

Agenda Item	8
Report No	ECI/35/2024

The Highland Council

Committee: Economy and Infrastructure

Date: 22 August 2024

Report Title: UK Shared Prosperity Fund – Delivery Plan Progress Update

Report By: Assistant Chief Executive – Place

1 Purpose/Executive Summary

1.1 This report provides an update on the UK Shared Prosperity Fund (UKSPF) Delivery Plan, detailing progress across the range of interventions being progressed under the UKSPF priorities Communities & Places, Supporting Local Business and People and Skills.

2 Recommendations

2.1 Members are asked to **note** the UKSPF Delivery Plan progress update.

3 Implications

3.1 **Resource** – The Highland UKSPF allocation is up to £9.45m over a three-year period (1 April 2022 to 31 March 2025), and detail of the current budget position and spend is included at **Appendix 2**. The 15 February 2024 Committee approved the ability to redirect underutilised funds across approved activities to ensure best use of available funds.

3.2 **Legal** - The Council is the accountable body for the management of the Fund and hence responsible to ensure that all funds are used solely in line with the UKSPF Prospectus and Additional Guidance issued. Funding is also subject to compliance with the terms of a Memorandum of Understanding. If the Council is managing the Fund, though other organisations are delivering activity, appropriate agreements will also be entered into with each affected party.

3.3 **Risk** – The UKSPF programme is now in its final year, with end March 2025 the time constraint for ensuring full commitment and spend across the approved interventions. A key part of the risk response strategy regarding full spend of the UKSPF is to be responsive in moving funds between approved interventions and the 15 February 2024 Economy and Infrastructure approved the recommendation to agree to such a reallocation of funds.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are no specific implications connected with the delivery of the UKSPF.

3.5 **Gaelic** - Gaelic will be included into all relevant projects and communications in line with Council policy.

4 **Impacts**

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is an update report and therefore an impact assessment is not required.

5 **Delivery Plan Progress**

5.1 The UKSPF Delivery Plan is included at **Appendix 1** of this report and provides a progress and status update across the range of interventions being progressed under the UKSPF priorities Communities & Places, Supporting Local Business and People and Skills.

The financial position of budget and spend over the duration of the UKSPF Delivery Plan is included **Appendix 2**, with intervention delivery and commitment of available funding progressing well since the 15 February 2024 report to this Committee.

The following sections of this report draw members attention to some of the notable areas of progress during this reporting period.

5.2 Communities & Places (C&P S1–S12)

5.2.1 Community Regeneration Fund Programme

As previously reported to this Committee, Members will be aware that a number of the planned Communities and Places actions were incorporated into the Council's 2023/24 Community Regeneration Fund (CRF) programme. The CRF team manage the UKSPF projects alongside the existing regeneration funding workload, following the agreed set of streamlined processes and ensuring a consistent approach to queries and grant drawdowns for all applicants. All applicable UKSPF grant (£1.4m) was committed by 31 March 2024 deadline.

The majority of UKSPF projects managed by the CRF team have now commenced activity. The CRF team are in regular contact with the grantees to ensure that all the approved outcomes will be met and in line with the UKSPF deadlines and areas of intervention. Reporting outcomes and outputs is an ongoing process and is managed within the wider CRF monitoring and evaluation framework.

5.2.2 Active Travel Enhancements and Small-Scale Transport Projects (C&P S6)

Work is progressing on the integration of active travel and transport hubs to support an effective travel network. This involves a number of activities including the development of paths, bike shelters etc in key locations to assist bike/bus integration and mini park and ride /share hubs where rural roads meet main networks to support access to employment and stronger greener transport solutions. Projects benefitting from the funding include expansion of Hi-Bike (e-bike rental scheme) in Inverness and Fort William, a new footpath at Nairn Links, footway improvements and pedestrian bridge at Maxwell Park and new road junction layout at Damfield Road in Inverness to improve access and active travel links. Ten new drop kerbs with tactile paving installed at Tulloch Avenue in Dingwall and covered cycle stores installed in Inverness in Fort William. Designs have been progressed to improve footways and create new active travel facilities at Obsdale Road in Alness, Alness Railway Station, Monzie Square and Carmichael Way in Fort William to meet with UKSPF outputs and outcomes.

