

<b>To:</b>	<b>Robin Betts, Cabinet Member for Climate Change, Regeneration and Property</b>
<b>From:</b>	<b>Jeremy Whittaker, Strategic Economic Regeneration Manager</b>
<b>Director:</b>	<b>Damian Roberts, Chief Executive</b>

## **BRIEFING NOTE: EXECUTIVE - NON-KEY DECISION**

### **UK SHARED PROSPERITY FUND (UKSPF) YEAR 3 UPDATE.**

#### **Summary of Issue:**

This report provides information about the delivery of Year 3 of the Tonbridge and Malling UKSPF Investment Plan. Whilst the majority of projects have progressed well and will spend to profile, there are a small number that will be underspent by the end of the financial year. In order to ensure that all of the UKSPF is spent on local initiatives and as little as possible is returned to Government, a detailed contingency plan has been set out which proposes the redistribution of some funding.

Information about progress on the West Kent Rural Grant Scheme (funded through the Rural England Prosperity Fund) has also been provided in this report.

#### **Recommendation:**

That the report **BE NOTED**.

That the contingency arrangements set out in this covering report under 4.2 and 4.3 **BE AGREED**

That any further minor amendments to the Investment Plan to ensure maximum spend **BE DELEGATED** to the Strategic Economic Regeneration Manager.

## **1 Background**

1.1 In April 2022, the council was provisionally allocated £1m for the period up to March 2025 to go towards projects that supported the government's Levelling Up agenda. In order to access the first year of funding for this programme, the council was required to pull together a UKSPF Investment Plan setting out how the funding would be spent. Following both internal discussion and engagement with external partner organisations and MPs, an Investment Plan was approved by Cabinet in July 2022 which addressed the three programme priorities of 'Communities and Place'; 'Local Business Investment' and 'People and Skills'. The UKSPF Investment Plan was subsequently approved by DLUHC (now MHCLG) in December 2022, with an addendum to the plan (covering the Rural England Prosperity Fund (REPF)) approved by Cabinet in November 2022 and by DEFRA in April 2023.

- 1.2 In Year 1 of the UKSPF Programme (2022/23), 76% of the budget was spent despite only receiving approval in December 2022, with the remainder carried over into Year 2 (2023/24). In Year 2, the Council was able to spend 100% of the budget (including the carry forward from Year 1), delivering a range of projects that have delivered a wide range of outputs and outcomes.
- 1.3 In the first year of the REPF (West Kent Rural Grant Scheme) Programme (2023/24), 68% of the budget was spent with the underspend carried over into Year 2 (2024/25). Whilst 100% of the funding had been allocated to projects in Year 1 by September 2023, there were delays in some projects which meant they were unable to deliver on time. As of November 2024, all Year 1 projects have now been delivered.
- 1.4 2024/25 represents the last year of both programmes, with all projects needing to be completed and all funding needing to be spent by the end of the financial year. This report provides an update on progress half way through the financial year, following a successful six-monthly return to MHCLG, and proposed next steps.

## 2. UKSPF - Year 3 Delivery (2024/25)

- 2.1 The T&M UKSPF Investment Plan sets out a wide range of projects for Year 3, which are set out in **Table 1** below:

**Table 1: Investment Plan Year 3 Programme - Projects**

Project	Description	UKSPF Funding Allocation	
		Capital	Revenue
Youth Provision	Diversions activities to reduce ASB amongst young people		£22,500
Mobile CCTV	Installation of mobile cameras to tackle ASB		£5,000
Tonbridge Town Centre Review	Funding contribution towards the plans for the regeneration of the area east of the High Street.		£20,000
Tonbridge Wayfinding	Artistic signage to improve the legibility of Tonbridge town.		£3,500
Digital Information Boards	Digital boards across the borough to improve messaging regarding community events and activities.	£80,000	
Safer Sustainable Car Parks	Replacement of existing lighting to LED in 19 of our car parks to improve safety and energy efficiency.	£100,000	
Shopfront and Vacant Unit Improvement Scheme	Grant scheme to help independent retailers, food and drink businesses, and landlords of vacant units improve their frontages and also carry out energy efficiency measures.	£55,000	

Community Development Grant Scheme	Grants of up to £5,000 to support community activities and volunteering.		£131,307
Carbon Descent Plans	Contribution towards decarbonising our leisure centres.	£75,000	
Green Business Grant Scheme	Grants of up to £5,000 to support local business to reduce their carbon footprint.	£50,000	£4,000
West Kent Business Support Programme	Support and advice service for small and micro-businesses, including networking events, seminars and mentoring.		£25,000
Carbon Literacy Training	Training opportunity for local groups to gain a greater awareness of climate change, and the climate impacts of everyday activities		£12,500
Volunteering and Enrichment Projects	Giving people furthest from the workplace the opportunity to take part in volunteering and enrichment activities.		£10,000
Life Skills Projects	Initiatives to support unemployed residents to take steps towards finding work.		£50,000
Green Retrofit Skills	Project aiming to re-skill our local workforce to meet the challenges of retrofitting our housing stock.		£60,000
<b>TOTAL</b>		<b>£360,000</b>	<b>£343,807</b>

