

Greater Manchester Combined Authority

Date: 28th July 2023

Subject: UK Shared Prosperity Fund – Wigan Council Phase 2 UKSPF programme.

Report of: Councillor David Molyneux, Portfolio Lead for Resources and Investment and Steve Wilson, Portfolio Lead Chief Executive for Resources and Investment

Purpose of Report

This report sets out a proposal from Wigan Council on the second phase of UKSPF investment in the borough and the recommendations of the GM UKSPF Local Partnership Board to the GMCA as the Lead Authority for Greater Manchester in relation to the investment proposal. The proposal is for the UKSPF Communities and Place investment priorities E1, E3 and E6.

Recommendations:

The GMCA is requested to approve the recommendations of the GM UKSPF Local Partnership Board set out below and to delegate to the GMCA Chief Executive, Treasurer and Monitoring Officer in consultation with the Resources and Investment Portfolio Leader, the finalising of the grant funding agreement including the ability to make minor amendments as required:

1. Grant Wigan Council up to £1,958,294 of GM's UKSPF allocation over 2 years to deliver the activity, expenditure, outcomes and outputs set out in their UKSPF Communities and Place Phase 2 proposal by March 2025, taking the Wigan Council Communities and Place UKSPF investment across Phases 1 and 2 to a maximum of £3,008,294.
2. Note the additional impact of the Wigan Council Phase 2 proposal to the collective impact of the currently approved ten Local Authority proposals in exceeding the majority of outcomes and outputs for the Communities and Place Investment Priority as set out in the GM UKSPF Investment Plan.

Contact Officers

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Equalities Impact, Carbon and Sustainability Assessment:

Results of the [Sustainability Decision Support Tool](#) to be included here:

Recommendation - Key points for decision-makers

Insert text

Impacts Questionnaire

Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion		
Health	G	
Resilience and Adaptation		
Housing		
Economy	G	
Mobility and Connectivity		
Carbon, Nature and Environment	G	
Consumption and Production		
Contribution to achieving the GM Carbon Neutral 2038 target	A number of projects within the proposal have potential to contribute to GM's Carbon Neutral 2038 - including a feasibility study on a sustainable future for Pennington Flash and a circulation and access study of Leigh town centre	

Summary:

G	Positive impacts overall, whether long or short term.	A	Mix of positive and negative impacts. Trade-offs to consider.	R	Mostly negative, with at least one positive aspect. Trade-offs to consider.	RR	Negative impacts overall.
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Risk Management

Key risks identified in the GM UKSPF Investment Plan are:

1. Programme Finances - Grant funding from UKG is not secured in line with the published timeline by GMCA as anticipated resulting in delays to delivery.
2. Contract and Legal - Delays to the execution of the legal documents.
3. Staffing and Recruitment – Insufficient staff recruited to deliver the UKSPF programme in Greater Manchester.
4. Contract Monitoring – UK Government radically alters its proposed UKSPF monitoring expectations midway through the programme.

Mitigation has been identified and there will be further refinement and updating of the risk register over the lifetime of the Fund

Legal Considerations

As projects and programmes are identified, GMCA legal will ensure identified routes to market (e.g. grants, commissions, etc) are compliant with subsidy control and that grant funding agreements and contracts are fully compliant with UK law and manage risk for GMCA appropriately.

Financial Consequences – Revenue

The GMCA allocation of non-Multiply UKSPF over the three years to 2024/5 is £83.850m - £10.176m 2022/23, £20.352m 2023/24 and £53.322m 2024/25. The total annual allocation is expected to be received by GMCA in October 2022, April 2023 and April 2024.

Indicatively, a maximum of £69.523m of this allocation will be revenue.

The proposals contained within this report include UKSPF revenue expenditure of £938,294 over 2023/24 and 2024/25.

Financial Consequences – Capital

Of the £83.850m indicative UKSPF grant allocation, a minimum of £14.327m of this allocation will be capital as the UKSPF national prospectus sets a minimum capital spend of 10%, 13% and 20% respectively for each year of the Fund.

