

DECISION OF: COUNCILLOR MARK CANNIFORD. THE EXECUTIVE MEMBER FOR SPATIAL PLANNING, PLACEMAKING AND ECONOMY

WITH ADVICE FROM: THE DIRECTOR OF HEALTHY AND SUSTAINABLE COMMUNITIES, HEAD OF SUSTAINABLE PLACES, HEAD OF ECONOMY, AND UKSPF PROGRAMME MANAGER

DECISION NO: 24/25 DN 2

SUBJECT: UK SHARED PROSPERITY FUND 2025/26 ALLOCATION AND BUDGET

KEY DECISION: NO

REASON: The proposal's key decision value has already received Executive approval via the [Budget Monitor 2024/25 Month 6 update considered on December 4, 2024.](#)

BACKGROUND:

Introduction and initial round of funding

UKSPF was introduced by the Ministry of Housing, Communities, and Local Government (MHCLG)¹ to replace European structural funding. £2.6 billion was allocated across the UK to fund local regeneration, employment, and skills over a three-year period (April 2022 – April 2025).

UKSPF focuses on delivery of activities which support three investment priorities:

- Community and Place
- Supporting Local Business
- People and Skills

North Somerset's allocation of core UKSPF for the first three years was £2,516,852. A further allocation of £442,616 was allocated for delivery of the Rural England Prosperity Fund (REPF), focussing on productivity in rural areas.

Delivery of the programme has been overseen by the Economy Team (through the UKSPF Programme Manager), with individual projects delivered both internally and externally.

Additional year of funding

¹ At the time named the Department for Levelling Up, Housing and Communities (DLUHC).

As part of the Autumn Budget Statement on 30 October 2024, an announcement was made that there would be £900 million made available nationally to deliver an additional year of UKSPF (April 2025 to April 2026). This extension year is seen as transitional to tide local authorities over in advance of wider reforms to local growth funding.

Local allocations for the extension were announced on 13 December 2024. North Somerset's allocation is **£823,378** (which represents a cut of 48.5% compared with 2024/25).

The announcement of local allocations was also accompanied by updated technical guidance which confirmed that additional funding for local numeracy skills (Multiply) will not be continued, and that a decision on the Rural England Prosperity Fund is still to be made.

DECISION:

1. Gross up the council's expenditure and income values within the revenue budget for 2025/26 by £668,378 to reflect the new grant income and associated expenditure – **this amount supersedes that set aside in the [December 4 Executive paper](#).**
2. Increase the council's capital budget for 2025/26 by £155,000 to reflect the grant - **this amount supersedes that set aside in the [December 4 Executive paper](#).**
3. To approve spend of the grant as set out in this decision.

REASONS:

1. MHCLG has allocated a grant to North Somerset Council of £823,378 to spend on UKSPF projects in the 2025/26 Financial Year. A minimum of £152,022 of this expenditure must be capital.
2. On December 4, 2024, the Executive approved receipt of the 2025/26 grant (when allocated), revenue expenditure of up to £1,272,358, and capital expenditure of up to £328,164.
3. The value of proposed revenue and capital expenditure in this paper is within the limits approved by Executive and within the thresholds for an Executive Member Decision.
4. It is important to commence or continue delivery of UKSPF projects as soon as possible from April 2025, in order to avoid gaps in local provision and losing staff. This means that timely sign-off of a budget is important.

OPTIONS CONSIDERED:

1. **A revised and alternative allocation amount** – rejected as our allocation is fixed as per the published allocations and MHCLG Grant Determination Letter.
2. **Significantly revised and alternative project allocations** – rejected as the proposed allocations have been based on learning from the existing programme and consultation with relevant project managers, senior leaders, and Executive Members. They have also been designed in light of the fact this funding is only for an additional one year of the programme, which does not make it conducive to a radical overhaul.

FINANCIAL IMPLICATIONS:

Allowance will be made in the council's revenue expenditure and income budget of £668,378 and capital budget of £155,000 for Financial Year 2025/26. The net impact is 0.

