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UK Shared Prosperity Fund

Stratford-on-Avon District Council
Investment Plan Development
August 2022

**LEVELLING
— UP —**

What is the UK Shared Prosperity Fund?

- A £2.6 billion funding pot, announced as part of the levelling up agenda, to be invested in communities by March 2025.
- A mix of revenue and capital funding that can be used to support a wide range of interventions to build pride in place and improve life chances.
- Investment can complement Levelling Up Fund capital projects, strategic Freeport investments or community-level Community Ownership Fund projects, as well as existing employment and skills provision.
- The fund, designed to be less bureaucratic than accessing EU funding, can be used to complement mainstream employment and skills provision, to maximise impact and simplify delivery.
- All areas of the UK receive an allocation from the Fund via a funding formula rather than a competition.
 - 70% is allocated on a per capita basis, within each region based on Local Authority population size
 - 30% of the allocation uses the same needs-based index previously used to identify UK Community Renewal Fund priority places, namely:
 - Productivity
 - Household income
 - Skills
- **Stratford-on-Avon District have been conditionally allocated £3,596,031.**

How does Stratford-on-Avon District Council (SDC) receive the conditional allocation?

- Approval of a completed Investment Plan
- This must set out how SDC as a lead authority intends to use / allocate the fund over the 3 year funding period
- The three Investment Priorities to be covered by the fund are:
 - Communities and Place
 - Supporting Local Business
 - People and Skills
- Three broad stages to development of the Investment Plan:
 - Local context - challenges and opportunities
 - Selecting outcomes and interventions
 - Delivery – Approach to delivery and governance, Expenditure and deliverables, Capability and resource

Challenges and Opportunities – Approach

SDC have undertaken a review of the challenges presented and potential opportunities available to the District in the following ways;

1. **Local Context** – The team have reviewed the strategic documents to understand the priorities currently set out in the District, however not limited to;
 - A. Council Plan
 - B. Covid Recovery Plan
 - C. State of the District 2021
 - D. Social Inclusion Statement
 - E. Stratford Local Industrial and Economic Strategy
2. **Stakeholder Engagement** – The team have undergone a comprehensive engagement to identify key challenges of its stakeholders
3. **Strategic Engagement** – The Council have engaged with Warwickshire County Council to understand what programmes or projects are currently being delivered and/or planned for the next 3 years.

Challenges - Community & Place

Responding to the Climate Emergency

This challenge is shared by all Districts and its prioritised across all strategic literature. The District will do all it can locally to contribute to national carbon reduction targets, fulfil our aim to becoming a carbon – neutral District by 2030 and support measures to adapt to the impact of climate change.

Crime Related Activities

It is recognised that the total number of recorded crimes in the year to July 2021 was 6,726 for Stratford-on-Avon District. This is a rate of 52 crimes per 1,000 people, which is the lowest rate across Warwickshire.

Whilst this is considered a positive position the District remains committed to providing support in this area and to 'design out crime'.

Rural Isolation & Community Support

Due to the rural nature of the District unique challenges are presented especially for the more vulnerable members of the community. As the District has a relatively older population (55th District in the Country), initiatives which provide improvement to health and wellbeing are considered key especially addressing rural isolation and offering improved community support and outreach to the more vulnerable and in need in the District.

Bringing People into the District

Stratford-on-Avon's economy is particularly at risk due to its reliance on the tourism & hospitality. Bringing people in the District is considered key to reinvigorating the economy.

Assets & Infrastructure

New, rural and lower economic communities in the District have indicated challenges with their community assets and infrastructure. Some of which found to be dilapidated, not fit for purposes, requiring modernisation or not currently available. The need to restore pride of place and provide key community activities which enhance physical, cultural and social ties is to be addressed.

Challenges – Supporting Local Businesses

Support Tourism

Stratford-on-Avon's economy is particularly at risk due to its reliance on the tourism industry. Tourism-related jobs are an important part of the District services sector. Resulting benefits will be realised by the hospitality sector which shared the economic pressures created by the pandemic.

Employment Rates

Stratford-on-Avon experienced the sharpest decline in employment rate pre-pandemic to Q3 2021 at 10.2% and the sharpest increase in unemployment at 1.5%, over the same period. A notable portion of this is attributed to the effect on the Hospitality and Tourism sectors by the pandemic.

Local – Barriers to Business Growth

It is widely recognised that businesses face a number of barriers to growth. These include access to finance (both the availability of finance at different stages of business growth and the management skills to access it), access to knowledge, access to skills including digital skills, and access to the property or land needed to grow.

Strategic Barriers to Growth

Currently exacerbated by the "perfect storm" (or "new norm") of fresh challenges facing businesses in the Stratford-on-Avon District (and all areas of Warwickshire for that matter). These include recovery from the pandemic, rising costs, skills shortages, and changes to international trade arrangements post-Brexit.

Challenges – People & Skills

Employment Rates

Stratford-on-Avon saw the sharpest decline in employment rates pre-pandemic to Q3 2021 at 10.2% and the sharpest increase in unemployment at 1.5%, over the same period. This is attributed to the effect on the Hospitality and Tourism sectors by the pandemic. Providing skills training to get the people back into work is considered a key challenge.

Skills Gap

The District wish to fund gaps in local skills provision to support people to progress into employment, also supplementing local adult skills provision. The most recent Coventry and Warwickshire Quarterly Economic Survey (QES) found that 70% of businesses actively engaged in recruitment are currently experiencing difficulties with the majority seeking workers of a skilled or technical nature..

