

**REPORT FROM: DIRECTOR OF PLACE**

**TO: EXECUTIVE**

**DATE: 20<sup>th</sup> JULY, 2023**

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## **UK SHARED PROSPERITY FUND (UKSPF) PUBLIC REALM**

### **PURPOSE OF REPORT**

To seek a decision from the Executive on the allocation of UKSPF funding for Public Realm projects.

### **RECOMMENDATIONS**

1. That the funding is allocated to projects in Barnoldswick, Earby and Brierfield.
2. That the timescales and details of the projects be delegated to the Director of Place to approve in consultation with the Leader of the Council in line with the amounts set out in Table 2.

### **REASON**

In order to ensure that the UKSPF public realm funding is fully utilised and in order to allow flexibility in the delivery of the schemes to achieve maximum outputs and benefits to the community.

### **Background**

1. The UKSPF programme is a three year funding programme for £3.6m intended to deliver on a wide range of projects across the three themes of Community & Place, Supporting Local Business and People and Skills. The Year 1 spend timeline (2022/23) was extremely tight which meant that there was only 3 months to deliver the Year 1 projects. The Government has allowed Year 1 funding (2022/23) to be spent in Year 2 (2023/24).
2. Spend had to be allocated to deliver improvements in a series of initiatives in what were termed Interventions. There was scope within each Intervention to allocate funds to a range of projects provided they resulted in outputs such as 'the creation or improvement of public

realm' or 'number of local events and activities', as set out in the UKSPF Prospectus being achieved.

3. These Interventions were then put into an Investment Plan which was submitted to and approved by Government last Autumn. The Interventions selected for Pendle included improvements to town centres and high streets, arts, culture and creativity, volunteering in the community, energy efficiency for residents, support for business and support for the economically inactive and those in work with skills needs. A number of projects were subsequently selected to deliver against these interventions and the outputs and outcomes each needs to meet.
4. Spend is now happening against the Interventions although Government has yet to release the funding related to Year 2. Notice was received on 28<sup>th</sup> June 2023 that our Year 1 return has been accepted and that payment of Year 2 funds to the council will follow in due course. This is anticipated to be by the end of June 2023.
5. Pendle selected as one of its Interventions, E1 - Improvements to Town Centres and High Streets. The Local Partnership Group, which is the governance board which helped the Council to shape its Investment Plan, agreed to the spend allocations but the details of where the schemes will be undertaken is for PBC to determine. The funds allocated across the 3 years of the programme for this are:

**Table 1**

<b>UKSPF Investment Plan allocations E1 (public realm)</b>			
Year 1	Year 2	Year 3	
2022/23	2023/24	2024/25	TOTAL
£16,540	£130,856	£528,807	£676,203

6. The single output to be met is for the creation or improvement of 1,200 m<sup>2</sup> across the total programme of public realm. A corresponding outcome is for an improved perception of facilities/amenities by those using the public realm. This will require some survey work before and after the works.
7. Barnoldswick and Earby have schemes that were allocated in Year 's 1 and 2 of the funding programme. These would deliver 50% of this required public realm improvements output (605 m<sup>2</sup>). This would leave -50% to be created or improved with the remaining allocation of the funds.
8. The funding does not have to be used to undertake the schemes in Barnoldswick or Earby in any particular order. The only requirement is for the full spend to have occurred before the current financial year end – March 2024. Any money not spent by the end of Year 2 will not be allowed to be spent in Year 3.
9. There are options to deliver additional schemes in both Barnoldswick and Earby. Should the decision be to allocate further funding for either town in Year 3 there may be benefits to allocating all Year's 1 and 2 funding to one scheme in Year 2 and then to deliver a larger scheme in Year 3 in the other town utilising Year 3 funding. That would not result in any less funding being delivered to either town but it would help to manage schemes that would otherwise have to be split into different years of funding.

## Options for the allocation of Year 3 funds (2024/25)

10. There is £528,807 of funding to be allocated in Year 3. There are no geographical restrictions on where this funding can be spent across the Borough (though works must take place in a Town Centre or High Street). A decision needs to be taken over where that capital will be spent and on which projects.
11. The funding must deliver against the outputs and outcomes that have been agreed (as detailed above) in the Investment Plan. That will require schemes of a scale that will make changes to the quality of an area to come forward. The funding is only likely to be able to support three schemes of a sufficient scale to make a public realm impact and produce the quantity of new or revamped public realm that is required in the agreed outputs.
12. Currently there are major public investment programmes being undertaken in Nelson, through Town Deal and in Colne through the Levelling Up Fund. Nelson will have a programme of public realm improvements and Colne will have £500,000 invested through the County Council Levelling Up programme for bus improvement works. There are no externally funded programmes for Brierfield, Earby and Barnoldswick town centres.
13. The Engineering Manager for Pendle was asked for potential schemes for Year 3 of UKSPF. The following set out in Table 2, suggestions were made with indicative costings. These are subject to change particularly as material prices are rising rapidly:

**Table 2**

Brierfield town centre	£200,000	The budget is set to explore options for development and implementation through liaison with local representative to be delivered by March 2025 (Year 3 of the program).
Barnoldswick Phase 2	£250,000	Extension of Phase 1 works within Barnoldswick Town Centre on Newtown and/or Rainhall Road.  West Craven Committee also has ideas for further works.  Again, this scheme will be subject to a contribution to LCC for future maintenance.
Earby Phase 2	£80,000	Extension of Phase 1 works could include an extension of public realm works to Colne Road, Earby.  West Craven Committee also has ideas for further works which could include a potential creation of a public square for events or enhancement to streetscape works from Phase 1  This scheme may also require a contribution to LCC for future maintenance.

