

**Report for: Economy and Assets PDG**

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Date of Meeting:	28 November 2024
<b>Subject:</b>	<b>Shared Prosperity Fund: Year 4 Outline Delivery Plan (2025/26)</b>
Cabinet Member:	Cllr Steve Keable, Planning & Regeneration
Responsible Officer:	Richard Marsh, Director of Place
Exempt:	N/A
Wards Affected:	All wards
Enclosures:	N/A

**Section 1 – Summary and Recommendation(s)**

To provide Members with an Outline Delivery Plan for a potential extension to the Shared Prosperity Fund programme (2025/26).

**Recommendation(s):**

**That Members note the outline work undertaken to date and approve the further refinement via conversations with potential external delivery partners and promotion of potential schemes with the view to the final Delivery Plan being presented to a future PDG for approval.**

**Section 2 – Report**

**1.0 Introduction**

1.1 As part of its Autumn Statement, the Government announced intentions to extend the Shared Prosperity Funding (SPF) by one year. We have not received any direct communication from the Ministry of Housing, Communities and Local Government (MHCLG) about this yet. However, the Team has prepared a

proposed Outline Delivery Plan for Year 4 in readiness for this potential extension.

- 1.2 The purpose of this Outline Delivery Plan is to provide us with a focused framework for delivery (to remain in line with Corporate Aims and Strategic Objectives). However, as an Outline proposal, it gives the Team the ability to identify delivery solutions (including partners) and the flexibility to offer an agile plan, able to respond to evolving needs as the Economic Strategy develops and further information is released from MHCLG.
- 1.3 Members are asked to approve this Outline proposal only; future reports will identify specific budget and target setting against the Plan.

## 2.0 Assumptions

2.1 While we await further information from MHCLG, we have made a number of assumptions to structure the Outline proposal:

- Lead Authority:** There is no confirmation that Devon District Councils will continue to be lead authorities for their respective regions and receive the extended Shared Prosperity Funding. There is the potential that the funding will instead be awarded to the Devolved Devon authority to administer. We are working on the assumption that the delivery model and responsibilities will be the same as the current model.
- Budget:** The Government has indicated that the additional year of SPF will be offered on a reduced budget nationally at £900M. Therefore, based on previous allocations, we can assume we will have circa £300k of funding. This is significantly less than the 2024/25 allocation but will still support meaningful delivery. We will not know the capital/revenue split until the funding allocation is confirmed. However, for the purpose of this proposal, we are assuming a circa 40/60 split based on previous allocations.

Year	Total UKSPF	District Allocation	% of Total Allocation
2022/23	£400,000,000.00	£129,146.00	0.032%
2023/24	£700,000,000.00	£204,168.00	0.029%
2024/25	£1,500,000,000.00	£676,722.00	0.045%
		Average	0.036%
<b>2025/26</b>	<b>£900,000,000.00</b>	<b>£319,704.00</b>	<b>Estimated Projection</b>

2025/26	Capital	£122,298.00
2025/26	Revenue	£197,406.00

- **Restrictions:** We can assume that the SPF will operate under the same restrictions as the existing schemes in terms of eligible spend. As it currently stands, the latest advice from MHCLG (prior to the Autumn budget announcement) is that there is still a requirement to deliver all existing spend and projects by 31 March 2025. Therefore, we are working on the assumption that any 2025/26 funding will need to support new or second-phase extensions of existing projects. Similarly, we can assume that spend and project delivery for Year 4 must be completed by 31 March 2026.
- **Underspend:** There is no guarantee that underspend from 2024/25 will be allowed to carry over. Previously, underspend impeded access to further funding. Therefore there is a risk that (until we hear otherwise from MHCLG) any underspend from 2024/25 may limit our entitlement to funding in 2025/26. The Team is currently working to schedule and where projects are showing the potential to underspend, we have “plan b” projects lined up to ensure delivery by the end of the financial year.
- **Outputs and Outcomes:** Until we know whether Year 4 is a continuation of existing funding or to be treated as a new fund, we will not know whether we can “double count” outputs (e.g. whether a business recorded as an ‘Enterprises Receiving Non-Financial Support’ output in 2024/25 can be recorded again for a new project in 2025/26). For the purposes of projection, we are assuming that these will be a continuation and we can only record outputs where it is unique for Year 4. This will mean some conservative estimates for target projection until we have clarity.

