



ECONOMY REGENERATION & HOUSING COMMITTEE

Monday 18 September 2023

REPORT TITLE:	UK SHARED PROSPERITY FUND: PLACE BASED BUSINESS SUPPORT DELIVERY
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report provides details of the Council's UK Shared Prosperity Fund (UKSPF) Place Based Business Support (PBBS) grant funding allocation of £952,320 from Liverpool City Region Combined Authority (LCRCA). The report sets out recommendations for how the Council should utilise the grant to deliver the required outputs and activities. The grant funding presents the opportunity to achieve savings against the Council's revenue budget.

The Council has commissioned Wirral Chamber of Commerce and Industry (WCC) under contract to deliver the Business Support Service (BSS) until 31 December 2023, with the option to extend delivery to 31 December 2025. It is proposed that the BSS Contract is varied to incorporate PBBS outputs and be part-funded from the Council's UKSPF PBBS allocation. The PBBS allocation will also enable the commissioning of additional specialist interventions to support growth in key sectors and clusters and the funding of two full-time equivalent council staff posts during the UKSPF grant funding period.

The proposals contained in this report directly support the Inclusive Economy theme within the Wirral Plan 2026, aiming to create a prosperous, inclusive economy by helping businesses to thrive and creating jobs and opportunities for all.

This matter is a key decision and affects all Wirral wards.

Appendices 1 and 2 of this report are exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

RECOMMENDATIONS

The Economy, Regeneration & Housing Committee is recommended to authorise:

1. the expenditure of the UKSPF allocation to deliver Place Based Business Support as outlined in paragraphs 4.1 to 4.7 of this report; and
2. the Director of Law and Governance, in consultation with the Director of Regeneration and Place to enter into an extension of the Business Support Service contract with Wirral Chamber of Commerce and Industry for an additional two years from 1 January 2024 to 31 December 2025.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATION/S

- 1.1 **Cost saving:** Utilising the UKSPF PBBS grant allocation to fund a proportion of the Business Support Service and council staff costs will temporarily reduce planned revenue costs of £561,963 (2023/24: £176,679, 2024/25: £385,284).
- 1.2 **Mobilisation:** Given the time constraints of the UKSPF funding, the Council needs to commence delivery of funded activities as soon as practically possible. The Council is well positioned to quickly mobilise a seamless approach to delivering UKSPF PBBS outputs and activities within the current contractual provisions.
- 1.3 **Performance and experience:** BSS contract performance to date has met or exceeded equivalent outputs to those required in the UKSPF PBBS Grant Funding Agreement, representing an effective proven delivery route for this provision.
- 1.4 **Consistency of service:** The BSS has operated as a commissioned service since June 2017. Maintaining a consistent, high quality, universal offer ensures that businesses continue to benefit from a recognised, 'one front door' access point to publicly funded business support in Wirral.
- 1.5 **Investing in growth:** PBBS funding presents a low-risk, low-cost means to invest in the growth of emerging sectors that support Wirral's Economic Strategy and enable regeneration. Investing a proportion of the PBBS allocation on additional specialist interventions will accelerate growth in the borough.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Commission new Place Based Business Support activity, in addition to the existing, contracted BSS: This risks a duplication of the BSS offer creating a confusing landscape for local businesses. It would not relieve in-year budget pressures and would reduce Wirral Council's timeframe to achieve PBBS outputs.
- 2.2 Commission a new BSS, integrating UKSPF Place Based Business Support from January 2024: Wirral Council has an established and recently recommissioned service (2022) following a comprehensive review which fulfils the aims of the PBBS. A new commission would reduce Wirral Council's ability to achieve PBBS outputs.

3.0 BACKGROUND INFORMATION

UK Shared Prosperity Fund

- 3.1 The Place Based Business Support grant has been allocated as part of the Liverpool City Region Combined Authority's (LCRCA) UK Shared Prosperity Fund (UKSPF) Investment Plan as agreed with HM Government. Further background regarding UKSPF is available via previous report presented to this Committee on 7 December 2022: [UK SHARED PROSPERITY FUND](#)

3.2 The UKSPF is based on three investment priorities and funding is allocated in the following phases:

Phase 1 - Communities and Place

Phase 2 - Local Business

Phase 3 - People and Skills

This report relates to Phase 2 of the UKSPF allocation.

