implementation, officers are seeking authorisation to commence spending from April 2024, even though the grant funds will not be received until June or July 2024. It is estimated that by 31 July 2024, approximately £3.6m will have been spent, which means the Council will bear these costs before the grant is received and will therefore need to build this into the Council's cash flow forecasts. Finance supports this request to initiate spending from April 2024 to mitigate grant clawback risk.

The Council has opted to work with established partners to ensure effective and efficient delivery of the programme. This strategic decision is based on the proven track record of these partners in previous years. Collaborating with these partners also helps mitigate the risks associated with the timely completion of a wide-ranging programme of works by 31 March 2025.

The grant allows the Council to recover management & administration costs up to 4% or £345k.

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**Background papers:**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers: None.

**Appendices attached to report:**

- Appendix 1 - Recommended scheme of delegation for the management of the UKSPF Year 3 and decision making.



## Appendix 1

**CUMBERLAND COUNCIL**  
**Year 3 Distribution of UKSPF and REPF Funding (“the Project”)**  
**SCHEME OF DELEGATION TO OFFICERS (“the Scheme”)**

Subject to the Council having approved the UKSPF and REPF programme, the Executive, as authorised to carry out such functions on behalf of the Authority, hereby delegates decisions to Officers as set out in the Scheme.

When contemplating a decision under delegated powers, officers should consider whether the proposed decision:

- Is sufficiently important and/or sensitive so that it is reasonable for a member of the public to expect it to be taken by an elected, decision-making body (in which case the officer should arrange for it to be taken by that body)?
- Is purely administrative and is only remotely connected with the Executive function/relevant committee (in which case an officer decision notice is unlikely to be required)?
- Is so minor or routine that it is reasonable to consider it to be of no interest to a member of the public (in which case an officer decision notice is unlikely to be required)?

If in doubt, seek advice from the Monitoring Officer or their deputies.

**Absence of the Director of Place, Sustainable Growth and Transport**

In the absence of the Director of Place, Sustainable Growth and Transport from illness or leave, where a decision cannot be reasonably delayed until his return all of the relevant delegated powers in this Scheme of Delegation may be exercised by any of the Directors.

| Function of the Project  | Officer to whom Sub-Delegated  | Terms and Conditions  |
|--|--|---|
| Decision to agree the application criteria and outputs required in relation to grants programmes to be managed by third parties            | 1. The delegation is to the <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul>  | Prior consultation with AD for Thriving Places and Investment   |
| Decision to agree the scope of works and outputs required in relation to direct awards to third parties                                    | 1. The delegation is to the <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul>  | Prior consultation with AD for Thriving Places and Investment   |
| Decision to agree the scope of works and outputs required in relation to awards to third parties in relation to a competitive bid process. | 1. The delegation is to the <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul>  | Prior consultation with AD for Thriving Places and Investment   |
| Decision to award funding to third sector organisations for the onward distribution of funds following a competitive bid process.          | 1. For decisions up to an estimated value of £100,000 the delegation is to <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul> | 1. All decisions to be within the approved budget.<br>2. All decisions to be with the approved policy for UKSPF.<br>3. All decisions to satisfy the eligibility criteria for the funding.<br>4. Approved Grant Funding Agreement being in place following consultation with legal services. |



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|  | <p>2. For decisions up to an estimated value of £100,000 – £250,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment</li> </ul> <p>3. For decisions with an estimated value in excess of £250,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment following consultation with the UKPSF Panel</li> </ul>  | <p>5. All decisions to comply with Subsidy Control Act 2022</p> |
| <p>Decision to vary the amount to be provided directly to a third parties in relation to grants programmes</p> | <p>Where the valuation of the variation is;</p> <p>1. Up to an estimated value of £100,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul> <p>2. Up to an estimated value of £100,000 – £250,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment</li> </ul> <p>3. Up to an estimated value in excess of £250,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment following consultation with the UKPSF Panel</li> </ul> | <p>1. Clear rationale for the variation is defined</p>          |

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| <p>Decision to vary the amount to be provided to third sector organisations subject to a competitive process.</p>                    | <p>Where the valuation of the variation is;</p> <ol style="list-style-type: none"> <li>1. Up to an estimated value of £100,000 the delegation is to <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul> </li> <li>2. Up to an estimated value of £100,000 – £250,000 the delegation is to <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment</li> </ul> </li> <li>3. Up to an estimated value in excess of £250,000 the delegation is to <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment following consultation with the UKPSF Panel</li> </ul> </li> </ol> | <ol style="list-style-type: none"> <li>1. Clear rationale for the variation is defined</li> </ol>   |
| <p>Permission to Procure and Award contracts in relation to the delivery of council ran projects solely utilising UKSPF funding.</p> | <p>Where the value of the project is;</p> <ol style="list-style-type: none"> <li>1. Up to an estimated value of £100,000 the delegation is to <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul> </li> <li>2. Up to an estimated value of £100,000 – £250,000 the delegation is to <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment</li> </ul> </li> <li>3. Up to an estimated value in excess of £250,000 the delegation is to</li> </ol>   | <ol style="list-style-type: none"> <li>1. All decisions to be within the approved budget.</li> <li>2. All decisions to be with the approved policy for UKSPF.</li> <li>3. All decisions to satisfy the eligibility criteria for the funding.</li> <li>4. All decisions to be taken in accordance with the Council's Contract Procedure Rules and constitution.</li> <li>5. All decisions to comply with Subsidy Control Act 2022</li> </ol> |

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|   | <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment following consultation with the UKPSF Panel</li> </ul> <p>4. Up to an estimated value in excess of £500,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment following consultation with the Portfolio Holder and Director of Place, Sustainable Growth and Transport</li> </ul>     |  |
| <p>Decision to award funding to applicants to the High Streets, Business and Tourism Businesses grant schemes managed by Cumberland Council</p> | <p>Where the value of the grant is;</p> <p>1. Up to an estimated value of £35,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• Head of Regeneration (S Robinson)</li> <li>• Economic Development and Regeneration Manager (S Mitchell)</li> </ul> <p>2. Up to an estimated value in excess of £35,000 the delegation is to</p> <ul style="list-style-type: none"> <li>• The Assistant Director of Thriving Places and Investment</li> </ul> | <p>1. All decisions to be within the approved budget.</p> <p>2. All decisions to be with the approved policy for UKSPF.</p> <p>3. All decisions to satisfy the eligibility criteria for the funding.</p> <p>4. All decisions to be taken in accordance with the Council's Contract Procedure Rules and constitution.</p> <p>5. All decisions to comply with Subsidy Control Act 2022</p> |