Responding to Emerging & Green Industries

Supporting 'further education' initiatives and establishments in adapting to the needs of courses, its facilities and equipment which support emerging and green industries such as EV, Hydrogen or other sustainably led technologies providing a skill base cable of adapting to current and future needs and in turn providing a positive contribution to a sustainably minded carbon neutral society..

Engagement Results

Stakeholder Engagement

- High volume of Stakeholder groups have been engaged with aligned interest in the investment priorities; Community & Place, Supporting Local Business & People and Skills
- 19 interventions indicated from the stakeholders across all three Investment Priorities
- Potential investment need exceeds £7m
- An equal level of representation of interest across each investment priority was observed
- Warwickshire County Council have offered a number of programmes which align with the 'Supporting Local Business' & 'People and Skills' Investment Priorities
- Potential opportunities for working with neighbouring Councils to deliver across the investment priorities exist

Interventions

The following interventions have been selected to allocate funds across each of the priorities;

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

E2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects

E3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments

E5: Design and management of the built and landscaped environment to 'design out crime'

E7: Support for active travel enhancements in the local area

E8: Campaigns to encourage visits and exploring of local area

E9: Funding for impactful volunteering and/or social action projects

E10: Funding for local sports facilities, tournaments, teams and leagues; to bring people together

E11: Investment in capacity building and infrastructure support for local civil society and community groups

E13: Community measures to reduce the cost of living

E14: Funding to support relevant feasibility studies

E17: Funding for the development and promotion (both trade and consumer) of the visitor economy

E20: R&D grants supporting innovative produce & service development

E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development

E24: Funding for new and improvement to existing training hubs, business support offers, 'incubators' & 'accelerators' for local enterprise

E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises

E28: Export grants to support businesses to grow their overseas trading, supporting local employment

E33: Employment support for the economically inactive people

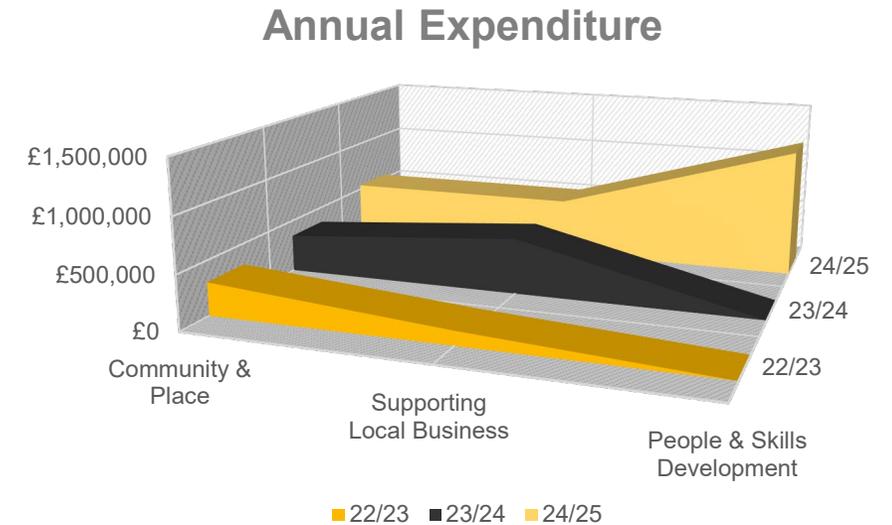
E37: Tailored support for the employed to access courses

E39: Green skills courses targeted around ensuring we have the skilled workforce

Proposed investment approach

It is proposed we split the investment pot equally, this approach is proposed because:

- The strategic context shows clear desire for all three priorities to be addressed
- There are no trends in a particular investment priority area which indicate a need to invest a greater amount in one, over another
- The Council and its partners do not have a lesser interest in one subject over another
- Each investment priority has a high volume of dependency to the other meaning what effects one area can positively affect another and vice versa



Expenditure Profile

	22/23	23/24	24/25	total
Community & Place	£305,488	£349,327	£543,852	£1,198,667
Supporting Local Business	£130,933	£523,496	£544,257	£1,198,687
People & Skills	-0	0-	£1,198,677	£1,198,677
Total	£436,422	£872,823	£2,286,786	£3,596,031

Note: The figures above have been submitted to UKSPF. Currently these figures are indicative subject to further evaluation during delivery of the fund

Next Steps

- Await feedback on the submitted Investment Plan and conditional allocation
- Formally establish a Partnership Advisory Group to oversee the delivery of the fund
- Call for projects (Annual)
- Analyse the level of impact each proposed project could realise
- Select projects which qualitatively offer the greatest level of benefit and recommend these to the SDC Cabinet
- Award funding in accordance with the competition process set out in the UKSPF prospectus
- Utilise information submitted of the unsuccessful projects to be considered for alternative funding streams

Schedule and References

- **Investment plan submission:** 1st August 2022
- **First payments expected to lead local authorities:** from October 2022
- **Funding periods:**
 - Year 1: From allocation to March 2023
 - Year 2: April 2023 to March 2024
 - Year 3: April 2024 to March 2023
- **References for more detail;**
 - the UKSPF prospectus can be found here: [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/107222/uk_spf_prospectus.pdf),
 - Full list of interventions here: [Interventions list for England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/107222/uk_spf_interventions_list_for_england.pdf)