Place Based Business Support

3.3 The agreed LCR PBBS Investment Plan requires the Council to ensure that the following services are provided to businesses and entrepreneurs in Wirral:

- Universal free support to any existing businesses
- Business start-up support
- Remove barriers to job creation
- Advice & guidance
- Brokerage into national and UKSPF programmes, including innovation signposting
- Key Account and Relationship Management of SMEs and larger companies
- Specialist business support that matches local economic priorities and opportunities

3.4 In addition, the six LCR Local Authorities are required to work in collaboration with The Growth Platform. The Growth Platform provides a coordination function to ensure local authority business support activity aligns with LCRCA's strategic objectives and other PBBS funded programmes commissioned by LCRCA.

3.5 Wirral's Place Based Business Support will include:

- **UNIVERSAL BUSINESS SUPPORT SERVICES:**
A programme of universal business support services available to all businesses in the borough, regardless of sector, size or location. Support will operate in conjunction with the LCRCA/Growth Platform brand, offering in-depth diagnostic assessment of business needs, brokerage to available support from other UKSPF programmes, support for people looking to start a business, and a range of procured specialist advice on areas such as marketing, business planning and financial management.
- **BESPOKE PLACE-BASED ACTIVITIES:**
The commissioning of bespoke interventions that respond to identified needs, supporting businesses in a particular area, sector or cluster. Indicative examples: support for creative, digital and technology sectors aligned with Wirral Council's Culture and Heritage strategy; support for town centres; initiatives to support collaboration and supply chain development in growth sectors. This element will be commissioned by the Economic Growth Team in consultation with relevant stakeholders, including collaboration with other Local Authorities where a joint approach could maximise impact and value for money.

Wirral Council Business Support Service

- 3.6 The current Business Support Service provided by the Wirral Chamber of Commerce commenced delivery in January 2022. The contract runs to 31 December 2023, with an option to extend for an additional two years subject to satisfactory performance.
- 3.7 The BSS provides Wirral businesses with free universal access core business growth support advice and guidance in areas such as marketing and finance; entrepreneurship/business start-up support; community, voluntary, and faith (CVF) sector support.
- 3.8 Additionally, the BSS provides Wirral Council with inward investment support, sector development initiatives, and business intelligence to inform decision-making and strategy development.
- 3.9 Performance of the BSS is measured against key performance indicators (KPIs). Eighty percent of BSS KPIs are either exceeding performance or within tolerance. A detailed overview of BSS performance is available in Appendix 1 of this report.

Internal Fixed Term post

- 3.10 The acceptance of the UKSPF funding will enable the Director of Regeneration and Place to recruit to the current vacant full-time fixed-term post within the Economic Growth team, which will be fully funded by the UKSPF allocation.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Each of the six LCRCA Local Authorities have been awarded funding to deliver PBBS from Phase 2 of the LCR UKSPF allocation, as shown in Table 1. These allocations have been determined by the LCRCA in line with national UKSPF allocation methodology for geographical areas, which for Wirral is 19.84%. The Grant Funding Agreement for Wirral totals £924,544, after deducting a top slice for the LCRCA's Growth Platform of £27,776 from the total grant allocation of £952,320. All six authorities received a proportionate top slice deduction from their grant allocations to enable the required central coordination role facilitating consistent access to PBBS across LCR.

Table 1:

Local Authority	Allocation	Amount
Halton	7.87%	£377,760
Knowsley	10.14%	£486,720
Liverpool	33.17%	£1,592,160
Sefton	16.79%	£805,920
St Helens	12.19%	£585,120
Wirral	19.84%	£952,320
Total	100%	£4,800,000

- 4.2 Proposed allocation of the Council's UKSPF PBBS grant aligned with existing revenue budget from 1 October 2023 to 31 March 2025 is shown in Table 2.