Support being provided to develop and expand Community Transport schemes to fill gaps where there is a lack of transport and to expand the offering of existing providers.

5.3 Supporting Local Business (SLB S14–S29)

5.3.1 Development and Promotion of the Visitor Economy (SLB S14)

The allocation from UK Shared Prosperity Fund to develop and promote the visitor economy is being utilised across a number of projects, these are:-

Mountain Biking World Cup - as previously advised, an allocation of up to £100,000 was approved to support costs associated with the 2024 Mountain Biking (MTB) World Cup Event in Fort William. The event, held 3-5 May 2024, marked the start of Warner Bros Discovery (WBD), a new and innovative partnership with the UCI (cycling's governing body) to host and broadcast all MTB World Series events, with the aim to elevate the sport globally, by injecting new energy and investment in the events. At Fort William this included upgrading and modernising the track, enhancing the broadcast and viewer experience, and redesigning the spectator arena at Nevis Range.

The Glencoe Three Sisters Visitor Facilities - partnership project with National Trust for Scotland to deliver high-quality visitor infrastructure. The first phase has focused on improved parking provision, visitor signage and waste hubs. Phase two will support the creation of fit for purpose footpaths to popular viewpoints in Autumn 2024.

Glencoe Village Car Park Project - contribution towards technical design work to provide much needed parking in Glencoe village, and significantly reduce the amount of tourist traffic in the centre of the village. This links with other funded projects creating a strategic plan to improve tourism management throughout the Glen.

Motorhome Signage Project - a pan-Highland project established off the back of The Highland Council's Visitor Management Planning 2022, will see the installation of motorhome waste directional signage across Highland at community, public or privately managed sites.

Na Trads 2024 - support being provided towards hosting the annual bi-lingual MG ALBA Scots Traditional Music Awards in Inverness on 30 November. The event is delivered in partnership with the BBC and celebrates Scotland's traditional music and culture sector via a high profile and prestigious awards ceremony and concert, broadcast on BBC ALBA, BBC Radio Scotland, the BBC website and BBC iPlayer.

5.4 People & Skills (P&S S31–S37)

5.4.1 Budget is being utilised towards a new delivery model which provides support for unemployed or economically inactive people of working age who need between 6 to 12 months support to progress into employment.

The target group for this programme are Highland residents who have at least one of the following characteristics:-

- Disability (as defined in the Equality Act 2010);
- Long-Term health condition; or
- Long-term unemployed (over 12 months)

The two providers - Enable Scotland (Caithness, Sutherland, Lochaber, Skye & Lochalsh and Wester Ross) and Triage Centrum (Inverness, Nairn, Badenoch & Strathspey, and East Ross) have progressed well in seeking referrals, with 175 clients registered and receiving support. Although we would not expect to see immediate job outcomes for this group with longer term support needs, to date 39 of these clients have progressed into employment.

5.4.2 A Challenge Fund was released for Area and Green Skills training and facilities inviting Highland businesses in consortia to apply for funding to support the costs of green skills training for their workforce. Four consortia business grants have been awarded with projects underway:-

- **Green Engineers for the Future, UHI North, West & Hebrides** – development of skills and facility for advanced practical skills for renewable sector, e.g., wind turbines, solar panels to take advantage of opportunities emerging in the maintenance requirements of facilities. The Green Engineering Maintenance Workspace in Thurso is now complete, and the launch event was attended by the Council Leader. The first cohort of trainees completed their training in June, with two further cohorts scheduled for August and October.
- **For Peat's Sake** – consortia of businesses, Nature Scot and UHI Northwest Highland and Hebrides College to take advantage of opportunities presented from peatland restoration for Highland businesses. Course commencing September 2024.
- **Access to Engineering, Nigg Skills Academy** – the project is open to all but will be predominantly directed at those unemployed or school leavers who would like to gain knowledge of the wider energy industries and what opportunities might lie ahead. Two courses have been delivered and a further course planned for September 2024.

- **Highland Green Skills, UHI Inverness** – new renewables training facility delivering accredited courses in installing technologies to support low carbon heat and improve energy efficiency. Work commenced on facility and training development.

