

ARGYLL AND BUTE UK SHARED PROSPERITY FUND INVESTMENT PLAN – UPDATE

1.0 HEADLINES

- 1.1 The purpose of this paper is to provide members of the Environment, Development and Infrastructure Committee with an update on the delivery of the Argyll and Bute UK Shared Prosperity Fund (UKSPF) Investment Plan.
- 1.2 As the UKSPF is a successor to the previous EU structural funds, it is viewed as a central pillar of the UK Government's Levelling Up agenda. The overarching aim of the UKSPF is to build pride in place and increase life chances across the UK.
- 1.3 The project / programme activities outlined in the Argyll and Bute UKSPF Investment Plan are all aligned to three key investment priorities communities and place; supporting local business; and people and skills, where each priority has predefined interventions, outputs and outcomes. In addition to core UKSPF monies, the investment plan includes a focus on ring-fenced 'Multiply' funding to support the delivery of an area-based adult numeracy programme. This plan was endorsed by the local MP for Argyll and Bute and approved by the Council's Policy and Resources Committee on 11th August 2022 (as agreed at the Argyll and Bute Council meeting on 30th June 2022).
- 1.4 Argyll and Bute Council received an allocation from the UKSPF of just under £4.5m. The Argyll and Bute Council UKSPF allocations to support delivery over three financial years, specifically the final three months of 2022-23 and the next two financial years, 2023-24 and 2024-25, until the end of March 2025 are outlined in **Table 1**. A list of the projects that will be funded are summarised in **Appendix 1, Tables, 1a, 1b and 1c**.
- 1.5 The Argyll and Bute UKSPF Investment Plan was submitted to the UK Government on the 12th August 2022. Approval was subject to delay, with formal notification of its approval provided on 5th December 2022. Given that activity has been limited for the first year, it has been agreed that all 2022/23 allocations can be accrued into 2023/24.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Members of the Environment, Development and Infrastructure Committee consider the content of this update.

3.0 DETAILS

Background

- 3.1 The overarching aim of the UKSPF is to build pride in place and increase life chances across the UK. This encompasses four levelling up objectives and three investment priorities.

The levelling up objectives are:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging;
- Spread opportunities and improve public services, especially in those places where they are weakest;
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost; and
- Empower local leaders and communities, especially in those places lacking local agency.

The three investment priorities are:

- Communities and place;
- Supporting local business; and
- People and skills (which includes a ring-fenced allocation for the Multiply programme.)

- 3.2 A detailed summary of the Argyll and Bute allocation is outlined in **Table 1** overleaf complete with the proposed 4% administration fee for overall fund delivery, minimum capital spend per year and the percentages of the allocation by year with the largest allocation for core UKSPF in 2024-25. As noted, due to the delay in the approval of plans across the UK, all unspent allocations for 2022/23 can now be accrued into 2023/24.

Table 1: Argyll and Bute UKSPF Allocation				
	2022/23	2023/24	2024/25	Total allocation
In-year allocations (%) Core UKSPF	12.1%	24.3%	63.6%	
Core UKSPF - Includes Admin	£451,343	£902,686	£2,365,038	£3,719,067
In-year allocations (%) Multiply	30.2%	34.9%	34.9%	
*Multiply	£234,698	£270,806	£270,806	£776,310
Total	£686,041	£1,173,492	£2,365,844	£4,495,377
4% of total: admin fee - fund delivery	£27,442	£46,940	£105,434	£179,815
In-year allocations (%) capital	10.4%	12.5%	17.9%	
Capital: minimum spend of total Core UKSPF only, not Multiply	£46,940	£112,836	£423,342	£583,117
Available allocation (exc. admin)	2022/23	2023/24	2024/25	Total allocation
Core UKSPF	£433,289	£866,579	£2,270,436	£3,570,304
Multiply	£225,310	£259,974	£259,974	£745,258

* Multiply is an adult numeracy programme, which will support people with no or low-level maths skills get back into work. Local courses currently delivered by UHI Argyll. Positive about Maths and Positive about Money (see Appendix 1, Table 1c).

N.B. Figures subject to rounding

Current Progress

- 3.3 There are 19 interventions (projects) under the Core UKSPF. All have begun planning with five started delivery. All interventions are expected to have commenced by June 2023.
- 3.4 Multiply has three interventions at present with one underway. A procurement exercise for the balance of the funding will take place in June with delivery expected to commence in August 2023.
- 3.5 Due to the late announcement of approval of the fund, spend for the 2022/23 allocation is minimal. A report has been submitted to the UK Government which includes a plan to allow the balance of the funds to be carried into 2023/24. It is unclear at the moment how long this process will take before a decision is made.

4.0 CONCLUSION

- 4.1 The purpose of this paper is to provide Committee with an update on the delivery of the Argyll and Bute UK Shared Prosperity Fund (UKSPF) Investment Plan.
- 4.2 The Argyll and Bute UKSPF Investment Plan has been developed and prepared, with all interventions to be underway by June 2023, in conjunction with internal council colleagues and local partners/stakeholders.
- 4.3 It is hoped that the activity delivered for our communities, businesses and

residents through this UKSPF allocation will help to level up opportunities and growth across with whole of Argyll and Bute.

