

Report to: Scrutiny Committee



Date of Meeting 30 January 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

UK Shared Prosperity Fund – Year 2 (2023/24) Evaluation

Report summary:

The UK Shared Prosperity Fund (UKSPF) continues to provide a significant source of devolved funding for local projects, investing in local communities and benefitting local businesses. This report gives an overview of the UKSPF funded activity for 2023/24 and the key findings of the evaluation work undertaken in Year 2 (of 3) of the programme.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

1. That Scrutiny Committee note the progress made on the actions identified in the December 2023 UKSPF Evaluation Report.
2. That Scrutiny Committee note the UKSPF evaluation undertaken for the 2023/24 financial year, along with the challenges identified and proposed actions.

Reason for recommendation:

This report is intended to be provided on an annual basis to keep the Committee up to date on how our UKSPF funded activity is performing relative to our UKSPF Evaluation Strategy.

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Portfolio(s) (check which apply):

- ☒ Climate Action and Emergency Response
- ☐ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination
- ☐ Communications and Democracy
- ☒ Economy
- ☒ Finance and Assets
- ☐ Strategic Planning
- ☐ Sustainable Homes and Communities
- ☒ Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change Medium Impact

Risk: Medium Risk; Risk relates to our ability to ensure effective and impactful spend of devolved funding and our ability to secure future funding from Government or the emerging Combined Authority.

Links to background information [Cabinet Report](#) (13.07.22), [UKSPF Prospectus](#), [East Devon UKSPF Investment Plan](#) and [East Devon UKSPF Evaluation Strategy](#).

Link to [Council Plan](#)

Priorities (check which apply)

- ☐ Better homes and communities for all
 - ☒ A greener East Devon
 - ☒ A resilient economy
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Executive Summary

- The UKSPF programme is continuing to deliver key strategic outputs and outcomes against the UKSPF Investment Plan agreed by Government. This includes support for over 200 businesses, £1 million awarded in grant funding, and enhancement of our culture and leisure offerings.
- Good progress is being made against the recommendations made from the Year 1 evaluation, including the introduction of 'Project Guarantors' and ongoing work to improve the internal project management training offer.
- A number of changes to Year 3 activity have already been made following evaluation work undertaken for Year 2 activity, particularly in streamlining how grant schemes are delivered.
- A series of recommendations have been made for any future programmes run by EDDC using external funding, including increased use of project management processes and securing sufficient staff resource.

Background and Context

1.1 In December 2022, the Government approved East Devon's UKSPF Investment Plan, unlocking £1,796,363 of UKSPF and £854,298 of REPF funding, to be spent over three financial years from 2022/23 to 2024/25. In July 2023, the UKSPF Programme Management Panel approved an Evaluation Strategy, outlining how each of EDDC's twelve UKSPF projects would be evaluated on an annual basis. A full list of East Devon's 12 UKSPF projects can be found [online](#).

1.2 In January 2024, the Scrutiny Committee was presented with a report outlining the evaluation of UKSPF activity which had taken place in 2022/23 (Year 1). The committee noted the UKSPF evaluation undertaken, along with the challenges identified and proposed recommendations.

1.3 The purpose of this report is twofold: to review progress made on the actions proposed in the January 2024 report, and to provide an overview of the UKSPF evaluation undertaken for 2023/24 (Year 2) activity, including the challenges identified and proposed additional recommendations.

Programme Update

2.1 Below are just some of the main achievements of East Devon's UKSPF and REPF programme.

- 84 organisations in the voluntary and community sector supported through the [Council for Voluntary Service for East Devon](#).
- 136 organisations supported, 282 volunteering opportunities supported and 181 people attending training courses through the Cultural Programme (see the [ACED network](#)).

- 139 tourism businesses supported, 94 events supported and 9,000 people engaged through the Sustainable Tourism Programme.
- 18,000 additional users of sports and leisure facilities through the Leisure Programme.
- 84 businesses supported and 37 entrepreneurs assisted through the Business Support Programme (including [Prosper](#)).
- 27 businesses awarded grant funding through the [Innovation and Resilience Fund](#) (rounds 2 and 3).
- 28 businesses and community organisations awarded grant funding through the [Carbon Action Fund](#), with a further 23 awarded through the [Culture Leisure and Tourism Fund](#).

2.2 The figures above cover the period from the launch of the UKSPF up until October 2024, with outputs from Year 1, 2 and the first six months of Year 3.

Actions from Year 1

3.1 Six actions were outlined in the previous report to Scrutiny Committee in January 2024. Each of these are summarised below in bold, along with an update on any work taken to date:

3.2 ***The preparation of Year 3 activity should factor in the possibility of additional delays from DLUHC in receiving funding.*** Project Leads were asked to prepare for the potential of a delayed payment, but our Year 3 allocation was received when expected with no adverse impact recorded.

3.3 ***A more structured approach to project management training should be sought at an organisational level.*** This is currently being explored for the Place Directorate, with research underway on how project management is approached by other public sector organisations. The outcome of this work (due in March 2025) will include a revised project management process for EDDC, with new documentation and recommendations for new staff training opportunities.

3.4 ***Feedback to DLUHC should be provided to recommend that future funds include alternative methods of reporting feedback.*** A letter was sent to DLUHC on 15/05/2024 outlining this feedback. We have not received any follow-up response or acknowledgement of this to date.

3.5 ***A wishlist or pipeline of (capital and revenue) projects should be prepared prior to the announcement of funds where a quick application is required to unlock funding.*** A forward planning exercise was undertaken earlier in 2024 to draw up a shortlist of projects to prioritise in future financial years, should funding be made available. This was limited to projects that could be funded through the UKSPF, or similar scheme. No 'organisation-wide' exercise has taken place to date.