5.4.3 Castle Training Programme

The 2 May 2024 Economy and Infrastructure Committee approved £100,000 from UKSPF to enable the Castle Project Team to provide specialist visitor attraction training to those young people identified by the Developing the Young Workforce and UHI teams as potential candidates for employment in the Castle. The services of Spider Entertainment have been procured through Public Contracts Scotland to develop and deliver the specialist training required to successfully open and operate the Inverness Castle Experience as a world class visitor attraction.

5.5 Multiply being a sub-set of People and Skills (People & Skills (M S42–S51))

5.5.1 The “Multiply” interventions are delivering support to adults helping improve their functional numeracy skills through free personal tutoring, digital training.

The Multiply programme has contracts established with 12 providers to deliver a range of initiatives and The Highland Council continues to take a proactive approach to achieving positive outcomes in this area. Successful providers have recently had the opportunity to secure additional funding to extend existing delivery, increase provision in line with lowering of the age threshold to 16+, or create a legacy for Multiply.

Funding has also been secured for providers that work with prisoners or those recently released and their families to enhance numeracy skills. This will include budgeting exercises in preparation for release, to give participants and their families the best chance for community re-integration.

Designation: Assistant Chief Executive - Place

Date: 22 July 2024

Authors: Matt Bailey, Programme Manager - IHCRD/UKSPF

Background Papers: None

Appendices: Appendix 1 – UKSPF Delivery Plan
Appendix 2 – UKSPF Budget Monitoring

Appendix 1 UKSPF Delivery Plan

The following table sets out the UKSPF interventions against the respective priorities:

1 - Communities & Places				
Intervention	Summary/ approach	Budget Allocation		Actions
C&P S1: Place Based Investments, regeneration, and town centre improvements	Funds used to support place-based projects. UKSPF will sit alongside and be managed together with other area-based funds to support projects identified in Area Place Plans.	2022- 23	£83,057 (100% capital)	<p><u>22/23</u> In accord with Feb 2023 report the allocation is being utilised alongside current Community Regeneration Fund programme to fill project funding gaps.</p> <p><u>23/24 & 24/25</u> As above, budget has been incorporated into 23/24 and 24/25 Community Regeneration Fund programme.</p> <p>Challenge Fund was launched in December 23, informed by Area Place Plans and was fully allocated in March 24 giving applicants a year to deliver their projects and most have now commenced.</p>
		2023- 24	£125,000 (£75k capital, £50k revenue)	
		2024- 25	£600,000 (£450K capital, £150k revenue)	

C&P S2: Support and improvement of community assets and infrastructure projects	Funds used to support place-based projects. UKSPF will sit alongside and be managed together with other area-based funds to support projects identified in Area Place Plans.	2022 - 23	zero	<u>23/24 & 24/25</u> As above, budget has been incorporated into 23/24 and 24/25 Community Regeneration Fund programme. The Challenge fund was fully allocated in March 24 as highlighted in S1 above.
		2023 - 24	£125,000 (100% capital)	
		2024 - 25	£356,442 (100% capital)	
C&P S6: Active travel enhancements and small-scale transport projects	Masterplans / Audits produced for 10 settlements across Highland with wide range of active travel and sustainable transport projects identified. Funds being used to support delivery of these.	2022- 23	£83,058 (100% capital)	<u>22/23</u> Work completed on Nairn Active Travel project. <u>23/24</u> Other Active Travel enhancements across Highland (Section 5.2.2) <u>24/25</u> Continuation of HITRANS project with plans to expand into Skye, Aviemore and North Highlands over the period to March 25. Funding to be provided to expand Community Transport schemes.
		2023- 24	£247,230 (£110k capital, £137K revenue)	
		2024- 25	£530,000 (£290k capital, £240k revenue)	
C&P S8: Impactful volunteering and/or social projects	Funds used to encourage place-based initiatives to encourage and support volunteering measures.	2022- 23	zero	<u>23/24 & 24/25</u> Small value funds considered alongside C&P S9 and S10 below and supportive of community regeneration interventions (S1). Sums have been incorporated into 23/24 and 24/25 Community Regeneration Fund programme, with the
		2023- 24	£20,000 (100% revenue)	
		2024- 25	£25,000 (100% revenue)	

