



North Devon Council

Report Date: 20 July 2022

Topic: UK Shared Prosperity Fund

Report by: Director of Resources and Deputy Chief Executive

1. INTRODUCTION

- 1.1. Earlier this year the Government published its broad social and economic [Levelling Up White Paper](#), following this the [prospectus for the UK Shared Prosperity Fund](#) (UKSPF) has now been published. In total across the Country, the funding will provide **£2.6bn** over three years – **£400m** for 2022-23; **£700m** for 2023-24 and **£1.5bn** in 2024-25.
- 1.2. North Devon Council has been allocated £1,214,999 for the three year period and the breakdown of these funds for 2022-23 to 2024-25 is shown in **Appendix A**.
- 1.3. The purpose for this report is to obtain Member approval for the high-level intervention themes to be used within the UK Shared Prosperity Fund investment plan to be submitted to the Department for Levelling Up, Housing and Communities by 1 August 2022.

2. RECOMMENDATIONS

- 2.1. That members approve the intervention themes proposed by the Northern Devon Futures Board, serving as the required Local Partnership Group for inclusion in the UK Shared Prosperity Fund investment plan for North Devon Council to be submitted before 1 August 2022.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The UK Shared Prosperity Fund allocation to North Devon Council is only unlocked once an investment plan has been submitted and approved by the Department for Levelling Up, Housing and Communities.
- 3.2. The investment plan requires submission by 1 August 2022 outlining the high-level interventions the Council and wider stakeholders have agreed upon that are the priority aims for the wider Northern Devon.

4. REPORT

- 4.1. The primary goal of the UKSPF (the successor to European Structural Funds) is to build pride in place and increase life chances across the UK, categorising investment priorities under three investment themes:

- Communities and place

- Supporting local business
- People and skills

4.2. The people and skills theme will only be activated in Year 3 (2024-25) and will include the loss of large European funding streams (ERDF / ESF). These themes account for projects currently delivering a total of many million pounds across the district, including from Petroc, DWP and Devon County Council.

4.3. The prospectus states these themes should help realise seven of the twelve 'missions' set out in the Levelling Up White Paper - from improving life expectancy to increasing pay, employment and productivity. No match funding is required and existing projects can be funded. In year 3 (as can be seen in the financial allocations in Appendix A) there will be a larger allowance given that European funding streams will have disappeared by that point.

4.4. Projects or interventions to be funded through the UKSPF are also intended to deliver on the four primary Levelling Up objectives, to:

- Boost productivity, pay, jobs and living standards by growing the private sector
- Spread opportunities and improve public services
- Restore a sense of community, local pride and belonging
- Empower local leaders and communities

4.5. An [interventions list](#) for England was published alongside the prospectus and it is these interventions which need to be included within the Council's investment plan ready for submission by August 1st. This investment plan is a high-level document which outlines the challenges faced within the district and provides an indication of the anticipated intervention themes but does not detail any projects which will be introduced to deliver those interventions.

4.6. A snapshot of our area and some of the challenges we face can be set out in the context of;

- There are 98,170 people living in North Devon (ONS mid-year estimates 2020)
- There is a working age population of 56,120 (ONS mid-year estimates 2020)
- 1,475 unemployment claimants at 16+ in North Devon with 375 being over 50 years and 230 being 16-24 years (ONS May 22)
- The most deprived areas in Devon are in the wards of Ilfracombe Central, Barnstaple Central and Forches & Whiddon Valley in North Devon. These three areas are also in the most deprived 10% of all

areas in England. Around 4,800 people live in these most deprived areas (IMD 2019)

- Torrington and North Devon have rates above the England average for Income and Employment deprivation (IMD 2019)
- 19.1% of people in North Devon live in a health deprivation hotspot (IMD 2015)
- 24.1% of the working age population have no qualifications (census 2011)
- 22.9% of the working age population have a degree (census 2011)
- 11.5% of households in North Devon live in 'fuel poverty (BEIS 2019)
- Retail, Health & Social Work and Manufacturing employ the most people (residents in the local area) – 7,669, 5850 and 4,863 people, respectively (census 2011)
- Health, Manufacturing and Hotels/Catering are the top 3 industry sectors with the concentration of workforce jobs in North Devon (BRES 2020)
- Agriculture is the largest business sector in North Devon, followed by Construction and Retail Industry. 22.6% of all local businesses are in agriculture, 11.3% in construction and 9.3% in retail (ONS 2021)
- 7,610 households in North Devon have no car – that's 19% of the 40,005 households in the area
- Average road distance from a GP in North Devon is 2.4km (Devon average is 1.9km) and 4.1km to a secondary school (Devon average is 3.9km) (Commission for Rural Communities 2010)

4.7. To ensure that both of the Northern Devon Councils (North Devon and Torrington) are able to access the associated funds, a Local Partnership Group was required under the conditions of the UK Shared Prosperity Fund guidance to guide the development of Investment Plans, in advance of submission by August 1st. This Partnership Board role has been performed by the Northern Devon Futures Board which contains key stakeholders from the public and private sectors as well as health, the Police, the voluntary sector and the Biosphere Foundation.