The proposals contained within this report include UKSPF capital expenditure of £1,020,000 over 2023/24 and 2024/25.

Number of attachments to the report: 0

Comments/recommendations from Overview & Scrutiny Committee

Background Papers

GMCA July 2022 – GM UKSPF Investment Plan

GMCA October 2022 – GM UKSPF Investment Proposals – Communities and Place

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

Yes

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

1. Background

- 1.1 GMCA as lead UKSPF authority for Greater Manchester submitted its UKSPF Investment Plan to government at the end of July 2022 following approval of the GM UKSPF Local Partnership Board, GM MP Engagement Group and the GMCA.
- 1.2 The GM UKSPF Investment Plan was agreed by Government in December 2022.
- 1.3 During January and February 2023, all UKSPF investment proposals recommended by the Local Partnership Board and agreed by GMCA in Autumn 2022 progressed towards grant funding agreement, with all submitted UKSPF Communities and Place programmes signed off by the end of March 2023.
- 1.4 All GM LAs submitted a proposal for UKSPF Communities and Place activity in their areas through to March 2023, except for Manchester City Council and Wigan Council that set out part proposals.
- 1.5 In June 2023, GMCA approved Manchester City Council's final phase proposal to GMCA for UKSPF investment. This report sets out Wigan Council's proposal for their final phase to invest just under £2m of UKSPF in Communities and Place activity and the proposed outputs and outcomes that activity will achieve. Subject to GMCA agreement this will complete the approval of all UKSPF activity to be delivered under UKSPF interventions E1, 3 and 6 (detailed in 2.2 below).

2. UKSPF Communities and Place – agreed approach

- 2.1 The implementation approach for UKSPF Communities and Place Investment Priority, is that Local Authorities (LAs) would each receive a devolved grant allocation to allow them to manage this element of the GM UKSPF Investment Plan in accordance with local priorities and UKSPF eligibility. This included LAs being responsible for ensuring value for money, programme/project management and successful delivery of their proposals and that will be part of the grant funding agreement terms to receive their allocation of UKSPF. Additionally, LAs would also be responsible for ensuring their proposals deliver against the cross-cutting themes of taking GM closer to net zero 2038, reducing inequalities and maximising social value. LAs were asked to submit their proposals to GMCA by early October 2022. This report considers the final phase of Wigan Council's proposal. The overall UKSPF Communities and Place allocation for each LA is set out below:

Govt "allocation" by LA and Funding Year		2022-23	2023-24	2024-25	Total
Bolton	10.8%	£752,424	£1,014,876	£977,109	£2,744,408
Bury	6.6%	£455,795	£614,781	£591,902	£1,662,478
Manchester	19.8%	£1,374,620	£1,854,100	£1,785,103	£5,013,823
Oldham	9.1%	£629,431	£848,983	£817,389	£2,295,803
Rochdale	8.5%	£593,257	£800,191	£770,413	£2,163,860
Salford	8.9%	£614,962	£829,466	£798,599	£2,243,026
Stockport	9.7%	£672,840	£907,533	£873,761	£2,454,134
Tameside	7.8%	£542,613	£731,882	£704,646	£1,979,141
Trafford	7.0%	£484,734	£653,814	£629,484	£1,768,032
Wigan	11.9%	£824,772	£1,112,460	£1,071,062	£3,008,294
TOTAL		£6,945,448	£9,368,086	£9,019,466	£25,333,000

2.2 In delivering this agreed approach, LAs are responsible for the achievement of the agreed outcomes and outputs for three Communities and Place interventions set out in the GM UKSPF Investment Plan and below:

- E1 – Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs
- E3 – Creation of and improvement to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces
- E6 – Support for local arts, culture, heritage and creative activities

2.3 As the approach for the Local Authority (LA) allocations to deliver the three interventions above was allocative not competitive, each of the ten LA proposals were reviewed by the GMCA UKSPF team for eligibility with published UKSPF guidance and deliverability. There were eight review criteria used – strategic fit, cross-cutting priorities, stakeholder engagement, equality duty, subsidy control compliance, deliverability, interventions – expenditure and interventions – outcomes and outputs to reach recommendation to the Local Partnership Board.