### 3.0 Outline Delivery Plan

- 3.1 The Outline Delivery Plan includes headline emerging themes identified through the initial Economic Strategy workshop and the Corporate Plan. Existing SPF projects have been evaluated for success and included where there is the potential for continuation with a new phase.
- 3.2 In addition to costed projects, the SPF has previously allowed for a 4% admin allocation. This will be factored in to the total spend. Where project costs are currently unknown, the potential SPF budget demand is marked as TBC (to be confirmed).
- 3.3 To reduce impact on the team, given the delivery window is only 12 months, we have identified a mix of external delivery projects with a handful of direct delivery (mostly grant scheme) elements. Subject to funding confirmation from MHCLG and outline approval from Members, we will seek to engage with the business community ahead of the new financial year to ensure swift delivery and optimum time for output achievement.

## Theme: Skills and Business Support

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
Field to Fork	<ul style="list-style-type: none"> <li>Small grants to support local producer events</li> </ul>	£10,000	<ul style="list-style-type: none"> <li>Number of enterprises receiving grants</li> <li>Number of enterprises receiving non-financial support</li> <li>Number of enterprises reaching new markets</li> </ul>	Corporate Plan: Economy 4.4
Business Skills	<ul style="list-style-type: none"> <li>Support for businesses to access new markets through business skills provision such as exhibition skills, procurement/tender skills, bid-writing, environmental health and other skills</li> </ul>	£10,000	<ul style="list-style-type: none"> <li>Number of enterprises receiving grants</li> <li>Number of enterprises receiving non-financial support</li> <li>Number of enterprises reaching new markets</li> </ul>	Corporate Plan: Economy 4.3
Sustainable Visitor Economy	<ul style="list-style-type: none"> <li>Membership support project with Visit Devon</li> </ul>	£6,000	<ul style="list-style-type: none"> <li>Number of enterprises receiving non-financial support</li> <li>Number of event programmes (networking events)</li> <li>Number of people reached (engagement)</li> </ul>	Corporate Plan: Economy 4.3
Business Support	<ul style="list-style-type: none"> <li>General support programme to assist businesses with their pre-start, start-up and growth aspirations and agriculture sectoral support</li> </ul>	TBC	<ul style="list-style-type: none"> <li>Number of enterprises receiving non-financial support</li> <li>Number of enterprises reaching new markets</li> <li>Number of potential entrepreneurs supported to be enterprise ready</li> </ul>	Corporate Plan: Economy 4.3

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
			<ul style="list-style-type: none"> <li>• Number of new enterprises created</li> <li>• Number of event programmes (networking events)</li> </ul>	
	<ul style="list-style-type: none"> <li>• Small start-up grants to support potential entrepreneurs to become enterprises. To be delivered in conjunction with the business support advise programme.</li> </ul>	£25,000	<ul style="list-style-type: none"> <li>• Number of enterprises receiving grants</li> <li>• Number of enterprises receiving non-financial support</li> <li>• Number of enterprises reaching new markets</li> <li>• Number of potential entrepreneurs supported to be enterprise ready</li> <li>• Number of new enterprises created</li> </ul>	<p>Corporate Plan: Economy 4.3</p> <p>Corporate Plan: Economy 4.2</p>
Employment and Skills Hub	<ul style="list-style-type: none"> <li>• Support for economically inactive and active individuals seeking new skills and signposting to access employment – delivered by external delivery partner</li> </ul>	TBC	<ul style="list-style-type: none"> <li>• Number of individuals retraining</li> <li>• Number of individuals receiving new skills/qualifications</li> <li>• Number of people securing employment</li> </ul>	Corporate Plan: Community 2.3
Rural Skills	<ul style="list-style-type: none"> <li>• Support for people to access other skills provision (including green and other rural skills) – delivered by external delivery partner(s)</li> </ul>	TBC	<ul style="list-style-type: none"> <li>• Number of individuals retraining</li> <li>• Number of individuals receiving new skills/qualifications</li> <li>• Number of people securing employment</li> </ul>	<p>Corporate Plan: Community 2.3</p> <p>Corporate Plan: Economy 4.3</p>

