

South Ayrshire Council

**Report by Director of Communities and Transformation
to Cabinet
of 23 April 2024**

Subject: UK Shared Prosperity Funding (UKSPF) 2022 - 2025

1. Purpose

1.1 The purpose of this report is to provide Cabinet with an update on UK Shared Prosperity Funding 2022-2025 and to seek approval from Cabinet to progress with the revised proposals for Year3 (2024/25) of the programme.

2. Recommendation

2.1 It is recommended that the Cabinet:

- 2.1.1 approves the new Financial Reprofile for Year3 (2024/25) (Appendix 1); and**
- 2.1.2 approves UKSPF Year2 Progression Report will be presented to Service and Partnership Performance Panel in June 2024.**

3. Background

3.1 On 30 August 2022, [Cabinet](#) approved South Ayrshire Council's UKSPF Investment Plan. The plan covered four investment areas - Communities and Place, Support for Local Businesses, People and Skills and Multiply.

3.2 The total three-year investment from UKSPF is £5,048,980, which comprises of £4,177,069 core UKSPF and £871,911 ring-fenced specifically for Multiply.

Year	Core	Multiply	Total
2022/2023	£506,926	£263,601	£770,527
2023/2024	£1,013,852	£304,155	£1,318,007
2024/2025	£2,656,291	£304,155	£2,960,446
2022/2025	£4,177,069	£871,911	£5,048,980

3.3 The fund operates within the restrictions of annual allocations, with 15% of the total funding being made available in Year 1, 27% in Year 2 and 58% in Year 3. In addition to annual totals, a minimum percentage must be allocated to capital expenditure. Funding is paid annually in advance.

- 3.4 Initially, any underspend from Year 1 was not permitted to be carried forward, however in December 2022 Government announced flexibilities to carry forward monies into Year 2 of the programme.
- 3.5 Although South Ayrshire Council's Investment Plan was approved by Government in November 2022, there were challenges delivering the programme in Year 1 which resulted in reprofiling the Investment Plan. Cabinet approved proposals [Agenda Item 4d UKSPF.pdf \(south-ayrshire.gov.uk\)](#) along with the new financial reprofile that focused on community empowerment, while continuing to support employability, sectoral business support priorities and Multiply provision.
- 3.6 In Year 1 Multiply funding was significantly underspent with only £7,400 being spent from the £263,601 allocation, this was due to a delay in recruitment.
- 3.7 There was no planned spend in Year 1 against People and Skills due to ESF funding still being in place.
- 3.8 There was no spend in Year 1 against Supporting Local Businesses and Communities and Place due to challenges delivering the Investment Plan, which resulted in a reprofile.
- 3.9 Any in year reprofiling requests are made to the UK Government for approval to ensure that spending against the UKSPF is maximised.

4. Proposals

- 4.1 Officers developed new proposals for Year 3 to include any underspends from Year 2. These proposals allow the continuation of priorities set out in the Investment Plan while providing new opportunities to support local priorities including:
- Support for local businesses to increase their capability to support the International Ayr Show.
 - Support for local businesses to maximise the potential economic benefits from the 152nd Open at Royal Troon.
 - Funding for Thriving Communities and Housing to support South Ayrshire Communities Day.
 - Support for Micro Enterprise programme to support economic growth through the initiative that will assist older adults.
- 4.2 Members are asked to:
- 4.2.1 approve the new financial reprofile (Appendix 1) and new proposals set out in (Appendix 2);
- 4.2.2 approve UKSPF Year 2 Progression Report to be presented to Service and Partnerships Performance Panel in June 2024; and

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report. UKSPF Investment Plans require to comply with the assessment criteria contained within the UK Government guidance and as such there are no legal implications arising from this report

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 The reprofile and approval to make changes allows Council Officers to utilise the full UKSPF allocation during 2024/25.

7. Human Resources Implications

7.1 If this is not approved there would be an impact to temporary staff contracts across council services, including Thriving Communities and Economic Development

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There is a risk that UK Government may not approve the new proposed reprofiling and priorities, however initial discussions have taken place with Government who seem in favour of the proposals.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 The risk implications of rejecting the recommendations will impact temporary staff contracts across council service and limit the ability to deliver on a range of priorities.

9. Equalities

9.1 The proposals within this report have been assessed through the EQIA scoping process and there are no significant potential positive or negative equality impacts in agreeing the proposals, therefore an EQIA is not required.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The above recommendations relate to Priority 2 Live, Work, Learn of the council plan.