2.4 In making their recommendations to GMCA in October 2022, the Local Partnership Board considered the review and recommendations of the GMCA team set out in 2.3 above and was asked to:

- consider the strategic fit of each of the proposals from the Local Authorities against the UKSPF GM Investment Plan and the GMS shared commitments as well as their own local priorities.
- consider the collective impact of the LA proposals as these will deliver the targets set out in the GM UKSPF Investment Plan for Communities and Place interventions E1, E3 and E6.

2.5 The ten LA currently agreed and live proposals are forecast to exceed six out of seven of the relevant outputs and outcome targets set out in the GM Investment Plan for E1, E3 and E6.

2.6 The Phase 2 Wigan Council proposal will add a further 11,500 sqm of public realm improved, 10 events and will focus some UKSPF investment on 6 feasibility studies focussed on development frameworks to bring forward investment and improvements to town centres, high streets and green spaces across the borough in the medium to long term. The table below shows the impact of the Phase 2 Wigan Council proposal on the targets set out in the GM UKSPF Investment Plan.

		UKSPF Outputs - as identified in the GM Investment Plan				UKSPF Outcomes - as identified in the GM Investment Plan			
		Amount of Commercial space completed or improved	Amount of rehabilitated land	Amount of public realm created or improved	Number of local events or activities supported	Jobs created as a result of support	Number of community-led arts, cultural, heritage and creative programmes as a result of support	Increased footfall	Estimated Carbon dioxide equivalent reductions as a result of support
GM Investment Plan Targets (E1, E3 and E6)	Total	5,000	3,750	1,000	53	600	53	5% increase	TBC
GM LA Proposals: Output/Outcome Summary	2022/23	525	8,500	22,350	152	39	60	57,190	0
	2023/24	5,784	270	314,092	706	139	193	391,140	28
	2024/25	4,310	1,510	121,677	825	212	273	555,090	43
	TOTAL	10,619	10,280	458,119	1,683	390	526	1,003,420	71
% proposed vs IP target	% proposed vs IP target	212%	274%	45812%	3175%	65%	992%	TBC	TBC

NB: Increased footfall outcome: GM submitted a target of a 5% increase - DLUHC altered the outcome definitions from % to volume. The revised "target" will be subject to discussions with DLUHC in due course. No CO2 reduction targets were submitted with the GM Investment Plan as a target will be agreed dependents upon defined projects to be approved by GMCA and DLUHC.

2.7 There remains one outcome – *Jobs Created* - that is lower than the target set out in the GM Investment Plan. This is because of higher-than-expected capital spend proposed by LAs, and because any jobs created through construction works are not eligible to be claimed against UKSPF. GMCA is assessing the impact of this UKSPF

programme-wide to see if these outcomes can be delivered elsewhere in the GM UKSPF programme.

- 2.8 The expenditure profile by year and by expenditure type for the Wigan Council proposal aligns with that set out in the GM UKSPF investment plan by the end of the programme period.