## Current profile of projects

14. The UKSPF Investment Plan allocated £147,396 to the E1 Intervention over Years 1 and 2 of the fund.

15. Due to the late launch of the programme there was insufficient time to undertake spend in 2022/23 and so all funds meant for public realm within the first two years are projected to be combined within the 2023/24 financial year.

16. The projects selected from the first two years were Barnoldswick and Earby.

**Table 3**

<b>Area</b>	<b>Year 1 &amp; 2 available spend within UKSPF</b>	<b>Match funding</b>
Barnoldswick	£46,734	£7,230 from West Craven Area Committee
Earby	£100,000	£15,000 from West Craven Area Committee

17. Due to how the UKSPF fund increases year-on-year (see Table 1), 78% of the funding for public realm will be available in the final year of the programme.

18. Schemes need to be delivered in year or the funding will be lost. Both Barnoldswick and Earby have schemes that have commitments and these form the agreed programme in Years 1 and 2 and if agreed there will be extensions to those schemes in Year 3.

### **Year 3 spend**

19. The Executive are asked to determine how the spend of £528,807 in Year 3 should be directed. With large projects underway through other programmes in Nelson and Colne it is suggested that some allocations should go to the West Craven Towns and Brierfield town centre.

20. Should the Executive agree to the broad principle of funding schemes in those three areas as set out in Table 2 then the extent of those individual costs would need to be calculated. There is a need to consult with the public and Parishes but we also need to note that there is a definitive timescale for spend and that the schemes must be delivered on time – by March 31<sup>st</sup> 2025

### **Phasing of West Craven Works**

21. Earby and Barnoldswick already have agreed funding for this year and if an allocation is to be granted out of Year 3 of UKSPF then it is prudent to look at how the schemes may be most effectively delivered. For example it may be efficient to deliver phases 1 and 2 for Barnoldswick out of this year's funding (April 2023 – March 2024), instead of using it in Earby this year, then undertaking a larger scheme in Earby in Year 3 (April 2024 – March 2025).

22. Having two separate periods of design and delivery for both Barnoldswick and Earby would be inconvenient for the public and lead to inefficiencies in officer time who would need to design, cost and tender again for a second period of works delivery, as well as duplicated cost implications such as with road closure licenses all taking place once in this financial year and again in the next financial year. It would be more beneficial to deliver each in one go rather than two separate periods of works.

23. There is a separate cost reason for undertaking Barnoldswick first and Earby second. The Earby scheme was originally intended to be matched with a £50,000 contribution from the county council. This funding is not now forthcoming and if the scheme is to be delivered

from its UKSPF allocated budget within 2023/24, then it will need to be scaled back to deliver within budget. A fuller scheme utilising Year 3 UKSPF would allow the larger scheme to be delivered.

24. This would not change the amount of investment or the extent of the schemes but would make a more effective tendering and delivery process easier to achieve. It is recommended that delegated authority be given to the Director of Place in consultation with the Leader of the Council to agree the optimum way of delivering schemes and the timing of that delivery.

25. The proposal is therefore to select the following schemes set out in table 2 alongside the committed schemes as set out in table 3:

## **IMPLICATIONS**

**Policy:** None arising directly from this report

**Financial:** UKSPF funding is subject to receipt of the funds from UK Government in each annual year of the programme and spend of these same funds within the same financial year (April to March).

Confirmation was received from government on 28<sup>th</sup> June 2023 that PBC can continue to use unspent funds from Year 1, in Year 2. The separate funding allocation for Year 2 is to follow in due course. UKSPF funds for Year 3 will be released to PBC in the next financial year (2024/25).

**Legal:** a small part of the works in Earby would mean paving improvements would be undertaken on private land (in front of a small number of shops and houses). Land owners permission would be required. It is not thought this would create a Subsidy to those individuals.

**Risk Management:** All UKSPF funds for 2023/24 and 2024/25 must be spent in year or lost. It is imperative that due to timescales, any selected projects are progressed with.

Financial risks, including inflation have been alluded to within the report.

**Health and Safety:** None arising directly from this report

**Sustainability:** None arising directly from this report

**Community Safety:** None arising directly from this report

**Equality and Diversity:** None arising directly from this report

**LIST OF BACKGROUND PAPERS:** none