4.8. The group undertook a series of preliminary meetings and consultations in order to agree a suitable process and to develop consensus on which interventions/projects best reflect local need and opportunity and should be prioritised. Sub-groups from the public and private sectors were convened to focus on:

- Economy, Innovation and Skills
- Community and Place
- Children and young people
- Health and wellbeing

- Climate emergency

Open invitation was provided to key stakeholders to propose potential interventions which were then appraised and considered by the Northern Devon Futures Board at their meeting on 23 June 2022 .

4.9. The proposed interventions and their potential projects presented to the Northern Devon Futures Board can be found in;

- Communities and place – **Appendix B**
- Supporting local business – **Appendix C**
- People and skills – **Appendix D**

4.10. Following consultation with Futures Board members, a summary of results of their preferred interventions can be shown as;

Communities and Place	
NDF Board	E1, E2, E7, E13
NDC/TDC	E1, E4/E6, E7, E8
Partners (includes NDF Action Groups)	E3, E6, E7, E9, E11, E13

Supporting Local Business	
NDF Board	E16, E17, E22, E23
NDC/TDC	E16, E17, E18, E19, E20, E21, E23, E27, E29, E31
Partners (includes NDF Action Groups)	E16, E21, E24, E29, E30

People and Skills	
NDF Board	E33, E36, E37, E39
NDC/TDC	E35
Partners (includes NDF Action Groups)	E33, E35, E37, E38, E41

Note: The above shows the highest ‘hit rate’ for each intervention under the three themes with proposed projects or activities from partners or our own Council priorities. The NDF Board results are based on the online poll carried out with the Board members in June 2022 and included are the top 4 chosen interventions.

4.11. In terms of the Supporting Local Business theme, there are a couple of business support options for Members to consider. Devon County Council have pulled together a proposition for all Devon Districts to consider under this theme, which would include marketing and engagement; up to 12 hours of support for up to 100 businesses; Agri-tech events and Start-up support.

The proposed cost of this support (including DCC staff and overheads) is proposed at £220,029 per District Council. Any direct grant support to businesses would be in addition to this cost.

- 4.12. Locally here in Northern Devon, we have North Devon+ (local authority controlled company by North Devon Council and Torridge District Council) who have extensive experience in providing a wide business support programme across the Northern Devon area. They have been successfully delivering programmes of business support through the 'Thrive' programme (up to 12 hours of free support); the 'Devon Elevation Fund' (grant scheme of between £2,500 and £25,000) and 'Business Boost' (supporting a large number of individuals and businesses together with a small grants scheme).
- 4.13. In comparison to the centralised DCC offer for business support; North Devon+ have put forwards a proposal for a comprehensive programme of business support which would include 'ongoing mentoring and support' to 200 businesses (double the number of businesses in the DCC offer) for around half the proposed cost at £105,000 per Council. In addition to this, they could also offer a grant programme for businesses to enhance the level of direct support and financial assistance being provided.
- 4.14. There are of course benefits in terms of continuity of business support provision to businesses across North Devon and Torridge, tailored support locally that aims to deal with both the economic and business need.
- 4.15. An important consideration also is that external funding for the current business support service provided by North Devon+ will cease from March 2023 onwards. Their previous business programmes relied upon bidding into European funded programmes to be able to offer support with directly or through DCC. There is not currently any other replacement funding available to continue to deliver this wider business support services from 2023 and thus this potential route through using some of the UK Shared Prosperity Funding is their only option for continuing a valued service.
- 4.16. Officers preferred choice taking into account the above two offers of delivery (*the centralised business support model through Devon County Council or a locally delivered business support model through North Devon+*) is the locally tailored business support delivery through our local authority controlled company North Devon+. **It is therefore recommended that the business support intervention is delivered through North Devon+.**
- 4.17. As well as the reasons provided above in the extensive knowledge and expertise of already delivering this within our two districts; just as important is in terms of maximising best value for the level of funding allocation that is available to each Council overall through the UKSPF and the level of business support and financial help to our local businesses that would help them to grow, develop and innovate. Maximising use of this financial allocation is crucial to delivery upon the investment plan for each Council.