3. THE WIGAN COUNCIL PHASE 2 PROPOSAL

- 3.1 Wigan Council's Phase One proposal agreed by GMCA in October 2022, focussed UKSPF investment on delivering visible improvements in district centres, enriching local green spaces and providing high quality cultural events to increase footfall. The proposal built on Wigan's existing "Our Town" programme allowing investment to improve public realm, visitor accessibility, access to parks and nature reserves, improving shop fronts and supporting two Heritage Action Zones in addition to the creation of a Regeneration Capacity Fund, with the majority of activity to be delivered in 2022/3 and 2023/4.
- 3.2 Wigan Council has put forward a Phase 2 proposal that will utilise the balance of their £3,008,294 allocation, and will deliver against the shared commitments of the Greater Manchester Strategy and principles of the Communities and Place Investment Priority, in that it will make a significant contribution to restoring a sense of community, local pride and belonging, and therefore provide a strong strategic fit, individually and collectively. All elements of the proposal are eligible for UKSPF funding and will contribute to the expenditure, outcome and output targets for E1, E3 and E6 as set out in the GM Investment Plan. Wigan Council has set out their internal governance and programme/project management of their UKSPF allocation to ensure their programmes deliver to time and budget.
- 3.3 Wigan Council's Phase 2 UKSPF proposal sets out four projects, summarised as follows:

Wigan Council UKSPF Communities and Place Phase 2 Proposal summary
1. Pennington Wetland – supporting the sustainability of Pennington Flash, a national nature reserve.
2. Our Town 2024/2025 programme – enhancing the existing programme to provide a more holistic programme of investment for Wigan's towns

3. Leigh Strategic Framework Programme - a programme of development and delivery across Leigh to enhance the town centre.

4. Regeneration Capacity Fund 2 – resource to support project development and feasibility of future regeneration opportunities.

3.4 As with all proposals from local authorities, the proposal was reviewed by the GMCA UKSPF Team against eight criteria – strategic fit, cross-cutting priorities, stakeholder engagement, public sector equality duty, subsidy control compliance, deliverability, interventions – expenditure and interventions – outcomes and outputs to reach a recommendation.

3.5 There are several areas noted by the GMCA UKSPF Reviewer, namely:

- The proposal is a strong strategic fit to the GM UKSPF Investment Plan, the Greater Manchester Strategy and Wigan's The Deal 2030, with a focus on building pride in place and reducing inequality, either through large scale capital schemes such as the Leigh Civic Square and Market or smaller schemes to improve shops fronts across Wigan's towns to UKSPF investment in feasibility studies that will form the foundation for the sustainable future of important green spaces such as Pennington Flash. The proposal includes revenue activity to animate high streets in Leigh or in Wigan's other towns through the Our Town programme as well as creating resource to develop a pipeline of projects through the Regeneration Capacity Fund.
- The Wigan Phase 2 proposal sets out activity and expenditure that is ambitious but deliverable within the timeframe of the GM UKSPF programme, and the activity proposed builds on the type of investment being delivered by Wigan in the first phase of their UKSPF investment.
- As set out in Wigan's Phase 1 proposal, Wigan have addressed consideration of the cross-cutting priorities, equality duty and stakeholder engagement in their proposal for the final phase of 2022/2025 UKSPF investment.
- The outputs and outcomes proposed will add to UKSPF Communities and Place outputs contributing an additional 11,500sqm of public realm improvements. As with other LA proposals, Wigan are proposing investing in a number of feasibility studies, which are expected to deliver positive outcomes post-2025.
- No issues have been raised with compliance to the new Subsidy Control Regime requirements, and the grant funding agreement between GMCA and

Wigan Council will reflect a requirement for compliance with the Subsidy Control regime, being clear that responsibility for compliance will sit with the individual LA.

- 3.6 The GMCA UKSPF team recommended the proposal should be supported by the GM UKSPF Local Partnership Board with any minor outstanding issues identified by the appraisers dealt with via contracting, which should in turn recommend the proposal for approval by GMCA.

4. RECOMMENDATIONS AND NEXT STEPS

- 4.1 At the GM UKSPF Local Partnership Board of 13th July, the Board supported the proposal and agreed this recommendation should be sent to the GMCA for their ratification at their meeting of 28th June 2023.
- 4.2 Subject to GMCA ratification, the GMCA UKSPF team will then work with Wigan Council to ensure all additional activity identified within this proposal is reflected in a revised Grant Funding Agreement and updated reporting and monitoring systems to allow delivery to begin as soon as possible.