				Challenge fund complete as highlighted in S1 above.
C&P S9: Investment in capacity building and resilience for local groups	Funds used to encourage place-based initiatives to promote energy efficiency etc measures.	2022 - 23	zero	<u>23/24 & 24/25</u> Small value funds considered alongside C&P S8 above and S10 below and supportive of community regeneration interventions (S1). Sums have been incorporated into 23/24 and 24/25 Community Regeneration Fund programme, with the Challenge fund complete as highlighted in S1 above.
		2023 - 24	£20,000 (100% revenue)	
		2024 - 25	£20,000 (100% revenue)	

C&P S10: Community measures to reduce the cost of living	Funds used to encourage place-based initiatives to promote energy efficiency etc measures.	2022 - 23	zero	<u>22/23</u> None <u>23/24 & 24/25</u> Small value funds considered alongside C&P S8 and S9 above and supportive of community regeneration interventions (S1). Sums have been incorporated into 23/24 and 24/25 Community Regeneration Fund programme. Challenge fund complete as highlighted in S1 above.
		2023 - 24	£20,000 (100% revenue)	
		2024 - 25	£25,000 (100% revenue)	
C&P S11: Relevant feasibility studies	Development of Area Place Plans to set out the vision, ambition and priorities for people and place in a particular area. Will assist with the identification priority projects and ensure community-based funds are utilised to best use when developing/ delivering projects.	2022 - 23	£150,000 (100% revenue)	<u>22/23</u> Committed to Area Place Plan development across Highland including Fort William Town Centre Masterplan and Skye and Raasay Futures Plan. <u>23/24 & 24/25</u> Balance of funding to be redirected to most viable interventions across the Delivery Plan Priorities.
		2023 - 24	£50,000 (100% revenue)	
		2024 - 25	£50,000 (100% revenue)	
C&P S12: Digital infrastructure for local community facilities	Funds used to encourage place-based initiatives to put in place/improve digital infrastructure in community assets.	2022 - 23	zero	<u>23/24 & 24/25</u> Small value for specified purpose considered alongside other Community Regeneration Fund project funding S1 & S2. The Challenge fund is complete as highlighted in S1 above.
		2023 - 24	£25,000 (100% capital)	
		2024 - 25	£50,000 (100% capital)	

2 – Supporting Local Business				
Intervention	Summary/ approach	Budgetary & Outcomes		
SLB S14: Development and promotion of the visitor economy	Agreement secured from UK Govt to enable support for major international events to be included in this Intervention as well as support for investment in tourism infrastructure.	2022 - 23	£200,000 (£100k capital, £100k revenue)	<u>22/23</u> Agreed contribution towards the UCI Mountain Bike World Championships in August 23. <u>23/24 & 24/25</u> Linked to priority projects identified in Council's approved Strategic Tourism Infrastructure Development Plan. 16 th of November 23 Economy and Infrastructure Committee approved support of up to £100k towards the 2024 Fort William Mountain Bike World Cup Event. 24/25 plans developed with Tourism Team to provide community-based infrastructure and service improvements pan Highland (Section 5.3.1)
		2023 - 24	£50,000 (100% capital)	
		2024 - 25	£200,000 (£100k capital, £100k revenue)	
SLB S15 SME development grants and support	A suite of start-up and growth grants linked to expert advice.	2022 – 23	Nil	<u>23/24 & 24/25</u> Extension of the start-up and growth business grants that up until end 2022/23 funded via Council's Economic Prosperity Fund. Strong interest and use of funds being experienced. Linked to SLB S20 – expert start-up and growth specialist advisory support.
		2023 - 24	£190,000 (£25k capital, £165k revenue)	
		2024 - 25	£461,000 (£211k capital, £250k revenue)	

