CAPITAL INVESTMENT BRIEFING NOTE FOR PASSPORTING FUNDS

UK Shared Prosperity Fund: Nudge Community Builders and Partners

SCHEME SUMMARY: *(Provide a brief paragraph outlining the current situation. Explain the details of the proposal and how the proposal will address the issue)*

Project Summary

Plymouth were allocated £3,131,412 from the UK Shared Prosperity Fund for three years (2022/23 - 2024/25) to support a mix of revenue and capital spend through various projects. The following project is part of this programme of delivery.

Plymouth City Council is the Accountable Body for the delivery and management of the UK Shared Prosperity Fund (UKSPF) and as such needs to follow Plymouth City Council processes.

Through the approval of the decision the project will deliver the following:

Nudge will be the lead and coordinate with all the other partners in the bid. They will be responsible for the monitoring, management of the finances, coordination of evaluation and reporting.

Nudge is a Community Benefit Society set up by local residents living in Stonehouse to revitalise empty properties on Union Street in creative ways for lasting local benefit. Across a five-year period, they have brought 25% of empty land into community ownership or long term control, and have a track record of creating inclusive spaces where local people can make their ideas happen

This project will look at supporting the following priorities and areas as well as where some of the capital will be spent.:

Regenerating Community Heritage Assets/Supporting our communities: Opening up C103, a currently disused building identified as a heritage asset.

Focusing on NetZero/Cost of Living Challenges Plymouth Energy Community Trust have identified a gap in support for community run buildings. They will develop and trial a DIY energy survey and carry out technical appraisals for a number of community buildings.

Supporting Our Communities/Regenerating: Opening up 86 Union Street led by the Diversity Business Incubator to expand Jabulani, creating a space for underrepresented communities to celebrate their culture through food, growing and music.

STRATEGIC CASE: *(How will this proposal meet corporate priorities? Explain how the project delivers or supports delivery of Plymouth Plan / Joint Local Plan Policies (including policy references)*

As part of the funding process PCC were required to complete an investment plan which aligned with multiple priorities, PCC strategies and areas of focus. This was building on existing PCC priorities set out in the Plymouth Plan, Climate Emergency Action Plan and Net Zero Action Plan. PCC then ran a communities and place open call that set out a number of priorities in line with this, including:

Cost of Living Challenges
We were particularly interested in projects that will look to support individuals with the challenges of Cost of Living. This may include implementing and deploying a range of cost-effective energy efficient measures to reduce costs of households and the running costs of properties across a range of tenures, addressing the impact of food inflation and supporting food cooperatives who may reduce the number of people experiencing food poverty.
Plymouth City Council have developed a Cost-of-Living Action Plan, we expected projects to complement this.

Focussing on Net Zero
This will largely be supported through capital funds and will be an opportunity to utilise and adopt renewable infrastructure to generate energy efficient communities.
We were particularly interested in viable projects that could exploit capital funds to deliver projects across the Plymouth area.

Supporting our Communities/Creating Resilient Communities
Projects were invited to apply that improve the quality of life for their residents and build better community cohesion. This could include, supporting the development, renovations, extension and enhancements of community facilities. This could also support volunteering activities, support around the cost of living and community led initiatives including food cooperatives focusing on reducing the number of people experiencing food poverty.

Regenerating Community Heritage Assets
Applications were invited from projects that will support the development and regeneration of heritage assets, projects should also support career opportunities, sustainability and social mobility. This could specifically target rejuvenating gardening and community assets.

The accompanying decision papers highlights how this potential UK Shared Prosperity Fund project is relevant to some chapters of the Plymouth Plan, including Growing City and International City as well as other plans like the Climate Emergency Action Plan and Net Zero Action Plan.

The UK Shared Prosperity Fund process incorporates high levels of net zero ambition. This project has the potential to positively impact upon and encourage net zero initiatives; with activities that promote a cleaner and vibrant city.

OUTCOMES AND BENEFITS: *(List the outcomes and benefits expected from this project)*	
Financial outcomes and benefits:	**Non-financial outcomes and benefits:**
All projects funded by the UK Shared Prosperity Fund have to deliver and follow as set out prescribed outputs and outcomes. The project intends to deliver the following financial outputs and outcomes as part of this project (all of which are outputs and outcomes specifically designed by the Department of Levelling Up, Housing and Communities) for delivering UK Shared Prosperity Fund:	All projects funded by the UK shared Prosperity Fund have to deliver and follow as set out prescribed outputs and outcomes. The project intends to deliver the following outputs and outcomes as part of this project (all of which are outputs and outcomes specifically designed by the Department of Levelling Up, Housing and Communities) for delivering UK Shared Prosperity Fund:

