

REPORT OF Economic Development Manager
To: Full Council
Subject: Shared Prosperity Fund investment plan review 2024/25
Date: 22nd January, 2024 **Reference:**

PURPOSE OF REPORT:

- To obtain Member approval for alterations to the Shared Prosperity Fund investment plan for 2024 – 2025.

1. INTRODUCTION

On 18th July, 2022 Full Council approved the submission of the Torridge District Council Shared Prosperity Fund investment plan to the Department for Levelling Up, Housing and Communities. This investment plan outlined high-level priorities of the £1,000,000 assigned to Torridge for the 3 year period up to March 2025.

Projects or interventions to be funded through the UKSPF are intended to deliver on the four primary Levelling Up objectives, to:

- Boost productivity, pay, jobs and living standards by growing the private sector
- Spread opportunities and improve public services
- Restore a sense of community, local pride and belonging
- Empower local leaders and communities

However, the £15.6m award from the Levelling Up Fund to the Appledore Clean Maritime Innovation Centre and a range of other work which has been undertaken or needs arising has ensured that it was important to undertake a review of the investment plan to maximise the potential impact of the funding.

2. REPORT

2022 approved investment plan

An interventions list for England was published alongside the prospectus and it is these interventions which were included within the district's investment plan for submission in 2022. This investment plan was a high-level document which outlined the challenges faced and provided an indication of the anticipated intervention themes. It provided minimal detail of projects which would be introduced to deliver those interventions, such as indicating that a business support programme would be delivered by North Devon+ and that support would be provided to the North Devon Biosphere to decarbonise the economy.

Agreed intervention themes

Communities and Place interventions	Agreed for inclusion
E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people.	Yes
E5: Design and management of the built and landscaped environment to 'design out crime'.	Yes
E6: Support for local arts, cultural, heritage and creative activities.	Yes
E7: Support for active travel enhancements in the local area.	Yes
E8: Funding for the development and promotion of wider campaigns which encourage people to visit and explore the local area.	Yes
E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.	Yes
E14: Funding to support relevant feasibility studies.	Yes

Supporting Local Businesses interventions	Agreed for inclusion
E16: Investment in open markets / improvement to town centre infrastructure.	Yes
E17: Development and promotion of the visitor economy etc.	Yes
E18: Supporting Made Smarter Adoption inc expert advice, grants and leadership training.	Yes
E19: Supporting investment in R&D at a local level, inc commercialisation of ideas.	Yes
E20: R&D grants to support innovative new product development.	Yes
E21: Development and support of appropriate innovation infrastructure.	Yes
E23: Strengthening local entrepreneurial ecosystems and supporting business growth, inc through networks.	Yes
E27: Funding to develop angel investor networks.	Yes

E29: Support decarbonisation opportunities whilst growing the local economy.	Yes
E30: Business support measures.	Yes
E31: Funding to support feasibility studies.	Yes

People and skills interventions	Proposed for inclusion?
E33: Employment support for economically inactive people.	Yes
E39: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions.	Yes

The Shared Prosperity Fund investment plan was only able to commence late in the financial year 22-23 due to delayed announcements. However, it has so far been used to progress a number of projects and roles, including;

- Rollout of the Business Boost business support and small grant programme through North Devon+ (with North Devon Council)
- Continuation of the Nature Tourism support programme, working with the North Devon UNESCO Biosphere and North Devon Council
- Support to the North Devon UNESCO Biosphere's economic decarbonisation activities, focused on the enhancement of the Natural Capital Marketplace
- The recruitment of a Cultural Development Officer to deliver the ambitions of the Northern Devon Culture Strategy
- Delivery of the Discover Bideford programme, working with the Bideford Regeneration Board
- Investment in local markets, including the eat:Bideford event on 1st April, 2023, which attracted over 5,000 visitors to the town.
- An initial Angel Investment study, working with North Devon Council and Heart of the South West LEP, to provide innovative funding routes to support entrepreneurial growth.
- Installation of CCTV cameras to support designing out crime, as well as funding a year long pilot programme for the Police to use an office in Jubilee Square, Bideford, as a visible front office.
- Creation of a Maker's Map to highlight existing manufacturing and engineering businesses in North Devon and Torridge, developed by North Devon Manufacturer's Association in coordination with North Devon Council and Petroc.