Costs

The costs relating to this decision are both revenue and capital and will be spent during Financial Year 2025/26. A summary of the expenditure is as follows:

1. Individual project costs - £481,163.47
2. Core delivery staffing costs (including comms support) - £306,778.12
3. M&A costs (programme manager) and contingency - £35,436.41

The breakdown of expenditure is laid out in the below tables. A more detailed summary of individual projects can be found in Appendix 1.

All references to revenue cost centres reflect the current Place Directorate designations. These will change with UKSPF's movement into the Public Health Directorate from April 1, 2025, but the types of revenue cost centres will remain unchanged (i.e. one for management and administration, one for Community and Place, one for Supporting Local Business, and one for People and Skills).

Capital cost centres will remain unchanged.

Cost Line	Type	Revenue Budget	Capital Budget	Cost Coding
UKSPF Programme Manager (0.5 FTE 12 months)	Staffing	£30,785		DDM050
Contingency pot	Contingency	£4,651		DDM050
Opportunity North Somerset Employment Hub (5x 1 FTE for 12 months)	Staffing	£218,415		DDM051
Women returners employment support	Contract	£30,000		DDM051
SEND employment support	Contract	£80,000		DDM051
Business Support Unlocked	Contract	£100,000		DDM052
Green Business Grants scheme	Grants	£15,000	£150,000	KDP725
	Staffing Carbon surveys		£5,000	DDM052
Community support project	Staffing Projects	£28,837 £91,163		DDM053
Park Ranger project (1 FTE for 9 months) ²	Staffing Materials	£29,899 £15,000		DDM053
UKSPF Comms Officer (0.4 FTE for 12 months) ³	Staffing	£24,628		DDM051 DDM052 DDM053
TOTAL GRANT ALLOCATION		£668,378	£155,000	

² First three months of 2025/26 covered by carried-over Health and Wellbeing Strategy funding

³ Shared across all projects so split 1/3 each over three cost centres.

Funding

The funding will be taken from North Somerset Council's 2025/26 UKSPF allocation, due to be received early in that year. The funding will be budgeted within Public Health equivalents the following revenue cost centres (capital cost centres will remain unchanged):

- Management and Administration expenditure and contingency – **DDM050**
- People and Skills revenue expenditure – **DDM051**
- Supporting Local Business revenue expenditure – **DDM052**
- Supporting Local Business capital expenditure – **KDP725**
- Community and Place revenue expenditure – **DDM053**
- Community and Place capital expenditure – **KDP726**

Asset Register

At the end of the year, any spend will be assessed and analysed into Revenue Expenditure Financed by Capital Under Statute (REFCUS) spend (not added to the council's asset register), and any spend on NSC-owned assets will be assessed for useful life and added to the asset register.

LEGAL POWERS AND IMPLICATIONS

Any commissioning, procurement, or allocation of funding will be delivered in line with UKSPF, statutory, and legal requirements.

Approvals of this budget are in accordance with financial regulations.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

A net zero thread is expected to run throughout UKSPF, with interventions taking account of their impact on climate change and the environment. Some proposed projects for 2025/26 are designed to have an explicit positive climate and environmental impact in the district:

- **Green Business Grants** – carbon surveys to allow businesses to identify existing energy use and carbon emissions, and plan decarbonisation works. Grants provided to enable decarbonisation and installation of energy efficiency measures, thus reducing CO2e emissions.
- **Parks and Countryside Ranger** – improvement of local green spaces, including wildlife restoration and biodiversity, helping to address nature recovery objectives.

Where projects are less explicitly impacting the climate and environment, efforts are still made to ensure they adhere to the council's greener vision and net zero strategic objectives. For example, Business Support Unlocked includes courses on being a more sustainable business, and employment projects will include options around green skills provision.

In line with procurement standards, tenders for commissioned projects will be expected to demonstrate a commitment to facilitating the council's climate ambitions in their work.

CONSULTATION

Planning and consultation on the proposals has included:

- Initial review of the current programme and what has worked.

