



Officer Decision Record – Key Decision

UK Shared Prosperity Fund

Key decisions taken by an officer are subject to the 5 day call in period from circulation to Members, and therefore the decision will be released for implementation following the call-in period and no call in being received

1. Cabinet date and copy resolution this key decision relates to

20th July 2022.

DN.30 UK SHARED PROSPERITY FUND

1. That the submission of Investment Plan for UKSPF to the Department for Levelling Up, Housing & Communities (DLUHC) be approved.
2. That authority be given to the Executive Director for Environment, Economy, and Resources, in consultation with the Leader of the Council, to take all actions necessary, including
 - 2.1 Acceptance of the grant funding award from the DLUHC.
 - 2.2 Defrayal of the grant and any ancillary activity in support of the above recommendations.
3. That the Assistant Director Law, Governance and Assets (Monitoring Officer) be delegated the responsibility to execute all documentation arising.

2. Subject and details of the matter (to include reasons for the decision)

The funding allocations for Years 2 and 3 were split to include some funds ringfenced for specific activities (business support, tourism/leisure), with the remainder being an open call to any projects within the priority areas which are appraised by an independent approval panel.

This report seeks approval to contract the delivery of business support activities which are within the ringfenced business support element of £450,000.

Local business support is currently funded through European Regional Development Fund (ERDF) and delivered by e-factor and the Greater Lincolnshire Growth Hub, led by Lincolnshire County Council (LCC). Both expressed an interest in continuing this service and were invited to submit a full application.

E-factor has submitted a full application to fund 4.5 FTE business advisors, and to continue with the successful Start-Up Academy which was launched utilising Covid-19 Additional Restrictions Grant (ARG). The team would include 1 x specialist for start-up support, 3 x general business support advisors, and 1 x 0.5 FTE specialist energy advisor who would continue the energy assessments and business support offer which has previously been delivered through the Smarter Energy NEL scheme. Within the capital element of UKSPF, there is a dedicated decarbonisation allocation, and this post would assist with promoting the scheme and assisting NELC with assessing energy saving outputs.

The full cost of this service across the two-year delivery period, including the Start-Up academy, is £447,342 with a 75% ask from UKSPF of £335,507. This intervention rate is in line with the open call strand projects.

The Greater Lincolnshire Growth Hub has also submitted a full application to deliver a programme of activities including specialist programmes, virtual events, newsletters, and marketing. The full cost of this 2-year programme is £1,820,934, and the ask from our UKSPF allocation is £193,607 but is dependent on at least 5 of the 10 Greater Lincolnshire authorities opting into the scheme to be viable.

If Local Authorities chose not to opt into the Growth Hub, we understand they will continue to receive funding through Department for Business and Trade (DBT) for a basic delivery model which would signpost enquiries to relevant support agencies and

Local Authorities. The Growth Hub has an excellent track record of delivering business support services across the wider Lincolnshire area, while giving businesses the opportunity to widen their network and we would look to support this activity. They would continue to work closely with e-factor to ensure a linked-up delivery model.

If we were to support both, the initial ring-fenced budget of £450,000 would be exceeded by £22,780 in Y2, and £54,726 in Y3, a total of £77,507. However, additional activities adding value are included which we did not budget for initially.

- Incorporating a legacy to the Smart Energy NEL project which would not have been affordable through UKSPF as a standalone project.
- Continuation of the successful NEL Start-Up Academy.

Both are consistent with the NEL Investment plan approved by government, fit within the priority areas of intervention, and align with the eligibility criteria produced for open call projects.

There are sufficient balances remaining to fund this overspend without having a negative effect on the allocation for open call bids.

External advice has been taken on Subsidy Control via our own legal team.

3. Decision being taken

1. That the Executive Director for Environment, Economy, and Resources (Now Executive Director Place and Resources), in consultation with the Leader of the Council:

- a. Award a 2-year contract to e-factor for £335,507, a 75% intervention against a total project cost of £447,342.
- b. Continue discussions with the Greater Lincolnshire Growth Hub and provide advance approval to award a 2-year contract to a maximum of £192,000 dependant on the commitment of at least 4 other Greater Lincolnshire authorities and such application being determined no later than 30th June 2023.

4. Is it an Urgent Decision? If yes, specify the reasons for urgency. Urgent decisions will require sign off by the relevant scrutiny chair(s) as not subject to call in.

No

5. Anticipated outcome(s)/benefits

The outputs and outcomes of the scheme have been determined from the list of interventions provided by government and submitted in the Investment Plan and will be monitored on a quarterly basis in line with the scheme.

6. Details of any alternative options considered and rejected by the officer when making the decision (this should be similar to original cabinet decision)

We could choose not to support either of these support activities. However, funds have been allocated to us to replace existing funding which ends in 2023 and would result in the loss of a range of value adding activities across the business sectors.

7. Background documents considered (web links to be included and copies of documents provided for publishing)

8. Does the taking of the decision include consideration of Exempt information? If yes, specify the relevant paragraph of Schedule 12A and the reasons

No

9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)

N/A

10. Monitoring Officer Comments (Monitoring Officer or nominee)

. The above decision is consistent with the will of Cabinet and is in line with the conditionality around the funding.

11. Section 151 Officer Comments (Deputy S151 Officer or nominee)

The contract for the delivery of business support activities is to be funded through both the UKSPF and private sector contribution. Any overspend arising against the originally ringfenced business support element of £450,000 will be covered by utilising the UKSPF funding allocated for open call bids.

12. Human Resource Comments (Head of People and Culture or nominee)

There are no direct HR implications

13. Risk Assessment (in accordance with the Report Writing Guide)

Business support has been provided for several years, funded through ERDF and the schemes will utilise existing staff, already carrying out these activities, so there is limited risk of not being able to provide the resource to deliver the programmes. The funding has been allocated and is paid to us in advance.

14. Has the Cabinet Tracker been updated with details of this decision?

Yes

15. Decision Maker(s):

Name: Sharon Wroot

Title: Executive Director Place and Resources

Signed: REDACTED

Dated: 09.06.23

Name: Councillor Philip Jackson

Title, Leader of the Council and Portfolio Holder for Economy, Net Zero, Skills and Housing

16. Consultation carried out with Portfolio Holder(s):

Dated: 12th June 2023

Signed: REDACTED

**17. If the decision is urgent then
consultation should be carried out
with the relevant Scrutiny
Chair/Mayor/Deputy Mayor**

Name:

Title:

Signed:

Dated:

Key Decisions are defined in the Constitution as:

A decision (whether taken collectively or individually by members) which is likely:

- (i) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates; or
- (ii) to be significant in terms of its effects on communities living or working in an area comprising two or more wards.

A decision will be considered financially significant if:

- (i) in the case of revenue expenditure, it results in the incurring of expenditure or making savings of £350,000 or greater;
- (ii) in the case of capital expenditure, the capital expenditure/savings are in excess of £350,000 or 20% of the total project cost, whichever is the greater

In determining whether a decision is significant in terms of its effect on an area comprising two or more wards, consideration shall be given to:

- (i) the number of residents/service users that will be affected in the wards concerned;
- (ii) the likely views of those affected (i.e. is the decision likely to result in substantial public interest)
- (iii) whether the decision may incur a significant social, economic or environmental risk.