**2024/25 Total - £703,807**

- 2.2 During the first half of 2024/25, overall progress has been solid – with just over 46% of the budget spent (around 62% of the entire programme). However, the pace of delivery on the various projects has varied quite considerable to date, with some projects fully (or nearly fully) spent, whilst other projects have yet to spend anything, even if they have made solid progress over the past 6 months. This variation across the projects is provided in **Table 2**:

**Table 2: Year 3 Position as of 30 September 2024**

Project	Description	UKSPF Funding Spend		% Spent
		Capital	Revenue	
Youth Provision	Diversions activities to reduce ASB amongst young people		£12,000	53.3%
Mobile CCTV	Installation of mobile cameras to tackle ASB		£2,320	46.4%
Tonbridge Town Centre Review	Funding contribution towards the plans for the regeneration of the area east of the High Street.		£9,134	45.7%
Tonbridge Wayfinding	Artistic signage to improve the legibility of Tonbridge town, with particular emphasis on routes between the station and the town centre.		£0	0%

Safer Sustainable Car Parks	New LED lighting in 19 car parks across the borough to improve perceptions of safety and reduce carbon footprint.		£1,800	1.8%
Digital Information Boards	Digital boards across the borough to improve messaging regarding community events and activities.	£0		0%
Shopfront and Vacant Unit Improvement Scheme	Grant scheme to help independent retailers, food and drink businesses, and landlords of vacant units improve their frontages and also carry out energy efficiency measures.	£26,001		47.3%
Community Development Grant Scheme	Grants of up to £2,000 to support community activities and volunteering.		£129,814	98.9%
Carbon Descent Plans	Capital investment to support our Leisure Centres in their journey towards Net Zero.	£0		0%
Green Business Grant Scheme	Grants of up to £5,000 to support local business to reduce their carbon footprint.	£45,057		83.4%
West Kent Business Support Programme	Support and advice service for small and micro-businesses, including networking events, seminars and mentoring.		£12,500	50%
Carbon Literacy Training	Training opportunity for local groups to gain a greater awareness of climate change, and the climate impacts of everyday activities		£0	0%
Volunteering and Enrichment Projects	Giving people furthest from the workplace the opportunity to take part in volunteering and enrichment activities.		£10,000	100%
Life Skills Projects	Initiatives to support unemployed residents to take steps towards finding work.		£47,299	94.6%
Green Retrofit Skills	Project aiming to re-skill our local workforce to meet the challenges of retrofitting our housing stock.		£20,000	33.3%
Management and Administration	Contribution towards programme management.		£8,195	
<b>TOTAL</b>			<b>£324,119</b>	<b>45.9%</b>

2.3 In terms of those projects that have so far spent 30% or less of their budget, the following updates set out an indication of progress to date:

- **Tonbridge Wayfinding:** funding has been taken out of the programme and transferred over to the Business Rates Retention Pilot Programme

due to delays in discussions with Network Rail. This project is still ongoing.

- **Safer Sustainable Car Parks:** the tender process for acquiring the LED lanterns has been completed and a preferred supplier chosen for the upgrades to lighting in 19 of our car parks. A Purchase Order of around £73,000 has now been placed. These improvements are scheduled to be implemented in January 2025
- **Digital Information Boards:** there has been recent momentum with this project, however timescales are now extremely tight. In addition, following soft market testing undertaken in partnership with the Mid Kent Procurement Partnership, it appears that a capital allocation is not necessary in order to delivery external boards. In order to allow sufficient time to secure permissions and to negotiate with a preferred supplier, it is proposed that funding for external boards is removed from the UKSPF Programme.
- **Carbon Descent Plans:** a considerable amount of work has been undertaken already on the Carbon Descent Plans for our Leisure Centres, and whilst there has not been any capital spend to date, work is currently on site at Larkfield Leisure Centre and should be spent well before the end of the financial year. The full extent of the roof insulation works (ahead of the new PV installation) is £123,000.
- **Carbon Literacy Training:** a grant scheme was set up earlier in the financial year giving community and voluntary sector groups and small businesses financial support to attend carbon literacy training. Whilst it received some interest, it was not as much as expected and only a small handful of applications were received. As such a slightly different approach is now being taken with paid-for courses being made available for people to attend. This scheme is therefore likely to be underspent.