- Consultation and submission of project proposals from officers.
- Initial consultation of elected members to invite project ideas.
- Options analysis of all viable proposals.
- Further briefings with elected members and officers to refine proposals.
- Briefing for CLT/Exec on the proposals, which were approved.

The limited timescales for approval of a proposal (and subsequent project mobilisation) to enable a smooth transition into the extension year means that consultation was limited to internal parties.

Where external provision has been cut, discussions will be had with providers to maintain relationships.

PROCUREMENT

All procurements undertaken in order to deliver the projects set out in this budget will be in line with Contract Standing Orders and legal requirements. Pre-procurement engagement forms will be completed.

RISK MANAGEMENT

Risk	Inherent risk score	Residual likelihood	Residual impact	Residual risk score	Mitigations
Risk of reducing programme impact through loss of certain specialist provision	HIGH	3	3	MED	<p>There is inevitable reduced impact from a smaller programme, and loss of impact in certain areas through cuts to specific provision (e.g. those with substance abuse issues and those in-work looking to upskill).</p> <p>However, we have designed the programme to save what elements we can (e.g. maintaining one support cohort for women returners) and in-house what we can to save provision and maintain impact.</p> <p>We have also taken learning from the previous programme to amalgamate smaller pieces of work into larger, more impactful projects. This will offset some of the impact losses as a result of the funding limitations.</p>

<p>Risk to long-term project sustainability if a funding gap emerges post-programme</p>	<p>HIGH</p>	<p>3</p>	<p>4</p>	<p>MEDHIGH</p>	<p>In difficult local government financial circumstances, this remains a risk. However, the UKSPF extension has been billed by central government as a transition year in advance of wider growth-funding reform (including longer-term settlements), meaning a replacement for UKSPF funding could be made available.</p> <p>There is potential that some S106 funding could be used to continue some elements of provision in the event of no additional funding.</p>
<p>Risk of damaging relationships with providers for whom we are cutting provision</p>	<p>MED</p>	<p>2</p>	<p>2</p>	<p>LOWMED</p>	<p>We have laid the groundwork with existing providers to explain the depth of funding cuts we are receiving and that difficult choices will thus have to be made. This (legitimate) explanation will continue to be our line.</p> <p>Plans have also been put in place to discuss the cuts with providers at an appropriate level (e.g. Chief Executive in some cases) to help smooth things over.</p> <p>Where there is greater relationship risk with the provider of one particular project, we intend to continue funding them to provide a different UKSPF project, which should ease how much the cut affects them.</p>
<p>Risk to programme and council optics if expectations are not managed and outcomes not well communicated</p>	<p>MED</p>	<p>2</p>	<p>2</p>	<p>LOWMED</p>	<p>UKSPF Comms Officer will continue in post, focussing on anticipation, exploitation and mitigation of programme comms opportunities and risks.</p> <p>There will be a particular focus on promoting 'good news' and reaching as wide an audience as possible.</p>

Risk to delivery impact and outcomes if provision is unintentionally duplicated	LOWMED	1	1	LOW	As part of project planning, relevant consultation was held to ensure projects are addressing need and are not duplicating provision (unless it is to provide a version of existing regional provision more tailored to the North Somerset area).
Risk to project delivery and finances to spend allocation in-year.	MED	1	3	LOW	Allocation is smaller than 2024/25 (which we expect to fully spend) and a large proportion will go into existing provision with predictable expenditure. Programme management oversight will track and forecast expenditure to ensure risk of underspend is identified early. Non-UKSPF-funded staff time is normally given to the programme and can provide a sink for unspent revenue at year-end.
Delivery and reputational risk from not approving budget	MEDHIGH	1	5	LOWMED	A large amount member and officer engagement and options analysis has been done to allow concerns to be addressed without affecting ultimate approval of the budget.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? **Yes**

UKSPF is designed to support some of the most disadvantaged residents in North Somerset, some of whom fall into a protected group. Although a targeted programme, it is open to all who need the type of support offered, so no-one can be excluded on any equalities criteria. We anticipate that the plan will provide specific positive benefits to those who participate, but particularly for those who are disabled, women returning to work after a period of childcare, people on a low income, and young people (including those who have experience of care).