5.0 IMPLICATIONS

- 5.1 Policy - this project aligns with the proposals set the UKSPF [full prospectus](#)
- 5.2 Financial - Argyll and Bute Council has been given an allocation of just under £4.5m from the UKSPF to be spent by the end of March 2025. This is accompanied by £20k of capacity funding to assist in the development and preparation of the investment plan and the ability to use up to 4% of the allocation per annum to fund administration support for the overall delivery of the Argyll and Bute UKSPF Investment Plan.
- 5.3 Legal - all appropriate legal implications will be taken into consideration.
- 5.4 HR - given the revenue nature of this fund, staffing requirements have been built in to deliver the predefined interventions, outputs and outcomes. A staff resource within Economic Growth has been secured and filled (through a competitive interview process) to assist in the administration, monitoring and evaluation the overall delivery of the Argyll and Bute UKSPF Investment Plan.
- 5.5 Fairer Scotland Duty - the Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented.
 - 5.5.1 Equalities - all activities will comply with all Equal Opportunities/Fairer Scotland Duty policies and obligations.
 - 5.5.2 Socio-economic Duty - all project activities will comply with the council's socio-economic duty.
 - 5.5.3 Islands - interventions under the UKSPF will be delivered across the Argyll and Bute area, including island communities.
- 5.6 Climate Change – there are a number of net zero and climate resilience interventions across all the UKSPF investment priorities.
- 5.7 Risk – if Argyll and Bute UKSPF Investment Plan monies are unable to be spent in full, the money may need to be returned. Key discussions will be undertaken with the UK Government contacts throughout the duration of the plan's delivery to ensure the allocation remains and is spent within Argyll and Bute.
- 5.8 Customer Service – None.

Kirsty Flanagan, Executive Director responsible for Development and Economic Growth

2nd May 2023

Policy Lead for Strategic Development – Councillor Robin Currie

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APPENDIX 1: TABLES 1A, 1B AND 1C

Table 1a: Proposed UK Shared Prosperity Fund (UKSPF) Project Interventions across Argyll and Bute, 2022/23 to 2024/25

Communities and Place

<u>Organisation</u>	<u>Project Intervention</u>	<u>Total Project Cost (£)</u> <u>(exc. admin)</u>
Argyll & the Isles Tourism Co-operative (AITC)	Tourism Marketing Support: design and execution of marketing campaigns to deliver increased visitor numbers, improved visitor economy and benefit local businesses. Argyll and Bute wide. (S7)	£155,000
Community Development – Argyll and Bute Council.	Community Planning Partnership Climate Change Working Group: building capacity in communities, including peer support for community organisations and funding to support community projects with a focus on climate change. Bring communities together to share best practice in community action for climate change, raise volunteer numbers and support wider influence of actions locally and across Argyll and Bute. Argyll and Bute wide. (S8)	£60,000
Community Development – Argyll and Bute Council.	Extension of Shaping Places for Wellbeing support: to take forward needs identified and improve community cohesion, place and wellbeing. Shaping Places for Wellbeing is an innovative partnership project to inform systems change to address better health and wellbeing. There is a project worker in place that, with the funds provided through this, could add value by being able to deliver community based changes to improve community and place such as: improved perception of the area; community notice boards, active travel promotion. Argyll and Bute wide. (S9)	£5,000

Projects and Regeneration – Argyll and Bute Council	Vibrant and Living Places: to support a small scale place based investment and town centre fund (possibly including shop front improvements and development of digital apps), pocket parks and green spaces including stalled spaces, and restoring historic features, heritage, arts and cultural small scale projects (including public art). Argyll and Bute wide. (S9)	£304,262
Revenue and Benefits – Argyll and Bute Council	Extension of Flexible Food Fund: providing short term grants to people struggling with the cost of living crisis, advice and skills support and referral to partners. Argyll and Bute Council is working with third sector organisations, Bute Advice Centre and the Argyll, Lomond and the Islands energy advice group (ALlenergy) to provide short-term grant funding to people who are struggling due to the cost of living crisis and increased fuel costs based on the minimum income standard with a rural uplift. Customers are offered a second grant payment if they engage with the advice services available such as benefits maximisation, budgeting skills, money and debt advice. In addition a referral is made to ALlEnergy and fuel debt relief, fuel poverty advice, behavioural change, the purchase of white goods and the provision of fuel vouchers can all be arranged. Argyll and Bute wide. (S10)	£408,000
Community Development – Argyll and Bute Council.	Community Hubs: to increase digital capacity and skills in communities, alongside community asset improvements. Development of hubs which support community organisations and volunteers to come together to share best practice, ideas and increase capacity and resilience. Argyll and Bute wide. (S12)	£81,750
Revenue and Benefits – Argyll and Bute Council	Pre-loved School Uniform project: supporting an eco-friendly re-used school uniform bank. Argyll and Bute wide. (S13)	£140,000
<u>Sub-total allocation for Communities and Place</u>		<u>£1,154,012</u>