### 3. Match-funding and Achievements

- 3.1 In total, the programme has attracted over £560,000 of public and private match-funding (over £260,000 in Year 3) up to the end of September 2024, the majority of which has come from the various grant schemes and the Tonbridge Town Centre Review work.
- 3.2 Achievements during the course of the programme up to the end of September 2024 include:
  - Over **1,100** young people engaged (Youth Provision)
  - Over **200** T&M businesses participating, with **32** accessing mentoring and **10** being awarded micro-grants (WK Business Support Programme)
  - **107** organisations/businesses receiving grants (across all grant programmes)
  - **100** socially excluded people accessing digital support (Digital Inclusion Project)

- **54** socially excluded people accessing support (Life Skills and Volunteering and Enrichment Projects)
- **25** Shopfront projects completed (Shopfront and Vacant Unit Scheme)
- **22** T&M residents/businesses enrolled on retrofit courses (Green Retrofit Scheme)
- **8** neighbourhood improvements undertaken (Mobile CCTV)
- **2** vacant units brought back into use (Shopfront and Vacant Unit Scheme)
- **3** feasibility studies completed (Tonbridge TC Review)

3.3 In addition to internal Project Leads meetings, which have taken place on a bi-monthly basis, a Local Group comprising key partner organisations (which is a requirement of the UKSPF funding) has met on a 4/5-monthly basis. As well as TMBC, this group has membership from the DWP, KCC, Tonbridge Town Team, Kent Community Foundation, Clarion Futures, Mid Kent College, North Kent College, RBLI and the West Kent Partnership.

#### 4. Contingency Plans:

4.1 As things stand, the projects most at risk of non-delivery are set out in **Table 3**. MHCLG has a relatively flexible, light-touch approach to changes to individual investment plan programmes, and as such the level of changes that should be needed to ensure that all the UKSPF funding is spent within the financial year falls way below their thresholds for seeking their permission (movement of 30% or more of the total programme allocation from one priority to another).

**Table 3: Project Risk and Mitigation**

Project	Foreseen Issue	Risk – Likelihood x Impact	Potential Mitigation
<b>CAPITAL</b>			
Digital Information Boards (£80,000)	Project wasn't delivered at all in Year 2 and has been transferred over to a new project lead, who has been progressing at pace. However, it is unlikely the project will be delivered within this financial year.	4x4 = 16	If capital underspend, then this could be reallocated to one or some of the existing capital projects in the UKSPF Programme.
Safer Sustainable Car Parks (£100,000)	The lanterns that have been ordered are not delivered in a timely manner, causing delays.	2x4 = 8	This project is well-advanced with the procurement for the purchase of the lanterns completing in September 2024, as such it would

			need to be a substantial delay to cause issues. The procurement for the installation of the LED lanterns (c.£25,000) will be completed by end of November 2024.
<b>REVENUE</b>			
Green Retrofit Skills (£60,000)	Potential underspend arising from take up of training opportunities being lower than originally forecast or cheaper to run courses proving more popular.	3x2 = 6	Any underspend will contribute towards the final payment for the 'Digital Inclusion' project which was part funded by UKSPF in Year 2 and is currently being funded by Business Rates Retention Pilot Reserve funding in 2024/25 and/or into 'Management and Administration'
Carbon Literacy Training	Take up of training continues to be challenging and the project underspends.	4x1 = 4	Any underspend will go towards 'Management and Administration'
Tonbridge Wayfinding	Non-delivery within the UKSPF timescales.	4x1 = 4	A very small revenue allocation in Year 3 which will go towards Management and Administration

- 4.2 In terms of a contingency plan, the two tables below (Tables 4 and 5) set out the detail with regards both the capital and revenue allocations. Table 4 sets out how **£64,000** from the Digital Information Boards project is proposed to be redistributed to three other existing UKSPF projects – Safer Sustainable Car Parks (additional £9,000); Carbon Descent Plans (additional £48,000) and Shopfront Improvement Grant Scheme (additional £7,000).

**Table 4: Contingency Plan for Capital Spend:**

Project	Existing Allocation	Plan B Contingency	Comments
Safer Sustainable Car Parks	<b>£100,000</b> (spent £3,800 to date)	<b>£109,000</b>	£9,000 for heritage lanterns. May class this additional allocation as a separate project.
Digital Information Boards	<b>£80,000</b> (spent £0 to date)	<b>£16,000</b>	
Carbon Descent Plans	<b>£75,000</b> (spent £0 to date)	<b>£123,000</b>	Full cost of the insulation works to Larkfield Leisure Centre.