Table 2:

Proposed activity	2023/24	2024/25	Sub-total	Total UKSPF PBBS Allocation
UKSPF Staffing Contribution	£45,264	£122,454	£167,718	£167,718
UKSPF Specialist Interventions	£249,599	£112,982	£362,581	£362,581
UKSPF Contribution to BSS	£131,415	£262,830	£394,245	£394,245
Wirral Contribution to BSS	£87,610	£175,220	£262,830	-
Top Slice: Growth Platform	(£27,776)			£27,776
Total	£513,888	£673,487	£1,187,375	£952,320

- 4.3 The current Regeneration and Place budget for the BSS is £438,050pa inclusive of a £50,000pa contribution from the Public Health Grant. The value and content of the specification was agreed following a pre-commissioning review conducted by Mickledore and CLES; the specified service delivers aspects of activities that are out of scope of UKSPF requirements. 60% of contractual costs are in scope of UKSPF from 1 October 2023 to 31 March 2025.
- 4.4 From 1 April 2025 to 31 December 2025 the BSS commission will revert to being funded from the Council's Regeneration and Place revenue budget.
- 4.5 £362,581 of the UKSPF PBBS funding will be invested in specialist business related interventions for identified areas, key sectors and clusters that respond to economic needs and opportunities in Wirral. This represents an appropriate delivery budget to enable interventions at the scope and scale required to ensure meaningful impact and delivery of contracted outputs.
- 4.6 The UKSPF PBBS grant will be paid by LCRCA in quarterly instalments in arrears following submission of a claim by the council of defrayed costs.
- 4.7 The decision to accept the UKSPF PBBS grant funding allocation of £924,544 was taken by the Section 151 Officer in accordance with 2(d) of Part(C) of the Constitution 'Overview and Scheme of Delegations of Authority to Officers'. In respect to the receipt of grant funding, express delegation is given to the Section 151 Officer. Relevant Chief Officers are required to subsequently report the acceptance of the grant funding to the appropriate Committee. Spend of grant funding will be dealt with in accordance with sections 2(a) to 2(c) above.

5.0 LEGAL IMPLICATIONS

- 5.1 As the Lead Local Authority, Liverpool City Region Combined Authority issued Wirral Council with a grant funding agreement on 27 July 2023. LCRCA may terminate the grant offer and any obligation to make any further payment of the PBBS grant on giving the Wirral Borough Council three month's written notice should it be required

to do so by financial constraints or a change in legislation or Government policy, or if in the view of LCRCA it is no longer necessary or appropriate to support the PBBS project to achieve LCRCA's objectives.

- 5.2 The Council's current Business Support Service commission runs for a period of 24 months from 1 January 2022 until 31 December 2023, with an option to extend the contract term for a further two years until 31 December 2025 on the same terms by giving written notice before 31 October 2023. The contract with Wirral Chamber of Commerce and Industry has the option for the Council to extend the initial term by up to 2 years and the extension will comply with rules 13 and 17 of the Council's Contract Procedure Rules. In accordance with Wirral Council's Contract Procedure Rules the Public Contracts Regulations 2015, the Council will issue a Deed of Variation to Wirral Chamber of Commerce and Industry to amend the current Business Support Service specification to incorporate UKSPF Place Based Business Support grant funding requirements.
- 5.3 The Council will take steps to ensure the use of UKSPF funding is in accordance with UK subsidy control legislation.
- 5.4 Specialist activity that is complementary to the Business Support Service will be procured in accordance with Wirral Council's Contract Procedure Rules and the opportunity will be competitively tendered as per Public Contracts Regulations 2015.
- 5.5 Following on from the acceptance of the UKSPF PBBS grant funding allocation by the s151 officer as referred to in paragraph 4.7 of this report the Director of Law and Governance will embody that acceptance by way of a formalised grant funding agreement.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no council assets, ICT equipment, or recharged services affected arising from matters in this report.
- 6.2 It is recommended that two existing FTE staff posts in the Economic Growth Team structure will be fully funded using the Council's UKSPF PBBS allocation between 1 October 2023 and 31 March 2025, one of which is currently vacant. The activities undertaken by these posts will include coordination of the PBBS programme and key account management activity.