Projects will be actively promoted via partners and other stakeholders to priority groups and those with protected characteristics where relevant.

Please see the EIA on the next page.

	H	M	L	N	+	=	-
Disabled people		x			x		
People from different ethnic groups			x		x		
Men or women (including those who are pregnant or on maternity leave)		x			x		
Lesbian, gay or bisexual people				x		x	
People on a low income		x			x		
People in particular age groups		x			x		
People in particular faith groups				x		x	
People who are married or in a civil partnership				x		x	
Transgender people				x		x	
Other specific impacts, for example: carers, parents, impact on health and wellbeing, Armed Forces Community etc.							
Please specify: Care-experienced young people; health and wellbeing impacts		x			x		

CORPORATE IMPLICATIONS

UKSPF objectives and the proposed projects support the delivery of corporate strategic priorities, including:

- Enable the continued revitalisation of our towns and villages, making North Somerset a great place to live, trade well, work, and visit.
- Strengthen our collaboration and co-production with Town and Parish Councils, the voluntary sector, and the community sector to ensure we work well together and benefit our residents.
- Strengthen our strategic partnerships to get the best deal for North Somerset, our residents, and our communities.
- Protect our natural environment and encourage biodiversity.
- Enable our residents to have good access to open spaces and the natural environment.
- Support our residents to have access to, and the skills for, good quality jobs that provide a decent income.
- Deliver the Climate Emergency Strategy and Action Plan, and progress towards net zero by 2030.
- Participation of young people in education, employment, and training.
- Support our care-experienced young people to have equality of opportunity.
- Residents have access to the skills for good quality jobs that provide a decent income.

- SEND transformation objectives.

It is recognised that additional corporate services are needed to effectively deliver the programme:

Communications: A dedicated 0.4 FTE UKSPF Communications Officer is budgeted as part of the 2025/26 allocation, in order to promote the programme and individual projects.

Finance: Support is in place to monitor expenditure and provide budgetary advice. Monthly catchups are held between the UKSPF Programme Manager and Place finance colleagues.

Procurement: Procurement advice is sought whenever required for UKSPF procurement exercises to ensure best practice and compliance with statutory guidance.

Legal: Legal advice is sought as required.

People: Advice is sought from People Services as required.

Governance: Advice and support on briefings and UKSPF decisions is sought from relevant officers as required.

APPENDICES

Appendix 1 – breakdown of 2025/26 projects


BACKGROUND PAPERS

[UKSPF Investment Plan \(2022-2025\) – 22/23 DP 175](#)

[UKSPF 2024/25 \(Year 3\) Budget](#)

SIGNATORIES:

DECISION MADE(S):

Signed:  Executive Member for Spatial Planning,
Placemaking and Economy.

Date: 22 January 2025

WITH ADVICE FROM:

Signed:  Director of Healthy and Sustainable Communities

Date: 22 January 2025

APPENDIX 1 – BREAKDOWN OF 2025/26 PROJECTS

Community and Place

Name of Project	Description	Estimated outcomes	Links to corporate strategies	Budget
TBC	<ul style="list-style-type: none"> • Support for T&PCs to address gaps in capacity, training needs, access to systems, common reporting structures etc. • Training and support to create local ‘anchor organisations’ to work on a more granular level with the VCSE sector in future. • Parks and Countryside Ranger working with local volunteer groups and T&PCs to improve and maintain local green spaces. 	<p>M2 green space improved (amount TBC)</p> <p>Organisations receiving non-financial support e.g. training, capacity support, systems access etc. (amount TBC)</p> <p>Improved local engagement of volunteer groups and organisations (amount TBC)</p> <p>Improved perception of local green spaces (amount TBC)</p>	<ul style="list-style-type: none"> • Enable the continued revitalisation of our towns and villages, making North Somerset a great place to live, trade well, work, and visit. • Strengthen our collaboration and co-production with Town and Parish Councils, the voluntary sector, and the community sector to ensure we work well together for the benefits of our residents. • Strengthen our strategic partnerships to get the best deal for North Somerset, our residents, and our communities. • Protect our natural environment and encourage biodiversity. • Enable our residents to have good access to open spaces and the natural environment. • Green Infrastructure Strategy – engage and empower local groups to be active partners in delivery of the Action Plan. • Green Infrastructure Strategy – create and maintain sustainable places. <p><i>The work will also align with the emerging VCSE Sector Strategy.</i></p>	<p>£164,899 (staffing, training, and materials costs)</p>

