

Mayoral Combined Authority Board

07 June 2021

UK Community Renewal Fund

Is the paper exempt from the press and public?	No
<i>Reason why exempt:</i>	Not applicable
Purpose of this report:	Discussion
Funding Stream:	Not applicable
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Yes

Director Approving Submission of the Report:

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Executive Summary:

This report updates the MCA on the Government's Community Renewal Fund programme and the work underway by the MCA Executive and local authority partners to develop a response for submission to the Government.

What does this mean for businesses, people and places in South Yorkshire?

This is a good opportunity for organisations across South Yorkshire to support people, businesses and communities most in need. This will lead to investment in skills, community and place, local business, and supporting people into employment. The bid from the MCA into Government on behalf of South Yorkshire will be for a maximum allocation of £12m (£3m per LA area).

Recommendations:

1. That the Board notes and approves the process underway to develop and appraise CRF bids
2. That, given the submission dates, the Board delegates to Statutory Officers the authority to submit bids on its behalf on 18th June 2021, noting that the board will receive the shortlist in the week commencing 14th June and will have an opportunity then agree the final submission.
3. That the Board delegates to Statutory Officers the authority to accept any eventual grant offers.

Consideration by any other Board, Committee, Assurance or Advisory Panel
Local Enterprise Partnership 13 May 2021

1. Background

- 1.1 The UK Government announced £220m investment in the UKCRF in its budget on 3rd March 2021. The UKCRF aims to support people and communities most in need across the UK to pilot programmes and new approaches and will invest in skills, community and place, local business and supporting people into employment. It is the pre-cursor to the UK Shared Prosperity Fund (UKSPF). The MCA has been designated as a Lead Authority by the UK Government. As Lead Authority, the MCA will be submitting a £12m bid to Government (£3m per local authority). Barnsley, Doncaster and Rotherham have been identified in the Government's top 100 places as priority areas; however, this does not preclude Sheffield from bidding and receiving funding, but its chances of success are lower.
- 1.2 Projects must deliver activity that is line with the UKCRF and should align with at least one of these investment priorities:
 - Investment in skills
 - Investment for local business
 - Investment in communities and place
 - Supporting people into employment
- 1.3 The MCA published a call document on 21st April. It specifies that bids should build on local insight and knowledge; align with the objectives set out in local economic plans, the Renewal Action Plan and the Strategic Economic Plan; be deliverable within the timescales; have the potential to scale up; be innovative in approach; and be able to inform the upcoming UKSPF. In addition to these objectives set out in the national document, projects that would help meet the challenges of net-zero ambitions, improve health and wellbeing, or help young people and adults to re-enter the labour market will be especially welcome.

2. Key Issues

2.1 What has happened so far

- The South Yorkshire call document inviting bids was published on 21st April 2021. It provides prospective bidders with the information needed to submit a proposal, including the objectives of the UKCRF, local strategic focus, the types of projects the fund intends to support and how it operates, the process, and selection criteria that will be used to assess bids.

- Regular meetings take place with all four Local Authorities to work collaboratively on the UKCRF.
- A webinar was organised on 26th April, outlining what the UKRCF is and bidding process. Around 90 people from a range of organisations across South Yorkshire attended. This was followed up with an FAQs document answering questions raised in the webinar or asked subsequently.

2.2 **Developing and appraising bids**

The MCA and Local Authorities have been working with organisations to develop bids with local partners. The MCA and LAs will continue to support all bidders as much as it is possible.

In selecting the bids that will be forwarded to the UK Government for consideration, the MCA will prioritise the projects that have the greatest potential to deliver against key economic growth priorities outlined in the Strategic Economic Plan and Renewal Action Plan. Net zero ambitions, the need to improve the health and wellbeing of communities, and the life chances of young people and adults re-entering the labour market, are of particular concern and proposals that help meet those challenges would be welcome.

- 2.3 The draft shortlist per each place will be shared with the Board for agreement in the week commencing 14th June, ahead of submission to Government on the 18th.

3. **Options Considered and Recommended Proposal**

3.1 **Option 1**

A centrally managed process – the MCA could have adopted a highly prescriptive and centralised approach to the development of CRF projects. This approach was discarded on the basis this may not reflect the partnership approach favoured by all partners, that the timescales do not allow for the development of new SY wide schemes, that many of the objectives related to CRF are inherently local in nature, and that the capacity and capability through a joint MCA and local council approach is most likely to yield a successful result.