4.18. Maximising each Council's financial allocation is crucial to ensure that we reach as many of the interventions as we can within the UK Shared Prosperity Fund.

4.19. The proposed intervention themes relating to the above 'E' numbers are;

Communities and Place interventions	Proposed for inclusion?
E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people.	Yes
E2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects.	
E3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments.	
E4: Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural heritage offer.	
E5: Design and management of the built and landscaped environment to 'design out crime'.	
E6: Support for local arts, cultural, heritage and creative activities.	Yes
E7: Support for active travel enhancements in the local area.	Yes
E8: Funding for the development and promotion of wider campaigns which encourage people to visit and explore the local area.	
E9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places.	Yes*
E10: Funding for local sports facilities, tournaments, teams and leagues; to bring people together.	
E11: Investment in capacity building and infrastructure support for local civil society and community groups.	
E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.	
E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.	Yes
E14: Funding to support relevant feasibility studies.	
E15: Investment and support for digital infrastructure for local community facilities.	

Supporting Local Businesses interventions	Proposed for inclusion?
E16: Investment in open markets / improvement to town centre infrastructure.	Yes
E17: Development and promotion of the visitor economy etc.	Yes

Supporting Local Businesses interventions	Proposed for inclusion?
E18: Supporting Made Smarter Adoption inc expert advice, grants and leadership training.	
E19: Supporting investment in R&D at a local level, inc commercialisation of ideas.	
E20: R&D grants to support innovative new product development.	
E21: Development and support of appropriate innovation infrastructure.	Yes
E22: Investment in enterprise infrastructure and employment / innovation site development projects.	
E23: Strengthening local entrepreneurial ecosystems and supporting business growth, inc through networks.	Yes
E24: Investment into new and existing training hubs / accelerators / incubators.	
E25: Grants to bid for international business events and conferences.	
E26: Support to grow the social economy.	
E27: Funding to develop angel investor networks.	Yes*
E28: Export grants to build international trade.	
E29: Support decarbonisation opportunities whilst growing the local economy.	Yes
E30: Business support measures.	Yes*
E31: Funding to support feasibility studies.	
E32: Investment in resilience infrastructure and nature based solutions.	

People and skills interventions	Proposed for inclusion?
E33: Employment support for economically inactive people.	Yes
E34: Courses including basic skills (digital, English, maths (via Multiply) and ESOL), and life skills and career skills.	
E35: Activities such as enrichment and volunteering to improve opportunities and promote wellbeing.	Yes
E36: Intervention to increase levels of digital inclusion, with a focus on essential digital skills.	
E37: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses.	Yes
E38: Support for local areas to fund local skills needs. This includes technical and vocational qualifications and courses up to level 2.	
E39: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions.	

People and skills interventions	Proposed for inclusion?
E40: Retraining support for those in high carbon sectors.	
E41: Funding to support local digital skills.	

4.20. A further report will be submitted for Full Council consideration when more detail is available following the development of a full action plan, including delivery partners and objectives. This will follow after Central Government appraisal and approval of the high-level investment plan releasing the funds.

5. RESOURCE IMPLICATIONS

- 5.1. The financial allocations from the UKSPF are contained within the report and Appendix A.
- 5.2. Officer time has and will continue to be involved from Place, Property and Regeneration team together with support from Finance officers.

6. EQUALITIES ASSESSMENT

- 6.1. There are no equalities implications anticipated as a result of this report.

7. ENVIRONMENTAL ASSESSMENT

- 7.1. There are not any environmental implications anticipated directly as a result of this report, as the purpose of this report is to present the high-level interventions to be used for submission of the Council's UK Shared Prosperity Fund investment plan. Individual projects within the wider action plan that will follow will highlight any specific environmental impacts associated with any of those interventions when they come forwards.

8. CORPORATE PRIORITIES

- 8.1. The submission of the investment plan supports the wider delivery plans of the Council in achieving our corporate priorities and towards financial security in unlocking government funding to deliver upon the priority interventions.
- 8.2. Individual projects that come forwards under the UK Shared Prosperity Fund investment plan will support the corporate priorities of cherishing and protecting our environment and planning for North Devon's future.

9. CONSTITUTIONAL CONTEXT

- 9.1. Article 4.5.15



10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

11. BACKGROUND PAPERS

The background papers are available for inspection and kept by the author of the report.

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers:

Jon Triggs, Director of Resources and Deputy Chief Executive