Table 1b: Proposed UK Shared Prosperity Fund (UKSPF) Project Interventions across Argyll and Bute, 2022/23 to 2024/25

Supporting Local Businesses

<u>Organisation</u>	<u>Project Intervention</u>	<u>Total Project Cost (£)</u> <u>(exc. admin)</u>
Argyll & the Isles Tourism Co-operative (AITC)	Tourism Sector Support: improved digital infrastructure for data monitoring, evaluation & visitor bookability. Argyll and Bute wide. (S14)	£45,000
Scottish Association for Marine Science (SAMS)	<p>Scientific Robotics Academy: Based on the early success and positive feedback of the recently established and launched Seaweed Academy at the Scottish Association for Marine Science (SAMS), the potential has been identified for the creation of a similar model to be developed to create a Scientific Robotics Academy at SAMS.</p> <p>This would build on the broad range of skills and equipment developed and used at the Scottish Marine Robotics Facility (https://www.sams.ac.uk/facilities/robotics/) and which are used for various scientific research missions.</p> <p>This will address needs across the scientific research community, including environmental and climate change research, offering training and skills to a broad range of users and interested parties, as well as the development of new technology.</p> <p>The academy would have the potential to offer winter month training, suitable for researchers training to operate in harsh and remote environments. This in turn would provide benefits to the local economy by generating business in the area off-season, Argyll and Bute wide, nationally and internationally. (S15)</p>	£299,900
Highlands and Islands Enterprise (HIE)	Innovation Support Service: providing expert advice and capability reviews to help SMEs create innovation plans. Argyll and Bute wide. S16)	£100,000

InspirAlba (consortium)	Graduate Apprenticeship Opportunities in the Third Sector: pilot subsidised employment costs for social enterprises for one year (S22)	£71,154
Highlands and Islands Enterprise (HIE)	Graduate Placement Programme: providing graduate placement grants covering staff, training and travel costs. Argyll and Bute wide. (S26)	£180,000
Business Gateway – Argyll and Bute Council	Business Support Package for local SMEs: providing enhanced start-up, recovery and growth support comprising grants, specialist advice and intensive support programmes. Grants could include costs for trade fair, accreditation, training, digital development, carbon reduction, innovation, R&D, exporting, wage subsidy for new employee and graduate placements. Specialist advice topics could include HR, marketing, digital, finance, tax, PR, procurement/supply chain development, business strategy, exporting/Importing, innovation, intellectual property, net zero. Argyll and Bute wide. (S29)	£454,099
<u>Sub-total allocation for Supporting Local Businesses</u>		<u>£1,150,153</u>

Table 1c: Proposed UK Shared Prosperity Fund (UKSPF) Project Interventions across Argyll and Bute, 2022/23 to 2024/25

People and Skills

Organisation	Project Intervention	Total Project Cost (£) (exc. admin)
Live Argyll	Adult Literacy and Numeracy Programme: cohesive locally tailored support for those furthest from the labour market providing access to literacy and numeracy skills, with pathways into employability support and mentoring. Argyll and Bute wide. (S31)	£165,560
Education – Argyll and Bute Council	Expansion of the Wider Achievement Programme: for all secondary schools, providing support to assist vulnerable school leavers into employment via skills-based volunteering as part of an enhanced curriculum. Argyll and Bute wide. (S33)	£125,000
Employability – Argyll and Bute Council	Pre-Employability Support Programme Work Placements: providing individually tailored paid work placements. Argyll and Bute wide. (S33)	£402,489
Third Sector Interface (TSI) Argyll and Bute	Positive Destinations Programme: providing support for young people leaving care with no positive destination, those with a learning disability, those leaving the criminal justice system, support to boost confidence for those who have been economically inactive and support for those who require assistance in determining suitable employment or training pathways. Argyll and Bute wide. (S33)	£137,475
Employability – Argyll and Bute Council	Pre-Employability Support Programme Training: providing access to funded training courses. Argyll and Bute wide. (S35)	£97,765

InspirAlba (consortium)	Supported Employment Experience in the Third Sector: intermediate labour market support for those not in employment, offering a waged employment experience, training, and support to participant and third sector employer. Argyll and Bute wide. (S35)	£336,850
Procured UHI Argyll – 2022/23 To be procured for 2023/24 to 2024/25 Awarded Live Argyll £210,716 for Adult Numeracy Programme	Multiply interventions to be commissioned with a particular focus on courses for parents wanting to increase their numeracy skills in order to help their children, and help with their own progression (S43) and courses designed to help people use numeracy to manage their money (S49). Argyll and Bute wide.	£759,700
<u>Sub-total allocation for People and Skills</u>		£2,024,839