Supporting Local Business

Name of Project	Description	Estimated outcomes	Links to corporate strategies	Budget
Business Support Unlocked	<ul style="list-style-type: none"> • Universal business support programme. • Access to support for any North Somerset resident or business. • Focus on start-up and early growth. • Delivering new enterprises, business resilience, job creation, and improved productivity. 	<p>Support ~250 businesses</p> <p>Support ~300 potential entrepreneurs</p> <p>Create ~50 new businesses</p> <p>Create ~83 FTE new jobs</p> <p>Increase productivity / sustainability of ~ 130 businesses</p>	<ul style="list-style-type: none"> • Support our residents to have access to and the skills for good quality jobs that provide a decent income. • Enable the continued revitalisation of our towns and villages • Health and Wellbeing Strategy - supporting employability and residents accessing good quality work. • Business growth can lead to increased income for NSC through our tax base - MTFP pressures. • Weston Placemaking Strategy - good quality and demand-led support will be needed for the inception, change and growth of business activity in the town. 	<p>£100,000 (contractual amount)</p>
Green Business Grants	<ul style="list-style-type: none"> • Decarbonisation surveys and small grants programme. • Available for any existing business or new inward investment/occupancy. • Focused on reducing energy/ running costs and decarbonisation. • Pipeline already exists – lots of retailers interested. 	<p>Support <20 businesses with surveys and grants (dependant on grant amounts and match)</p> <p>CO2e reductions (amount depends on applications)</p> <p>Energy cost savings for businesses (amount depends on applications)</p>	<ul style="list-style-type: none"> • Deliver the Climate Emergency Strategy and action plan and progress towards net zero by 2030. • Enable the continued revitalisation of our towns and villages, making North Somerset a great place to live, trade well, work and visit. • Weston Placemaking Strategy: ‘good quality and demand-led support will be needed for the inception, change and growth of business activity in the town.’ 	<p>£170,000 (grants, surveys, and staffing contribution)</p>

People and Skills

Name of Project	Description	Estimated outcomes	Links to corporate strategies	Budget
Opportunity North Somerset Employment and Skills Hub	<ul style="list-style-type: none"> • One front door access to back-to work-support for North Somerset residents. • Fills the gaps not met by JCP or other commissioned provision • Focus on NEET, women returners, SEND, and people furthest from the labour market. • Primarily in-house delivery with some specialist provision delivered externally. 	<p>Provide ~335 1:1 employment interventions</p> <p>~195 people with reduced barriers to employment</p> <p>~198 people job searching</p> <p>~50 people in employment</p> <p>~100 people in education or training</p> <p>~75 people gaining a qualification or completing a course</p>	<ul style="list-style-type: none"> • Participation of young people in education, employment and training. • Support our care experienced young people to have equality of opportunity. • Residents have access to the skills for good quality jobs that provide a decent income. • NSC transformation regarding SEND. • Health and Wellbeing Strategy - employability and residents accessing good quality work. • Adults Commissioning Strategy - supporting people with disabilities into paid employment. • Placemaking Strategy - in a rapidly changing economy, it is paramount that skills and employability programmes develop the workforce skills that employers require, and to support the recruitment and retention of talent in Weston. 	<p>£328,415 (frontline staffing and contracts for specialist provision)</p>