

UK Shared Prosperity Fund Update

Community Services Committee - 15 June 2023

Report of: Chief Finance Officer (Section 151)

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Wards affected: All

Executive summary:

Members have previously agreed to allocate the Tandridge award from the Government's UK Shared Prosperity Fund ('UKSPF') towards helping to deliver the Council's Open Space Strategy. This will provide welcome levels of investment in parks and open spaces across the District and the Committee is now asked to approve the programme and project funding allocation from the grant.

The Council has previously submitted its indicative project and programme allocations to gain Government approval for the grant award.

This report sets out the process which has been undertaken to cost, assess and prioritise the projects. A first tranche of projects has been identified to begin immediately to ensure sufficient drawdown of the grant within 2023/24.

The Committee is invited to approve this first tranche of projects which are detailed at Annex A.

The Committee is also invited to form a Member Working Group to meet in the coming weeks to assess expenditure on future projects within this programme.

This report supports the Council's priorities of:

Creating the homes, infrastructure and environment we need.

Becoming a greener, more sustainable District.

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Recommendation to Committee:

- A) To approve the programme of projects for expenditure under the Tandridge UKSPF programme at Annex A.
 - B) To agree to form a Member Working Group to discuss and approve the further programme of projects to commit full expenditure of the Council's UKSPF Allocation.
 - C) To note next steps and further reporting to this Committee.
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Reason for recommendation:

The award of UKSPF funding to the Council followed an initial application process, where it had to set out its intentions in meeting the Government's levelling up missions.

To obtain the funding award, the Council had to specify 'resonant' programmes and projects to the levelling up priorities. The Tandridge Open Space Strategy was used as the document for this process and indicative costings and project groupings were submitted to secure the grant award. The overall award received from Government is £1m.

The first tranche of projects is now brought to the Committee for approval (Annex A), based upon a robust and detailed prioritisation and costing process undertaken by Coast to Capital, under commission from the Council.

1. Introduction and background

- 1.1. The Council has secured a UK Shared Prosperity Fund ('UKSPF') allocation from Government of £1m. To obtain the allocation the Council had to submit an application that aligned with the Government's levelling up missions and objectives. The Council chose to make this submission based on funding required to help to deliver the Tandridge Open Space Strategy. This strategy is a mix of high-level aspirations and more detailed Parish based projects to improve parks and open spaces. The UKSPF allocation will provide welcome levels of investment in the District's parks and open spaces, with a focus on the environment, biodiversity, health, recreation and play.
- 1.2. The Open Space Strategy details 249 projects and programmes. The cost of delivering all projects would be £4.7m. Therefore, the challenge was to prioritise all projects objectively on the basis of widest impact.
- 1.3. The Council employed Coast to Capital (our Local Enterprise Partnership) to undertake this work as they have extensive experience of funding allocation and project analysis, prioritisation and costing. This experience extends across their own grant programmes, that have passed multiple Government audit and governance tests and their wide experience of managing UKSPF monitoring for other authorities.

2. Project Prioritisation Methodology

- 2.1. Coast to Capital initially costed all projects within the Open Space Strategy and then then assessed each project / programme against a range of individual criteria. Each project was scored against these individual criteria and the score moderated and tested by an independent Coast to Capital officer.
- 2.2. The assessment criteria were also agreed with Council Officers and the categories are set out below:

Community Impact

This criteria scores the degree of impact that the project has on the local community, with those projects that touch more people scoring higher than those who touch fewer numbers of people. (Score 0 to 5).

Project Impact (geography)

What is the scale of geographic impact of the project across the District. Projects having a wider geographic impact score highest. (Score 0 to 5).

Project Implementation Timescale

The shorter the implementation timescale the higher the score. This recognises quick wins and achievement of Government expenditure profiles, as a requirement of the UKSPF award. (Score 0 to 5).

Deliverability

What is the complexity of the project regarding delivery, with those projects that are less complex scoring more highly as these will be most able to meet the funding draw down profile required by Government. (Score 0 to 5).

Project Cost

Projects that are of a lower cost score higher, as prioritising these projects will allow a greater number of overall projects to be pursued within the financial envelope. (Score 0 to 5).

Other Sources of Funding

Are any other sources of funding available to deliver this project? If there are other sources of funding available, the project is scored lower. If there are not, the project is scored higher as UKSPF funding is the only chance that the project has of getting delivered. (Score 0 to 5).

- 2.3. Project scores were then totalled and a ranked list from highest to lowest score, of projects was drawn up. Those projects, from highest score downward, that then fell within the overall Tandridge UKSPF funding envelope, formed the short list to be considered in more detail. This shortlist was further pared back to the projects that officers recommend are funded now, to meet the tight timescales for UKSPF funding. The final list

favoured projects that were District-wide or laid the groundwork for further consideration. Some lower-value location specific items were retained to ensure that tangible benefits were delivered in the first tranche. Items not included in Annex A will be discussed in more detail with Members, through a proposed working group. They will then return to Committee for approval. The indicative allocation for the projects in Annex A is £272k, leaving £608k to be allocated. This means that the majority of funding would be prioritised with the Committee but provides a practical starting point for meeting the grant timescales.

- 2.4. The full project list in order of highest to lowest scores forms one of the background papers to this report.