SLB S18: Investing in enterprise infrastructure, site development projects	Support business infrastructure / business units.	2022 – 23	Nil	<u>24/25</u> Suitable investment opportunity identified at Ross House, Dingwall to reconfigure the building in line with anticipated local business needs.
		2023 - 24	Nil	
		2024 - 25	£200,000 (100% capital)	
SLB S19: Strengthening local entrepreneurial ecosystems	Bring private, third and public sector organisations active in the Highlands supporting businesses together to determine whether opportunities exist to align and co-ordinate effort.	2022 - 23	£25,000 (100% revenue)	<u>22/23</u> Feasibility study to review the breadth of public and private investors active in Highland with the aim to determine whether options exist to better align and co-ordinate investment in businesses.
		2023 - 24	£50,000 (100% revenue)	
		2024 - 25	£200,000 (100% revenue)	<u>23/24 & 24/25</u> Funds being utilised within SLB S15 and S29.
SLB S20: Expert business advice and support programmes, local and regional	Provide access to specialist advisors to provide additional targeted support – linked and aligned with business development grant support.	2022 - 23	£75,000 (100% revenue)	<u>22/23, 23/24 & 24/25</u> Budget allocation is being used to fund expert start-up and growth specialist advisers and support staff.
		2023 - 24	£150,000 (100% revenue)	
		2024 - 25	£150,000 (£100% revenue)	
		2022 - 23	£16,115	<u>22/23, 23/24, 24/25</u>

SLB S27: Support relevant feasibility studies	Targeted research initiatives will be undertaken to provide robust intelligence as required.		(100% revenue)	Small funds to allow Council and partners to undertake business related feasibility studies alongside SLB S18 & S19.
		2023 - 24	£22,230 (100% revenue)	
		2024 - 25	£50,443 (100% revenue)	
SLB S29: Business support aligned with local, regional, and Scottish policy	Support for businesses and organisations to target net-zero, decarbonisation, transition, including digital investment.	2022 - 23	Nil	<u>23/24 & 24/25</u> Development of method and support to complement implementation in working with Climate Challenge teams, Business Energy Scotland/ Energy Savings Trust by adding value to over-subscribed advisory services supporting business to transition to net-zero. Launch of two projects providing Grant aid for Digital and Energy Efficiency improvements for small and micro businesses (up to 50 employees) has proven extremely successful with almost 200 applications received and most projects now complete.
		2023 - 24	£170,000 (100% revenue)	
		2024 - 25	£395,000 (100% revenue)	

3 - People & Skills Intervention	Summary/ approach	Budgetary & Outcomes		<u>22/23</u> Spend linked to the existing work programme of the Council's Employment team and working in partnership with Highland Employability Partnership (HEP) – as approved by Committee in August 22. <u>23/24 & 24/25</u> Activity and spend linked to the Annual Employment Delivery Plan (presented/ approved by Committee and HEP in May 23) – thereby ensuring that UKSPF aligns with and adds value to other funds secured via Scottish Government. The main aim is to strengthen and support specialist employability services within Highlands.
P&S S31: Employment support for economically inactive people	Intensive and wrap around personalised support to move people closer to mainstream employability support and into employment.	2022 - 23	£66,115 (100% revenue)	
		2023 - 24	£350,000 (£50k capital, £300k revenue)	
		2024 - 25	£636,278 (100k capital, £536k revenue)	

P&S S32: Courses including basic skills for those not economically inactive	Courses/skills provision that is otherwise not available to individuals.	2022 - 23	Nil	<u>23/24 & 24/25</u> Activity and spend is linked to the Annual Employment Delivery Plan in line with Economy and Infrastructure Committee approval in May 23, thereby ensuring that UKSPF aligns with and adds value to other funds secured via Scottish Government.
		2023 - 24	£50,000 (100% revenue)	
		2024 - 25	£100,000 (100% revenue)	
P&S S35: Employability Programmes and advice – No One Left behind agenda etc	Activity which aligns with and adds value to other activity supported via Scot Govt. No One Left Behind programme.	2022 - 23	Nil	<u>23/24 & 24/25</u> Activity and spend linked to the Annual Employment Delivery Plan in line with Economy and Infrastructure Committee approval in May 23, thereby ensuring that UKSPF aligns with and adds value to other funds secured via Scottish Government.
		2023 - 24	Nil	
		2024 - 25	£100,000 (100% revenue)	
P&S S36 Local areas to fund local skills needs	Agreement secured from UK Govt to enable support for Science Skills Academy to be included in this Intervention.	2022 - 23	£200,000 (100% revenue)	<u>22/23</u> Utilised funds as contribution towards the one-year extension of Science Skills Academy.
		2023 - 24	£182,230 (£50k capital, £132k revenue)	
	Support for technical and vocational qualifications and courses that not available via mainstream funding.	2024 - 25	£650,000 (£600k revenue, £50k capital)	<u>23/24 & 24/25</u> Challenge Fund issued for Green/ area skills for S36 and S37. Contracts agreed for four projects. Ongoing discussions regarding further support to enhance/ add value to existing training delivery (Section 5.4.2). Funds used towards Inverness Castle specialist visitor attraction training (Section 5.4.3). The 16/11/23 Economy and Infrastructure Committee approved £148.3k allocation to the Science Skills