Rationale for change

The terms of the Shared Prosperity Fund enable reallocation within the investment plan without the requirement for a formal Change Request to the Department for Levelling Up, Housing and Communities if it involves moving less than 30% of the total funding allocation between investment priorities.

Since the original investment plan was approved by Full Council in July 2022 there has been a considerable amount of work undertaken by the Economic Development team as well as by the wider Northern Devon Futures grouping, including the Economy, Innovation and Skills Action Group. This has helped to shape the economic direction of the region, and the blend of public and private sector involvement has clearly highlighted both opportunities and threats which need to be addressed. This work is currently being progressed to form the basis for the next North Devon and Torridge Economic Strategy, to be presented in early 2024.

- The funding received for the Appledore Clean Maritime Innovation Centre has stimulated a wave of further interest and opportunity which this investment plan creates an opportunity to capitalise upon which could not have been included in the original investment plan which was submitted simultaneously with the Levelling Up Fund bid. However, the timing for delivery of the Appledore Clean Maritime Innovation Centre also means that some of the anticipated tasks, such as Smart Adoption grants or R&D grants, are no longer appropriate at that juncture, nor are they now appropriate to the size of the forthcoming opportunity but should be re-explored and re-appraised if there is a 2025-26 Shared Prosperity Fund investment plan opportunity.
- Town centres across the district continue to face significant challenges which the investment plan can seek to address. Significant learning has been achieved since the initial investment plan was approved in October 2022 about how the interventions can best be applied to support existing activities, and so this review provides an opportunity to support the Bideford Regeneration Strategy, the emerging Great Torrington Regeneration Strategy and also to undertake further explorations of the potential amplified economic impact of a reworked Manor Offices complex in Holsworthy.
- The Northern Devon Culture Strategy, launched in October 2022 as a result of support from the Arts Council and the designation of Torridge as an Arts Council England Levelling Up Priority, provides a route to growing our cultural sector with inter-connected economic and wellbeing gains. A Cultural Development Officer has already been recruited through the Shared Prosperity Fund to drive this work.
- The Levelling Up Partnership. It is essential that the work undertaken by the Shared Prosperity Fund support the development of that capital opportunity, maximising the potential gains that can be achieved across the district, especially given the lack of revenue support provided by the Levelling Up Partnership.

Proposed revisions

Remove from the 2024 / 2025 proposals:

E13: Community measures to reduce the cost of living	Difficulties in capacity for delivery partners to hit the required outputs
E17: Development and promotion of visitor economy	Business support programme from North Devon+ now included in the Business Boost programme (E30). Nature tourism programme to continue with delivery budget.
E18: Supporting Made Smarter Adoption inc expert advice, grants and leadership training.	Not appropriate within the time frame to align with other plans. To consider if an investment plan is requested for 25-26.
E19: Supporting investment in R&D at a local level, inc commercialisation of ideas.	Not appropriate within the time frame to align with other plans. To consider if an investment plan is requested for 25-26.
E20: R&D grants to support innovative new product development.	Not appropriate within the time frame to align with other plans. To consider if an investment plan is requested for 25-26.
E33: Support for economically inactive people	Low figures for economically inactive and the strand does not align with the objective of improving employment and skills quality
E39: Green skills	Proposed match funding to work with Petroc and FLOW Developers. Due to the leasing round timeframes this will be challenging to deliver by March 2025.