13. Results of Consultation

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Bob Pollock, Portfolio Holder for Economic Development, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Director of Communities and Transformation will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Implement the priorities in the reprofiled Investment Plan	May 2024	Assistant Director Communities
Year2 Progress Report to Service and Partnership Performance Panel	June 2024	Assistant Director Communities

Background Papers **Report to Cabinet of 30 August 2022 - [UK Shared Prosperity Fund](#)**

Report to Cabinet of 20 June 2023 - [UK Shared Prosperity Fund](#)

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Date: 11 April 2024

UKSPF YEAR 3 REPROFILE PROPOSAL

COMMUNITIES AND PLACE

Communities and Place	Anticipated Year2 Spend (23/24)				(Projected Underspend) Proposals					
	Revenue Budget	Revenue Spend	Underspend	Capital Budget	Capital Spend	Underspend	Total Underspend	Proposal for Underspend	Total	Balance
Destination SA Grants	£ 70,000.00	£ 67,570.00	-£ 2,430.00	£ -	£ -	£ -	-£ 2,430.00	Transfer to YR3 (same budget line)	£ 2,430.00	£ -
Town Centre Regeneration Fund	£ 50,000.00	£ -	-£ 50,000.00	£ -	£ -	£ -	-£ 50,000.00	Transfer to YR 3 (same budget line)	£ 50,000.00	£ -
Town Centre Monitoring	£ -	£ -	£ -	£ 42,000.00	£ 7,700.00	-£ 34,300.00	-£ 34,300.00	Transfer to YR 3 (same budget line)	£ 34,300.00	£ -
PB Community Planning Partnership	£ 50,000.00	£ 45,000.00	-£ 5,000.00	£ 40,000.00	£ -	-£ 40,000.00	-£ 45,000.00	Transfer to YR3 (Comm Fun Day/Summer Programme)	£ 45,000.00	£ -
			-£ 57,430.00			-£ 74,300.00	-£ 131,730.00		£131,730.00	

Communities and Place Year 3 (24/25) Reprofile

Communities and Place	Year 3 Revenue Budget	C/F from YR 2	Change to current YR 3 budget	Revised YR 3 budget
Destination SA Grants	£ 63,401.00	£ 2,430.00	£ -	£ 65,831.00
Town Centre Regeneration Fund	£ 50,000.00	£ 50,000.00	£ -	£ 100,000.00
Town Centre Monitoring	£ -	£ 34,300.00	£ -	£ 34,300.00
Communities Fun Day	£ -	£ 10,000.00	£ -	£ 10,000.00
Thriving Communities Programmes	£ -	£ 35,000.00	£ -	£ 35,000.00
	£ 113,401.00	£ 131,730.00	£ -	£ 245,131.00

SUPPORT FOR LOCAL BUSINESSES

Supporting Local Business	Anticipated Year2 Spend (23/24)				(Projected Underspend) Proposals					
	Revenue Budget	Revenue Spend	Underspend	Capital Budget	Capital Spend	Underspend	Total Underspend	Proposal for Underspend	Amount	Balance
Employee cost	£ 50,000.00	£ -	-£ 50,000.00	£ -	£ -	£ -	-£ 50,000.00	Transferred to Supp Local Business (Destination SA)	£ 50,000.00	£ -
Expert help	£ 60,000.00	£ 12,825.00	-£ 47,175.00	£ -	£ -	£ -	-£ 47,175.00	Transferred to Supp Local Business (Destination SA)	£ 47,175.00	£ -
Grants	£ 250,000.00	£ 64,290.00	-£ 185,710.00	£ -	£ -	£ -	-£ 185,710.00	Transferred to Supp Local Business (Destination SA)	£185,710.00	£ -
Business Support Officer x 2	£ 81,481.00	£ 66,587.00	-£ 14,894.00	£ -	£ -	£ -	-£ 14,894.00	Transferred to Supp Local Business (Destination SA)	£ 14,894.00	£ -
			-£ 297,779.00				-£ 297,779.00		£297,779.00	

Supporting Local Business Year 3 (24/25) Reprofile (managed by Economic Development)

Supporting Local Business (Economic Development)	Current Revenue Budget	C/F from YR 2	Change to current YR3 budget	Revised YR 3 budget
Employee cost - SPF Admin Assistant	£ 60,000.00	£ -	-£ 33,000.00	£ 27,000.00
Expert help	£ 70,000.00	£ -	-£ 30,000.00	£ 40,000.00
Grants (Ambition)	£ 500,000.00	£ -	-£ 200,000.00	£ 300,000.00
Business Support Officer x 2	£ 108,642.00	£ -	£ -	£ 108,642.00
Financial Support to Micro Enterprise	£ -	£ -	£ 55,000.00	£ 55,000.00
Marketing, Promo and Events	£ -	£ -	£ 20,000.00	£ 20,000.00
CWB Grants Support Programme	£ -	£ -	£ 143,000.00	£ 143,000.00
Total Year3 budget				£ 693,642.00