3.2 **Option 1 Risks and Mitigations**

- Risk 1. MCA and partner capacity become so stretched that core business is at risk.
- Risk 2. Centrally developed projects are not fully consulted on given the time pressures and local priorities are thus not attended to

Mitigation – this option is not recommended. But if the Board is minded to choose this, the risks could be mitigated by focusing narrowly on existing MCA projects to provide the best chance of success. This was explored and there are still several challenges that will need to be overcome.

3.3 **Option 2**

Do nothing – the MCA has a responsibility, as the lead body responsible for CRF, to ensure that the process undertaken is rigorous, robust and transparent. The approach being pursued secures those objectives whilst giving the greatest opportunity for local schemes to emerge. This approach also ensures that the MCA and local partners are well placed to develop proposals for the UKSPF from

2022/23 onwards. If this option had been pursued, South Yorkshire could have missed out on investment up to £12m.

3.4 **Option 2 Risks and Mitigations**

- Risk 1. South Yorkshire will miss out on renewal funding.
- Risk 2. Reputational risk for the MCA and partners
- Risk 3. An opportunity to begin preparation for UKSPF will have been missed

Mitigation – this option is not recommended. But if the Board is minded to choose this, the risks could be mitigated by engagement with local partners to explain the rationale for the decision and offer viable alternatives. UKSPF preparations could also be started immediately to ensure South Yorkshire can recover some of the lost ground.

3.5 **Option 3**

Work with LAs to develop and appraise bids – this is the process outline in section two of this paper and is thus the recommended option.

3.6 **Option 3 Risks and Mitigations**

- Risk 1. The number of bids overwhelm MCA and LA partners capacity
- Risk 2. Partner expectations become difficult to manage which then presents a reputational risk.
- Risk 3. LA bid development and shortlisting process slows down the process, given the MCA insufficient time to perform its role as Lead Authority

Mitigation – the £60k capacity fund is being deployed to provide support to LAs and the MCA.

Secondly, the process has been devised, developed and agreed with all local partners.

The webinar, FAQ and ongoing engagement is to ensure expectations are managed and all partners know where and how to seek clarifications.

3.7 **Recommended Option** Option 3

4. **Consultation on Proposal**

- 4.1 Regular meetings have been ongoing with the local authorities. The MCA has hosted a webinar for interested organisations. Despite being organised at the short notice – due to the challenging timescales of the project – circa 90 people attended. There will be future consultation with organisations who submit bids outlining next steps and what they can expect.

5. **Timetable and Accountability for Implementing this Decision:**

- 5.1 The MCA will submit the final list of projects to Government on 18 June. Government will make the final decision on approving projects and the decision is expected at the end of July, with delivery to commence shortly afterwards and to be completed by March 2022.

Stage	Deadline
Invitation to bid launched in South Yorkshire	21 April 2021
Webinar on application process	26 April 2021
Closing date for submissions to local authorities	26 May 2021
Closing date for LA submissions to SCR MCA	9 June 2021
SCR MCA submits the shortlist to Government	18 June 2021
Government confirms the approved projects	End of July 2021
LAs notify applicants	End of July 2021
Delivery commences	August 2021
Delivery completed	31 March 2022

6. Financial and Procurement Implications and Advice

6.1 There are no direct financial implications for the MCA arising from this paper. The MCA will submit a final prioritised list of schemes of £12m on 18 June for South Yorkshire.

7. Legal Implications and Advice

7.1 The MCA, as Lead Authority, will be expected to enter contractual arrangements with successful projects once the Government has reviewed submissions and awards are announced. The MCA Assurance Framework will govern the process unless otherwise direct by Government and or agreed by the Board.

8. Human Resources Implications and Advice

8.1 Government has allocated £60k to the MCA to support capacity in developing and appraising bids. The funds are being used to secure consultancy support for LA partners and MCA capacity.

9. Equality and Diversity Implications and Advice

9.1 The Strategic Economic Plan and Renewal Action Plan have a strong inclusion focus. The MCA expects that projects brought forward by partners locally will set out how they will deliver for the particular needs of communities across South Yorkshire.

10. Climate Change Implications and Advice

10.1 Projects that help deliver the net-zero agenda will be looked upon favourably in the appraisal process. The MCA is seeking projects that address this issue.

11. Information and Communication Technology Implications and Advice

11.1 None

12. Communications and Marketing Implications and Advice.

12.1 Activity has taken place to raise awareness of the CRF opportunity and encourage submissions. This has included a webinar and the use of social media channels. Proactive communications activity will take place to highlight the successful projects.

List of Appendices Included

None

Background Papers

None