Proposed continuations

Interventions	Potential strands	Proposed allocation
E8: Campaigns to encourage visits	<ul style="list-style-type: none"> Already procured for delivery 	£10,000 revenue
E16: Open markets & town centre retail & service sector	<ul style="list-style-type: none"> Extending the Bideford communications role to wider town centres in Torrridge. Already procured. 	£20,000 revenue
E17: Development and promotion of visitor economy	<ul style="list-style-type: none"> Nature tourism support and promotion, working with North Devon Biosphere and North Devon Council. Delivery already underway. 	£20,000 Revenue
E27: Develop angel investor networks	<ul style="list-style-type: none"> Delivery of an angel investment network and training programme with Heart of the South West LEP, Tech SW and 	£10,000 revenue

	North Devon Council. Tech SW delivery already underway.	
E29: Supporting decarbonisation& improving natural environment	<ul style="list-style-type: none"> Support for the North Devon Biosphere's economic decarbonisation programme. Delivery already underway. 	£20,000 revenue
E30: Business support measures to drive employment growth	<ul style="list-style-type: none"> Delivery of the Business Boost support programme and small grants scheme by North Devon+ . Delivery already underway. 	£100,000 Revenue

Proposed increases / changes for 2024 / 2025:

Interventions	Potential strands	Proposed allocation
E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people.	<ul style="list-style-type: none"> Support for the Bideford Regeneration Strategy sub-group projects' delivery Support for the delivery of the Great Torrington Regeneration Strategy Beautification grant round 3 and wider support for town centre appearance projects Commissioning a High Street vacant unit project 	£65,000 revenue £15,000 capital
E5: Built and landscaped environment to "design out crime"	<ul style="list-style-type: none"> Funding for the Police to operate a front office in Jubilee Square, Bideford 	£8,000 revenue
E6: Support for local arts, cultural, heritage and creative activities.	<ul style="list-style-type: none"> Delivery of the Northern Devon Culture Strategy across Torridge, including opportunities to leverage additional funding, eg Arts Council England Delivery of the emerging Bideford Town Culture Plan 	£45,000 revenue
E21: Development of innovation infrastructure	<ul style="list-style-type: none"> Communications and marketing commissions for the Appledore Clean Maritime Innovation Centre Creation of a Clean Maritime Officer role to provide a single point of contact for inward investment and cluster development across North Devon and Torridge, to be employed through North Devon+. 	£85,000 revenue
E23: Strengthening local entrepreneurial ecosystems	<ul style="list-style-type: none"> Investment into Holsworthy Manor Offices to strengthen its economic 	£15,000

<p>and supporting business growth, inc through networks.</p>	<p>impact, including revenue support for early-stage operations.</p> <ul style="list-style-type: none"> • Support for the Castle Hill Work Hub, Great Torrington. 	<p>Revenue (approx.)</p> <p>£120,000 capital (approx.)</p>
<p>E31: Feasibility studies</p>	<ul style="list-style-type: none"> • The future of Bideford quay options report early- stage explorations, in line with the Bideford Regeneration Strategy and to link with future maritime developments • Driving footfall and uses for the Bideford and Great Torrington Pannier Markets • Bideford railway study (to work alongside other key stakeholders) 	<p>£105,000 revenue</p>

3. IMPLICATIONS

Legal Implications

None at this point

Financial Implications

The Shared Prosperity Fund by the Department for Levelling Up, Housing and Communities has been confirmed for the financial year 2024 – 2025, with Torridge receiving its confirmed allocation. Beyond the 2024 – 2025 investment plan there is currently no certainty on this funding stream.

Torridge District Council is not required to match fund the allocation. However, match funding will be sought where appropriate, such as for shared studies or for grant programmes.

Human Resources Implications

Delivery of the Shared Prosperity Fund will involve ongoing human resource input from the Economic Development Officer, Town Centre Project Officer, Cultural Development Officer and Community Engagement Project Officer, as well as liaison with other internal teams, including Finance, Major Projects, Estates, Communications, Human Resources and Planning.

The Shared Prosperity Fund has enabled additional capacity within the Economic Development team (Cultural Development Officer, Nature Tourism Officer), although no revenue budget was provided to administer or manage the investment plan.