### Theme: Infrastructure, Land and Property

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
Flexible Workspace	<ul style="list-style-type: none"> <li>Small grant scheme to support the facilitation of rural hubs (eg at Village Halls)</li> </ul>	£20,000	<ul style="list-style-type: none"> <li>Number of enterprises / organisations receiving grants</li> <li>Number / M<sup>2</sup> of commercial properties created / improved</li> <li>Increased number of users (of facilities)</li> </ul>	Corporate Plan: Economy 4.3
	<ul style="list-style-type: none"> <li>Enhancement of the Pannier Market to include creation of additional lockable units to facilitate more traders</li> </ul>	TBC	<ul style="list-style-type: none"> <li>Number / M<sup>2</sup> of commercial properties created / improved</li> <li>Increased number of users (of facilities)</li> </ul>	Corporate Plan: Economy 4.3 Corporate Plan: Economy 4.2
Asset Investment	<ul style="list-style-type: none"> <li>Explore opportunities to enhance or develop our commercial assets</li> </ul>	TBC	<ul style="list-style-type: none"> <li>Number of feasibility studies supported</li> <li>Number and M<sup>2</sup> of commercial property created or improved</li> <li>Amount of carbon reduced</li> </ul>	Corporate Plan: Economy 4.3 Corporate Plan: Economy 4.2

### Theme: Place, Tourism and Town Centres

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
Love Your Town Centre	<ul style="list-style-type: none"> <li>Small umbrella grants scheme intended to support businesses in our town centres. Grants include shopfront enhancement support.</li> </ul>	N/A Match-funded through S106 and existing earmarked reserves	<ul style="list-style-type: none"> <li>Number of enterprises receiving grants</li> <li>Number of vacant units occupied</li> <li>Number of commercial properties improved</li> </ul>	Corporate Plan: Economy 4.1 Corporate Plan: Economy 4.3

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
	<ul style="list-style-type: none"> <li>Undertake feasibility studies to identify cost and timescale requirements for potential projects arising from masterplanning exercises</li> </ul>	£25,000	<ul style="list-style-type: none"> <li>Number of feasibility studies supported</li> </ul>	Corporate Plan: Economy 4.1
	<ul style="list-style-type: none"> <li>Public Realm improvement works</li> </ul>	£5,000	<ul style="list-style-type: none"> <li>M<sup>2</sup> of public realm enhanced</li> </ul>	Corporate Plan: Economy 4.1
Creative Communities	<ul style="list-style-type: none"> <li>Small grants scheme to support arts and cultural projects in our town centres.</li> </ul>	N/A Match-funded through Economic Development (ED) grants budget (the Swan Trail pot)	<ul style="list-style-type: none"> <li>Number of organisations receiving grants</li> <li>Number of creative activities/events planned</li> <li>Number of cultural programmes led</li> </ul>	Corporate Plan: Economy 4.1  Corporate Plan: Community 2.2
	<ul style="list-style-type: none"> <li>Improvements to our (town centre) green and open spaces to install electrical infrastructure and enable more events to make use of the spaces</li> </ul>	TBC	<ul style="list-style-type: none"> <li>Number of M<sup>2</sup> of green space improved</li> <li>Number of creative events/activities planned</li> </ul>	Corporate Plan: Economy 4.1
Sustainable Visitor Economy	<ul style="list-style-type: none"> <li>Investment project to support walking infrastructure (including signage, digital routes and engagement)</li> </ul>	£30,000	<ul style="list-style-type: none"> <li>Number of people reached (engagement)</li> <li>Increased number of web searches for a place</li> </ul>	Corporate Plan: Economy 4.4
	<ul style="list-style-type: none"> <li>Promotional campaigns through Visit Mid Devon to encourage visitors to Mid</li> </ul>	£5,000	<ul style="list-style-type: none"> <li>Number of people reached (engagement)</li> <li>Increased number of web searches for a place</li> </ul>	Corporate Plan: Economy 4.4

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
	Devon, with a focus on group travel campaigns		<ul style="list-style-type: none"> <li>Increased number of visitors (coach visits)</li> <li>Increased footfall</li> </ul>	
	<ul style="list-style-type: none"> <li>Medium mixed grant scheme supporting growth of town centre tourism businesses and attract visitors</li> </ul>	£30,000	<ul style="list-style-type: none"> <li>Number of enterprises / organisations receiving grants</li> <li>Increased number of visitors</li> </ul>	<p>Corporate Plan: Economy 4.3</p> <p>Corporate Plan: Economy 4.1</p>