Number of businesses receiving grants (5)	Number of commercial buildings developed or improved (2) Amount of public realm created or improved (66m2) Number of organisations receiving non-financial support (10) Number of neighbourhood improvements undertaken (4) Number of local events or activities supported (15) Number of events/participatory programmes (24) Number of volunteering opportunities supported (100) Number of feasibility studies supported (3) Improved perception of facility/infrastructure project (500) Improved perception of safety (500) Volunteering numbers as a result of support (100) Increased footfall (1000) Improved perception of facilities/amenities (500) Increased number of projects arising from funded feasibility studies (3) Number of businesses receiving non-financial support (30) Number of potential entrepreneurs provided assistance to be business ready (10) Number of people reached (3000) Number of local events or activities supported (10) Number of people attending training sessions (20) Number of decarbonisation plans developed (5) Increased visitor numbers (1000) Number of businesses adopting new to the firm technologies or processes (10) Jobs created (3) Number of new businesses created (6)

KEY RISKS: *(Identify the risks, level of risks and measures in place to mitigate the risks)*

Project Risk Management

Please be as concise as possible.

Summarise:

- the key risks to the delivery and success of the project
- who is responsible for managing the risk, the Owner
- the probability of the risk occurring, is it high, medium or low?
- what would be the impact of the risk, high, medium or low?
- The mitigation plans in place to manage the risk occurring or to deal with the risk if it does occur

Risks Description	Owner	Probability (H,M,L)	Impact (H,M,L)	Mitigation
Delivering project activities on time and to budget, and managing cash flows	Project Manager	M	M	The mitigation plan includes having a dedicated project manager to track project progress and ensure budgets and timelines are adhered to. A cash flow management plan will be put in place at project commencement
Lower participant numbers than anticipated	Project Manager	L	H	Nudge, together with all the other organisations, already have connections with the community and the need for support is high. The community are already engaged in the vision for their work which will ensure good numbers. Numbers will be monitored and more outreach undertaken should they be lower than anticipated.
Different organisational cultures and ways of operating	All organisations	L	M	This will be managed through: the partners being clear and engaged in advance, the partnership having a track record of working together and regular partnership meetings, using methodologies like Radical Candour to establish honest open working relationships
Unexpected challenges with the building (technical or cost)	Project Manager	L	M	We are experienced at this type of regeneration and will have costed it drawing upon our experience and that of our partners. We will manage the building regeneration and work around any challenges ensuring we stay within time and budget. We have submitted a Pre-app and have have a letter of comfort that change of use is acceptable.
Challenges evidencing the impact and recording the outcomes	Evaluator	L	L	We have access to experienced evaluators and will ask them to develop a suite of indicators which are appropriate for the SPF and our beneficiaries to ensure they can be collected.
A pandemic requiring a period of lockdown	All	M	H	All of the partners are experienced at changing the delivery model at short notice given our experience of the previous lockdown. We will develop a business continuation plan which will ensure we can still deliver our project given any major national changes or threats.
Staff turnover	Project Manager	L	M	Our staff turnover is low but we ensure project details are shared and records are kept so any member of the team can step in if needed.

MILESTONES AND DATES: *(delivery timescales)*

Delivery is expected to commence in December 2023. The funding agreement will set out the full delivery milestones for this project. Both the funding and activity must be spent and completed within

the eligible funding period, by March 2025 for this project and any project funded by the UK Shared Prosperity Fund.

FUNDING: *(Include : PCC accountable body status, passporting funding to the provider, who is responsible for delivery, back to back funding agreement, ongoing PCC revenue implications)*

The funding is received from Government (Department for Levelling Up, Housing and Communities) for the purpose of delivering the UK Shared Prosperity Fund and is underpinned by a Memorandum of Understanding and further funding agreements that binds Plymouth City Council into an agreement with the Department for Levelling Up, Housing & Communities (DLUHC),further funding agreements and service level agreements between the Accountable Body and projects outlining that the funds are shouldered by the applicant as such is contractually obliged to deliver and spend according to the Fund parameters and requirements. Projects are subject to Accountable Body processes involving but not limited to procurement regulations, monitoring and governance, as such, failure to follow requirements from either the Accountable Body or DLUHC runs the risk of remedial action. Plymouth City Council will provide dedicated resources to manage and oversee the fund. UKSPF offers a 4% top slice to cover management costs of the fund. We will maintain robust programme management protocols through regular monitoring and review to ensure that the projects are delivered within the grant terms and conditions. Remedial action will be taken where necessary.

Reviewed by Revenue Accountant (name):

RECOMMENDATION

It is recommended that the Leader of the Council:

- Allocate £265,000 for capital expenditure into the capital programme

- To award £470,940 of the UK Shared Prosperity Fund to Nudge Community Builders in accordance with its funding application (£265,000 of capital expenditure and £205,440 for revenue expenditure)

- To authorise the S151 Officer to enter into and sign any funding agreements and claim forms in relation to the Sharing Communities project.