Shopfront Improvement Grant Scheme	<b>£55,000</b> (spent £31,000 to date)	<b>£62,000</b>	Grant offers totalling £73,000 have been made, so could be used as flex.
<b>TOTAL</b>	<b>£310,000</b>	<b>£310,000</b>	

- 4.3 Table 5 sets out how £7,500 from the Carbon Literacy Training Project; £32,500 from the Green Retrofit Scheme and £3,500 from the Wayfinding Project (totalling **£43,500**) are proposed to be redistributed to the Digital Inclusion Project (additional £15,000) and Management and Administration (additional £28,500).

**Table 5: Contingency plan for Revenue Spend:**

Project	Existing Allocation	Plan B Contingency	Comments
Tonbridge Wayfinding	<b>£3,500</b> (spent £0 to date)	<b>£0</b>	Will go into Management and Administration
Carbon Literacy Training	<b>£12,500</b> (committed £2,775 to date)	<b>£5,000</b>	
Green Retrofit	<b>£60,000</b> (spent £20,000 to date)	<b>£27,500</b>	If spend is higher, then could reduce Digital Inclusion pot.
Digital Inclusion	<b>£0</b> (spent £0 to date)	<b>£15,000</b>	Currently this is covered by BRRP (and previously UKSPF in Year 2) but more can be transferred over to UKSPF.
Management and Administration	<b>£11,500</b> (spent £11,500 to date)	<b>£40,000</b>	Maximum allocation is £40,000 (4%)
<b>TOTAL</b>	<b>£87,500</b>	<b>£87,500</b>	

## 5. West Kent Rural Grant Scheme Update

- 5.1 The West Kent Rural Grants is funded through the Rural England Prosperity Fund as an addendum to the UKSPF Investment Plan. A total funding allocation of £447,450 was awarded to Tonbridge and Malling for a two-year period (25% in 2023/24 and 75% in 2024/25) in May 2023.
- 5.2 In July 2023, the scheme opened for applications, with rural communities and businesses eligible to apply for capital grants of up to £24,999.
- 5.3 As of November 2024, 104.2% of the Tonbridge and Malling allocation had been awarded by the grants panel (which includes the Cabinet Member for Climate Change, Regeneration and Property, along with other West Kent Councillors and rural business representatives). The scheme has now closed for applications.



5.4 Of the 39 projects that have been awarded funding to date, 18 have completed their project, 2 have aborted and the remaining have until 01 March 2025 to complete. 47.3% (£211,672) of the total allocation has been spent (with payments made on completion of the project and receipted invoices, bank statements and photos supplied).

5.5 Work is ongoing to ensure the remaining projects deliver in a timely manner, with regular correspondence and meetings taking place. On the evidence from these discussions, it is estimated that over £300,000 will have been spent by the end of the calendar year, with the remaining projects having a final couple of months to complete thereafter.

## **6 Legal Advice**

6.1 The matters set out in this briefing note are considered routine or uncontroversial and a legal opinion has not been sought.

## **7 Financial and Value for Money implications**

7.1 There are limited financial and value for money implications for the council as the report relates to existing external funding. However, the use of UKSPF funding to support corporate priority projects has a positive impact on Council budgets.

## **8 Risk Assessment**

8.1 The recommendations in this report will mitigate against the risk of underspending on the Tonbridge and Malling UKSPF Investment Plan, and ensuring delivery of key council priorities.

## **9 Public Sector Equality Duty**

9.1 In delivering this programme, the Accountable Body will ensure that there is due regard to the need to achieve the objectives set out under s149 of the Equality Act 2021.

## **10 Consideration by Overview and Scrutiny**

10.1 We do not consider that this matter needs to be considered by O&S/SSC before a decision is made.

10.2 It is not a key decision as it simply provides further information on a programme that was previously approved by Cabinet in July 2022, and builds upon a Cabinet Member approval in June 2024 relating to contingency planning in Year 3. It has limited impact on the overall budget, and the decision does not cut across 2 or more portfolios nor does it propose a new or amended strategy. We are therefore of the view that this decision can be taken by the Cabinet Member.

## **11 Communications**

11.1 As the programme progresses, there continue to be a number of opportunities to communicate the benefits of the programme through our website and social

media activity, as well as internally through staffnet, promoting the role of the Council and Government.

## **12 Conclusion**

- 12.1 The UKSPF Programme has now been running since late 2022 and has supported the delivery of a number of positive socio-economic projects in the borough. The contingency measures in this report will ensure that any underspend in the current projects is re-allocated in a way that ensures the funding is retained in the borough and used to support projects that benefit the local community and/or businesses.

## **13 Annexes**

- 13.1 None