7.0 RELEVANT RISKS

- 7.1 LCRCA may withdraw or reduce, or require the Council to repay all, or any proportion of the Grant on grounds listed in the Grant Funding Agreement if the Council does not adhere to the purpose or terms and conditions of the grant. The Council will mitigate this risk through regular monitoring and performance management of all relevant contract activity.
- 7.2 If all available grant funding is not spent by the end of the UKSPF PBBS funding period, the council risks not drawing down the full allocation. This will be mitigated by appropriate commissioning and ongoing risk and financial management throughout the period to ensure spend and delivery meets the required profile.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The current Business Support Service contract was informed by wide-ranging consultation with stakeholders that included local businesses, representative bodies, council officers, business support providers, Liverpool City Region Growth Platform representatives and third sector organisations.
- 8.2 The LCRCA has undertaken extensive stakeholder engagement and consultation on their UKSPF Investment Plan. Further background regarding this is available via the following report, presented to this Committee on 7 December 2022: [UK SHARED PROSPERITY FUND](#)

9.0 EQUALITY IMPLICATIONS

- 9.1 Equality and Diversity Implications have been considered during the development of the LCRCA Investment Plan, including engagement with representative groups for underrepresented communities and groups. There are a number of activities proposed which will provide targeted support for people with protected characteristics. There will be a requirement for all activities commissioned and delivered utilising this funding to demonstrate how they are complying with the requirements of the Equality Act 2010: this will include a summary of the positive action being undertaken to engage with, support and narrow the gaps for those with protected characteristics.
- 9.2 The potential impact of the UK Shared Prosperity Fund has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy, which can be found here: <https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>. No material changes to the EIA are required because of this report. There may be a future requirement for any individual project or scheme to have their own EIA conducted.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The Wirral Plan 2026 includes a set of goals and objectives to create a sustainable environment which urgently tackles the environment emergency.
- 10.2 The community wealth building and local supply chain development aspects of our BSS commission continue to support the transition to a low carbon economy.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth is a cornerstone of the Wirral Economic Strategy 2021-26, identified as one of 3 Working Principles, with associated actions and performance outputs.
- 11.2 The Place Based Business Support grant will support Wirral Council's Community Wealth Building Strategy outcome ambitions to deliver a more inclusive economy in the borough to address inequality and ensure that all residents in the borough feel the benefits of economic growth through, for example, agreement with projects which receive funding to ensure good and fair quality employment, training and

apprenticeships, and by aiming to maximise social value opportunities in relation to progressive procurement of goods and services and use of local supply chains.

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APPENDICES

Appendix 1 – Business Support Service Performance to 30th June 2023 and Case Studies

Appendix 2 - UKSPF Place Based Business Support Grant Funding Agreement Summary

Appendices 1 and 2 of this report are exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

BACKGROUND PAPERS

[Birkenhead 2040 Framework](#)
[Wirral Economic Strategy 2021- 2026](#)
[Wirral Plan 2020 - 2026](#)

TERMS OF REFERENCE

This report is being considered by the Economy, Regeneration and Housing Committee in accordance with Section 4.2 (d) and 4.2 (e) of its Terms of Reference.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy, Regeneration, and Development Committee (Business Support Services: Commissioning Intentions)	4 March 2021
Policy and Resources Committee (BUSINESS SUPPORT SERVICES: COMMISSIONING INTENTIONS PAPER)	17 March 2021
Officer Decision Notice Business Support Service: short-term extension	16 September 2021
Officer Decision Notice Business Support Service: procurement outcome	6 December 2021
Economy Regeneration and Housing Committee (UK SHARED PROSPERITY FUND)	7 December 2022