Sustainability/Biodiversity Implications

Where proposed capital developments require Planning there will be a requirement to deliver Biodiversity Net Gain. The investment plan also proposes that better use is made of existing built assets, helping to secure their future.

Equality/Diversity

Strategy delivery will need to ensure that it takes into consideration a range of social groupings and demographics in order to further equality and diversity, and creating opportunities for all.

Risk Management

- Ongoing reputational risk, including from poor or inappropriate delivery. However, this is also balanced against reputational damage from not taking any action to use the Shared Prosperity Fund to support required activities.
- Elements of the investment plan will require strong communication plans to ensure that the community is provided with regular updates and has a route to engage to ensure accurate and timely information is shared.

Compliance with Policies and Strategies

This project delivers upon a significant range of local and national strategies:

- **The North Devon and Torrridge Local Plan, 2018 - 2031** stipulates:
 - “Within northern Devon, high-value jobs in business, education and research, those supporting a low carbon economy and other key growth sectors will be encouraged in sustainable locations”.
- The **Torrridge District Council Strategic Plan, 2020-23** (Annex 18), which states as the first objective an ambition to “promote aspiration and growth to create a vibrant culture and thriving economy with quality jobs”
- **Northern Devon Culture Strategy** (October 2022)
- **Bideford Regeneration Strategy** (October 2022)
- **Great Torrington Regeneration Strategy** (November 2023)
- The **Northern Devon- A Road to recovery** prospectus (May, 2021) contains 4 core strands which are all enhanced through the proposals- Innovation and Ideas, Skills and aspirations, Business environment and Connected Communities.
- **Northern Devon Social Equality Plan** (March 2022) through delivering interventions to create stronger life opportunities for all
- The **Team Devon Covid-19 Economy and Recovery Prospectus** seeks support for businesses, for the people and workforce who drive our economy forward and for towns and rural communities- again, all delivered through a focus on skills and higher quality, sustainable employment.
- **The HotSW LEP Build Back Better Plan** also has a focus on skill development for “People and Ideas”, supporting training and development of a more vibrant “Business Environment”.
- The **Heart of the South West LEP’s Strategic Economic Plan 2014-2030** by (a) “creating conditions for growth”, “(b) maximising productivity & employment” and “(c) capitalising on our distinctive assets”.
- Crucially these proposals seek to further the ambitions and local profile of the **Torrridge District Climate Emergency declaration** (2019), with the drive to further the Net Zero ambition locally, regionally and internationally at the heart of the ambition.
- The **One Northern Devon, 10 Year Quality of Life Strategy – 2020-2030**, New Devon CCG, delivering the vision that “aspirations are achieved through equal access to the best education & employment”.

Data Protection (GDPR) Implications

No personal data is being collated / collected.

Climate Change

Torrige District Council's Climate Emergency declaration and the government's Net Zero agenda will be at the forefront of plans and considerations. Opportunities for regeneration within a net zero agenda and also respecting the Devon Climate Emergency commitments is a key consideration for the delivery of all Shared Prosperity Fund elements.

Lead Member Views

Consulted- 9.1.2024

"A cautious and sensible use of funds", Councillor Hicks

Council Leader Views

"We need to make sure that the money we've got access to through the Shared Prosperity Fund is actually used on projects in the year ahead which can really create growth for our economy. With the Levelling Up Partnership and other opportunities ahead I firmly support this review", Councillor Ken James

Date of Consultation- 12.1.2024

4. CONCLUSIONS

Delivery of the Shared Prosperity Fund investment plan for 2024 – 2025 provides a key opportunity to deliver on existing priority work strands and to support the ambitions to grow the local economy in line with the metrics laid out in the Levelling Up Partnership for Torrige. The proposed alterations will significantly enhance both deliverability of the funding and, crucially, impact across the district.

5. RECOMMENDATIONS

That Members:

- Approve the revised Shared Prosperity Fund investment plan priorities for 2024 - 2025 intervention themes for delivery.
- Approve for appropriate alterations be made to the Capital Programme to reflect the altered capital priorities for the 2024 – 2025 investment plan.