### Theme: Business Engagement

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
Sustainable Visitor Economy	<ul style="list-style-type: none"> <li>Engagement and partnership building project with tourism businesses and cultural organisations</li> </ul>	N/A This will be match supported through ED Local Projects and Initiatives budget	<ul style="list-style-type: none"> <li>Number of enterprises receiving non-financial support</li> <li>Number of organisations receiving non-financial support</li> </ul>	Corporate Plan: Economy 4.3
Business Engagement	<ul style="list-style-type: none"> <li>Cross-cutting projects to deliver improved engagement with our businesses and facilitate improved communication, awareness and support. This could include enhanced systems and strategies.</li> </ul>	£20,000	<ul style="list-style-type: none"> <li>Number of enterprises receiving non-financial support</li> <li>Number of event programmes (networking events)</li> </ul>	Corporate Plan: Economy 4.3



**Theme: Business Growth, Innovation and Efficiency**

Project Name	Project Description	Potential SPF Budget	Potential Outputs	Corporate Link
Business Innovation and Growth	Medium grant scheme to support business growth (innovation, improved efficiency or new markets).	£100,000	<ul style="list-style-type: none"> <li>• Number of enterprises receiving non-financial support</li> <li>• Number of enterprises receiving grants</li> <li>• Number of enterprises experiencing growth (eg through increased turnover)</li> <li>• Number of enterprises adopting new technologies or processes</li> <li>• Number of enterprises introducing new products or services</li> <li>• Number of enterprises reaching new markets</li> </ul>	Corporate Plan: Economy 4.3

## **4.0 Next Steps**

- 4.1 This is the proposed Outline Delivery Plan. Where known, we have included potential SPF budget commitments but this is subject to further refining (and the potential for some match support from the ED service budget). With Members' approval, we can commence conversations with potential external delivery partners to identify expected budgets to come back to Members with a final proposal early 2025.

### **Financial Implications**

The report identifies areas of spend subject to receipt of external funding.

It is hoped that the report demonstrates that the Economy and Growth team is achieving in line with expectations in terms of the successful utilisation of grant monies and other financial resources.

### **Legal Implications**

There are no legal implications arising from this information report.

### **Risk Assessment**

There are no further risks associated with the updates in this report that have not already been reported.

### **Impact on Climate Change**

The impact of individual projects on climate change has been included in the individual reports that will have already been presented to committee. Climate will be an underlying theme through many of the proposed projects.

### **Equalities Impact Assessment**

It is acknowledged that there is a relationship between economy and equality whereby disadvantaged groups of people can have greater or lesser opportunities for economic advantage depending on the climate and growth potential. Economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital or credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged. There are unfortunate intersections between socioeconomic status and those with protected characteristics or from marginalised or minority communities putting them at greater risk of social and therefore economic disadvantage. Social and digital isolation issues across a rural district has the potential to exacerbate these risks.

Mid Devon's Prosperity Programme and the Economic Strategy outline key projects to tackle these risks and grow the economy. They are supported by equality assessments and communication plans.

Key strands of the work of the Economy and Growth team continue to seek to address and tackle causes of inequality and deprivation.

## **Relationship to Corporate Plan**

The work of the Growth, Economy and Delivery team supports the corporate objectives for the economy:

- Bringing new businesses into the District
- Business development and growth
- Improving and regenerating our town centres
- Growing the tourism sector

## **Section 3 – Statutory Officer sign-off/mandatory checks**

**Statutory Officer:** Andrew Jarrett

Agreed by or on behalf of the Section 151

**Date:** 20 November 2024

**Statutory Officer:** Maria DeLeiburne

Agreed on behalf of the Monitoring Officer

**Date:** 20 November 2024

**Chief Officer:** Richard Marsh

Agreed by Corporate Director

**Date:** 20 November 2024

**Performance and risk:** Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

**Date:** 19 November 2024

**Cabinet member notified:** (yes/

## **Section 4 - Contact Details and Background Papers**

**Contact:** Zoë Lentell, Economic Development Team Leader

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**Background papers:**