				<p>Academy for spend during the first quarter of the 24/25 fiscal year.</p> <p>In line with the 15/02/24 E&I Cttee approval for the reallocation of funds to approved activities within each of the UKSPF priorities, and to enable ongoing delivery of the Academy in the current academic year, an additional £177k allocation was made. This funding package enables HIE to identify and set in place a sustainably funded service delivery model for future Academic Years.</p>
P&S S37: Green Skills courses	Support for courses to secure skilled workforce to support Just Transition to a net zero economy and climate resilience.	2022 - 23	£50,000 (100% revenue)	<p><u>22/23</u> Established and launched skills training and facilities scheme for Highland businesses. Close alignment with P&S S36.</p> <p><u>23/24 & 24/25</u> Continuation and expansion of delivery in 24/25.</p>
		2023 - 24	£50,000 (100% revenue)	
		2024 - 25	£170,164 (100% revenue)	

3a - Multiply Sub theme of People & Skills				
Intervention	Summary/ approach	Budgetary & Outcomes		
M S42: Courses designed to increase confidence in numbers	Whole population opportunities to reach out, identify and aid participate in numeracy skills courses.	2022 - 23	£211,063 (100% revenue)	<u>22/23, 23/24, 24/25</u> A standalone programme has been developed to deliver the Multiply Programme. In 22/24 the main spend was contracted with 12 local organisations following a Challenge Fund across the thematics of Multiply. Successful providers supported with additional funding and new providers identified to support M S44. (Section 5.5.1)
		2023 - 24	£243,535 (100% revenue)	
		2024 - 25	£243,535 (100% revenue)	
M S43: Courses for parents wanting to increase numeracy skills	Encourage parental and family numeracy skills to aid educational support and fiscal management.	2022 - 23	£141,038 (100% revenue)	As above
		2023 - 24	£162,736 (100% revenue)	
		2024 - 25	£162,736 (100% revenue)	
M S44: Courses for prisoners, those recently released or on temporary licence	Targeted activity to ensure wider programmes reach this client cohort	2022 - 23	£14,301 (100% revenue)	As above
		2023 - 24	£16,501 (100% revenue)	
		2024 - 25	£16,501 (100% revenue)	

M S45: Courses aimed at encouraging people to upskill to access jobs/careers	Targeted activity linking numeracy programme to specific job opportunities and to those in employment, who need upskilling to progress.	2022 - 23	£28,109 (100% revenue)	As above
		2023 - 24	£32,433 (100% revenue)	
		2024 - 25	£32,433 (100% revenue)	
M S47: Innovative programmes delivered with employers	Targeted activity, working with partners and employers to identify, engage and support staff with improved numeracy skills linked to workplace.	2022 - 23	£42,410 (100% revenue)	As above
		2023 - 24	£48,935 (100% revenue)	
		2024 - 25	£48,935 (100% revenue)	
M S49: Courses designed to help people use numeracy to manage money	Targeted support to assist people manage debt. Close links to be developed with Advisory Services.	2022 - 23	£28,109 (100% revenue)	As above
		2023 - 24	£32,433 (100% revenue)	
		2024 - 25	£32,434 (100% revenue)	

M S51: Provision developed in partnership with community organisations	Targeted support to encourage community organisations to establish local and innovative approaches to reach out, engage and support those with least numeracy skills.	2022 - 23	£28,109 (100% revenue)	As above
		2023 - 24	£32,433 (100% revenue)	
		2024 - 25	£32,434 (100% revenue)	