3. Project Costing & Development

- 3.1. Each prioritised programme / project that fell within the overall funding envelope was then further developed. Projects and programmes have been grouped under the following programme groupings:
 - a) Anti-Social Behaviour
 - b) Wildlife & Biodiversity
 - c) Community & Wellbeing
 - d) Facilities Improvements
 - e) Wayfinding & Signage
 - f) Open Space Reviews & Considerations
- 3.2. The overall funding envelope to spend on project delivery is £880,000 with £120,000 being allocated to project resourcing, management, administration and monitoring. The short-listed projects have been grouped under the above listed themes and are presented in Annex A.
- 3.3. The majority of the project sites were visited by Coast to Capital and individual project detailed pro-formas have been prepared. Also the shortlisted projects have been subject to detailed costing and a suite of project cost workbooks have been prepared to allow benchmarking and checking of contractors quotations, to ensure value for money. The workbooks will also serve as a future costing tool to aid the Council in estimating open space schemes.
- 3.4. A number of the projects have zero cost allocated to them. This is because these activities are funded from elsewhere within the Council's budgets and therefore did not need a specific UKSPF allocation. However, they have still been left in the long-list to highlight their importance and high scores.
- 3.5. Several the projects are aimed at improving the performance of Council assets and, where appropriate, driving fair and reasonable commercial income from these following specific reviews.
- 3.6. Also, several projects renew and / or refurbish assets such as play equipment or public conveniences. Many projects will also enhance the

environmental performance and biodiversity of our parks and open space assets.

- 3.7. During the delivery phase of projects, work will be undertaken in parks and open spaces, where children are often present. Appropriate safeguarding procedures for the vetting of contractors and organisations employed by the Council will be undertaken prior to them being commissioned.
- 3.8. Parks and open spaces will remain open during the works phase of projects, but local isolation of work areas will be undertaken to ensure high standards of health and safety as works are carried out. Full risk assessments and methods statements will be obtained and vetted prior to works being commenced including detailed health and safety planning.
- 3.9. Anything funded by the project will come with a plan for ongoing financial sustainability.

4. Funding Allocation to each Project

- 4.1. The funding allocation for each project is either based upon a direct costing, where the project forms a unique scheme, or on a unit rate basis, where it forms a programme, e.g. community orchard planting across the district. The detailed costing for each project and programme correlates well to the original UKSPF funding submission to Government, although that was not at the level of detail that is now available. There are also a few instances where there is some degree of crossover between existing budgets and identified project activities.
- 4.2. Therefore, we recommended that delegated authority is given to the Chief Finance Officer in consultation with the working group to sign off the ultimate project and programme allocations, subject to them being within the overall UKSPF envelope and supporting and enhancing existing budgets. Allowing this flexibility will allow further refinement and scoping of individual projects.

5. Risk Assessment

- 5.1. Each project has a risk assessment included within the pro-forma itself.

6. Next Steps

- 6.1. The next step will be to commence any surveys required prior to the start of projects and then to move to the procurement and delivery phases. Further progress reports will be brought back to this Committee.

7. Consultation

- 7.1. The Tandridge Open Space Strategy was extensively consulted upon with residents and stakeholders across the District, prior to its adoption.
- 7.2. Relevant additional consultation will be undertaken during the delivery phase of individual projects as necessary.

Key implications

Comments of the Chief Finance Officer

The Tandridge UKSPF programme budget is a 'ring fenced' grant from Government, with the draw down profile detailed below. The grant is ring fenced to delivery of prioritised elements of the Tandridge Open Space Strategy.

- £1million of UKSPF awarded
 - For Y1, 10% capital, 90% revenue
 - 12% allowance for Management / Admin costs
- The original allocation to Tandridge was:

22-23	23-24	24-25
£69,267	£138,534	£792,198

- Amended allocation is now :

	22-23	23-24 (including carry forward from 22-23)	24-25
Capital Project Costs		£20,780	£79,219
Revenue Project Costs		£131,696	£648,304
Management / Admin allowance at 12%	£10,325	£45,000	£64,675

The main risk associated with this grant is not being able to demonstrate that the original outputs and outcomes promised within the submission have been delivered. This risk will be mitigated by further detailed project risk analysis prior to commencement of the delivery phase.

Costs will be managed to ensure that they do not exceed available grant funding. This may require scope changes or reprioritisation towards the end of the project to ensure that funding is used in full but not exceeded.

Comments of the Head of Legal Services

The Council is the accountable body responsible for overseeing delivery of projects and distribution of funding in accordance with corporate policies. There is a percentage of the funding allocation (4%) that may be utilised by the Council to manage and administer the programme. Monitoring and administering the grant may need a larger administration budget in the first year than in later years. This is acceptable so long as the percentage is not exceeded overall. Legal Services will need to be formally instructed for support to safeguard the Council's interests in terms of any agreements and contracts.

Corporate Implications:

Equality

At programme level, the projects within the proposed programme promote equality of access to our parks and open spaces by making them more attractive.

At the next stage of project scoping, where relevant, an equalities impact assessment will be undertaken on a per project basis, with mitigation measures forming a key part of the procurement and delivery phases.

Climate change

Many of the projects detailed within the programme improve the environmental performance of our parks and open spaces. In particular, the biodiversity improvements and wild-flower meadow planting will have significant positive impacts. Equally tree and shrub planting will have carbon sequestration benefits.

Appendices

Annex A – Proposed Tandridge UKSPF Programme – First Tranche

Background papers

Tandridge Open Space Strategy 2021 – 2025

[List of all Tandridge Open Space Strategy Projects - Scored Priority Order](#)

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