3.6 ***Where appropriate outputs and outcomes can be identified, future projects should properly procure the appropriate measuring/surveying equipment and systems.*** As no new or similar funds have been made available to date, there has so far been no opportunity to action this recommendation.

3.7 ***A 'Project Guarantor' should be identified for each project who will take over project management duties should the Project Lead not be able to action these duties.*** This has been actioned. Each UKSPF project has been assigned a Project Guarantor through mutual agreement.

3.8 A further three recommendations were outlined for the evaluation work itself, as shown below. Each of these recommendations have been actioned, all having a positive impact on the evaluation process.

- Stagger evaluations across the financial year to align with project-specific timescales, deadlines and reporting periods.*
- Alteration in the method of completing evaluation templates with the Project Leads, with more interview-styled sessions and face-to-face meetings.*
- Provide firmer deadlines to ensure evaluations are completed on time.*

Year 2 Evaluations and Lessons Learnt

4.1 The UKSPF Programme for Year 2 as a whole demonstrated clear alignment with the UKSPF Investment Plan with most projects making good progress on their forecasted outputs. All but one of the projects planned for this period progressed in line with projected budgets, timescales and deliverables. By the end of Year 2 we had spent a total of 86% of our combined Year 1 and Year 2 allocations for UKSPF and 100% of our REPF allocation. As a result, we received our Year 3 (2024/25) UKSPF and REPF allocation in full.

4.2 Cross team working benefitted the programme where complementary areas, such as cultural and tourism, came together to deliver joint projects and avoided duplicating provisions. However, this also created challenges where governance arrangements were unclear or communication was insufficient regarding differing work processes and staff resource.

4.3 Embracing opportunities for flexibility in project delivery has been crucial to ensuring activity is responsive to demand and responds to lessons learnt in previous years. This includes amending target outputs and outcomes due to new government guidance and replacing outputs or outcomes that are no longer relevant or measurable.

4.4 Flexibility in budgets and the ability to move funding between projects has also been crucial, particularly for preventing underspend which would need returning to MHCLG.

4.5. Governance arrangements presented an ongoing challenge as recent changes to internal sign-off processes occurring during the delivery period prevented the implementation of consistent governance processes. This caused delays to project delivery as new and unexpected processes needed to be implemented to ensure compliance with our strengthened regulations.

4.6 A consistent Project Lead from inception and design to delivery and monitoring was instrumental to project success. Where this responsibility changed hands, projects experienced more significant delays and difficulties in achieving stated targets.

Adaptations in Year 3:

5.1 In addition to the challenges outlined above, several adaptations were made for delivery in Year 3. Most of these adaptations were made during the evaluation process for Year 2 activity. These changes are as follows:

- a) We have started to review the outputs and outcomes selected to better fit the activity delivered. These revisions have helped direct the development of Year 3 projects to ensure the expected impact is achieved.
- b) We simplified the grants processes for applicants by ensuring each scheme had a single point of focus, standardised eligibility criteria, and clear marketing messaging. We introduced pre-application support for our decarbonisation grants. We also held virtual calls with IRF3 recipients after the grants were awarded, which has led to an increased response rate for monitoring reports.
- c) We reduced the 50% match funding requirement for all business grant schemes in response to evidence indicating this is a huge barrier to entry. We also increased the maximum amount available across grant schemes to incentivise applications.

Recommendations for Future Devolved Funds

6.1 A number of recommendations have been identified for any future funding programmes made available. Most of which are applicable to more than one project or are applicable to a programme as a whole. These recommendations are as follows:

- a) A named officer or point of contact in the Legal Team, who is briefed on the fund, should be assigned to provide guidance throughout the programme. This would enable projects to be delivered more efficiently and ensure they are compliant with all internal processes.
- b) Provide clear and accessible guidance to project and programme managers on internal governance processes, particularly where these have recently changed.
- c) All proposed projects must have a consistent Project Lead, with their time on the project and any project management training requirements included within Service Plans and PERs.
- d) Where suitable, all projects within the programme should make use of standardised project management processes and document templates. This could include legal documents such as contracts and funding agreements, monitoring logs and progress reports, and outline application forms and policies for grant schemes.
- e) Institute a standardised approach for capturing qualitative feedback, such as template surveys or feedback forms. This will ensure a consistent approach is taken across the council to determining whether a specific project has achieved the desired impact, especially when impact is difficult to quantify.
- f) Provide benchmark numbers of beneficiaries for training sessions and similar types of support. Where demand is well below this benchmark, planned events should be cancelled, rescheduled, or redesigned to ensure good value for money.
- g) Projects should be considered within the context of the whole programme, with complementary projects identified and joint working encouraged.

Conclusion

7.1 The evaluation process for Year 2 has shown that the programme is progressing well. For the majority of projects, the expected level of spend is being achieved, with good progress being made on delivering outputs. The evaluation is also revealing a number of challenges which have impacted various projects, with mitigations implemented during delivery and design changes identified for any future funding programmes. One final evaluation report will be produced for Scrutiny Committee in January 2026.

Financial implications:

The financial details are contained within the report and evidence the Council's compliance with the scheme conditions, which have been approved by the Council's S151 Officer in accordance with the set conditions.

Legal implications:

There is no direct comment to be made in relation to this evaluation report.

Appendix A – Year 2 Evaluation Reports

[All evaluations](#) produced for Year 2 activity can be found on our UKSPF webpages.