-£ 12,000.00

Reduction in YR3 budget

Reduction in YR3 budget

Reduction in YR3 budget

created from changes to YR3 budget

created from changes to YR3 budget

created from changes to YR3 budget

Underspend utilised within Supp Local Business (Destination SA)

Supporting Local Business Year 3 (24/25) Reprofile (managed by Destination South Ayrshire)

Supporting Local Business (DSA)	Current Revenue Budget	C/F from YR 2	Change to current YR3 budget	Revised YR 3 budget
Supporting Local Businesses (Ayr Show)	-	-	-	£ 200,000.00
Supporting Local Businesses (152nd Royal Troon)	-	-	-	£ 109,779.00
Total Year3 Budget				£ 309,779.00

created from changes to YR3 budget

created from changes to YR3 budget

MULTIPLY

Multiply	Anticipated Year2 Spend (23/24)							(Projected Underspend) Proposals		
	Revenue Budget	Revenue Spend	Underspend	Capital Budget	Capital Spend	Underspend	Total Underspend	Proposal for Underspend	Amount	Balance
Employee Costs	305,668.00	240,000.00	£ 65,668.00	£ -	£ -	£ -	£ 65,668.00	Full underspend Transfer to YR3 (same budget line)	£ 67,875.24	£ -
Sessional Staff budget resources / CPD	15,000.00	9,000.00	£ 6,000.00	£ -	£ -	£ -	£ 6,000.00			
grants for delivery	37,500.00	46,795.00	-£ 9,295.00	£ -	£ -	£ -	-£ 9,295.00			
3rd sector interface fund	40,740.00	51,507.76	-£ 10,767.76	£ -	£ -	£ -	-£ 10,767.76			
Less STEM (transfer to P&S)	46,270.00	£ -	£ 46,270.00	£ -	£ -	£ -	£ 46,270.00			
	-30,000.00	£ -	-£ 30,000.00	£ -	£ -	£ -	-£ 30,000.00	N/A	£ -	£ -
			£ 67,875.24				£ 67,875.24		£ 67,875.24	

UK Shared Prosperity Funding Year3

New Proposals

SUPPORT FOR LOCAL BUSINESSES

Continuation of Community Wealth Building Grants

Continuation of the Community and Wealth Building Grant programme. The funding under the Ayrshire Growth Deal, has now been exhausted, this will allow the programme to continue, until at least end of March 2025.

Total amount - £143,000

Financial Support to Micro Enterprise Programme

Support development of the Micro-enterprise programme. Focusing on older adults and frailty (across all of South Ayrshire) with a view to extending to other population groups.

It is proposed that the element of the work linked with Economic Development is funded through SAC Economic Development. This will take shape in the form of a local officer employed by Growbiz with expertise in the particular needs of establishing MEs.

It is proposed that the work that seeks to link nascent Micro Enterprise (MEs) to need as identified in localities (through, for example, Social Work, OTs, CLPs, etc) continues to be supported by an officer employed by Ayrshire Independent Living Network (AILN). They would also continue to undertake the outreach and promotion of MEs.

Total amount - £55,000

Support local businesses – International Ayr Show

To provide a range of support for businesses such as generators, marquees, hand washing facilities, water, fridges, signage, portaloos etc. In addition to the wider event, we would provide a local food village for local food suppliers who are not 'event ready'. They would be within a village marquee with other local food traders. There would be an application process, however we would not charge the businesses to trade at the event.

Total amount - £200,000

Support local businesses – 152nd Golf Open Royal Troon

This funding will support businesses to capitalise on the opportunity of the 152nd Open coming to Troon, officers have been liaising with the local community and the R&A.

These engagement sessions have generated a couple of key proposals to support local businesses. This includes covering the cost of signage which will direct visitors to different areas in the town, window wraps to improve the look of the town and promote local businesses, and festival lighting to support an environment of evening trading.

We will also deliver a marketing campaign to promote the local area to key audiences including locals, day visitors, volunteers, temporary employees and contractors, as well as national and international visitors. This will include printed material, press, digital content and campaigns, as well as transport and outdoor advertising. The call to action will be the Destination South Ayrshire website

Total amount - £109,779

COMMUNITIES AND PLACE

Funding to support South Ayrshire Council ‘Communities Fun Day’

This funding will support with the costs for South Ayrshire Communities fun day that is scheduled to return on 11th May 2024. The award-winning event is being planned by officers from Thriving Communities and Housing and will take place within the Riverside Sports Arena and Ayr Academy in Ayr.

The event provides an opportunity for all council services to engage with our communities, while working alongside our third sector partners and communities.

Total amount - £10,000

Thriving Communities Programme/Activity Costs:

Funding to be used to support Thriving Communities programme costs including costs during holiday periods. Programme will support local families and will benefit the local economy.

Total amount - £35,000