UKSPF Investment Plan Year 1 Project Call

Community and Place E14 - Feasibility Studies

Background

The UK Shared Prosperity Fund (UKSPF) was launched in April 2022 and succeeds the old EU structural funds. The fund is a central pillar of the UK government's Levelling Up agenda and seeks to target funding where it is needed most to build pride in place, support high quality skills training, support pay, employment and productivity growth, and increase life chances. The fund will invest in three local priorities: communities and place, support for local businesses, and people and skills.

South Lakeland District Council submitted the UK Shared Prosperity Fund Investment Plan to Government on 1st August 2022. Government has allocated £3.8m UKSPF funding to South Lakeland. The area is currently undergoing Local Government Reorganisation and from 1st April 2023 will be part of the new Westmorland and Furness Council. The current local authorities have collaborated closely to develop aligned Investment Plans in readiness for a merged Investment Plan in Year 2 and 3 of the Fund. As such, the project call for Year 1 is being led by the current local authorities working closely together to select projects through a shared approach.

Local Challenges and Opportunities

South Lakeland faces a number of key challenges and opportunities which fall under the Communities and Place investment priority. Our research and evidence, insights from existing policy and strategies, as well as stakeholder engagement, identifies the following:

Demographic Challenge

South Lakeland is facing a serious demographic challenge that is expected to worsen in the next decade. The population of the district has only increased by 1.1% since 2015, with a decline in children and working age residents, with an increase of some 6% of older age residents. This is a trend which is expected to continue through to the early 2040s. South Lakeland is expected to experience a slower rate of population growth than the national average at 5% compared to 10% in England. These projections forecast a 5% loss in working age residents in South Lakeland by 2043, whilst the older demographic will increase by 28%. It is notable that during the pandemic the level of economic inactivity due to retirement in South Lakeland rose by 15.5 percentage points from 28.4% economic inactive retired in 2019 to 43.9% in 2021. An ageing population will place increased dependency on services in the district including health and social care.

This cohort are also more likely to be affected by the national cost of living crisis. Furthermore, the loss of young and working age residents will create a labour market challenge to support economic growth. Efforts to grow the working age population rely on access to quality affordable housing, quality jobs and supporting infrastructure.

Deprivation Challenge

Although overall South Lakeland is a reasonably prosperous district with many residents experiencing low levels of deprivation, within the district clear deprivation challenges can be seen with concentrations in mid-level deprivation around Ulverston and Kendal. In



particular, 8 LSOAs within South Lakeland are among the 10% most deprived nationally for Living Environment. This considers indoor living environment as measured by the quality of housing, whilst the outdoor living environment considers air quality and road traffic accidents involving pedestrians and cyclists.

Accessibility Challenge

South Lakeland ranks as the 60th most in need authority for improved transport connectivity on the DLUHC Priority Places Index which is informed by evidence on average journey times to employment centres by car, public transport and bike. The rurality of South Lakeland limits access to basic services, town centres and places of employment.

The highest contributor to carbon emissions in South Lakeland is transport emissions, which contributes 44%. Overall, South Lakeland currently produces more CO2 per capita (8.2t) than the national average (5.6t).

There is need to improve active travel, EV infrastructure, public transport and basic infrastructure to support safe and effective movement connecting people to jobs, training, services and visitor destinations. Investment in accessibility improvements will help to reduce deprivation, lower transport related emissions, and improve the physical and mental health and wellbeing of our community.

Vitality Challenge

Town centres have been heavily impacted by changing consumer patterns and a shift to online retail, which has been accelerated by the pandemic, contributing to declining footfall, reduced spend and commercial vacancies. However, with the gap in digital skills, the older demographic still heavily relies on town centres to cater to health, wellbeing and social needs. There is the need to make town centres more accessible for the older demographic as well as providing a broader offer to attract residents and visitors to the area and support improved access to services. The visitor economy is a key driver of the South Lakeland economy, and there is a need to ensure that town centres can provide an experiential offer which attracts tourism spend.

Cumbria has a lower crime rate than the national average. However, consultation pointed to hot spots of crime in town centres, highlighting the need for interventions which can create a safer town centre environment.

Opportunity to Harness Social Capital

Interventions which facilitate an improved sense of belonging and enhanced community resilience and cooperation can build pride in place and quality of life. There is a need to put residents at the heart of public service delivery through a collaborative response to drive transformation and inclusive growth and equip people with the skills and confidence they need to achieve their potential.

Improving life satisfaction will help to attract and retain young people and families in the area. Residents of South Lakeland have higher life expectancy than national average and with the growing proportion of older residents, there is the opportunity to capitalise on social action and volunteering to add to the wellbeing and quality of life of older residents.

Opportunity to Build Pride in Place

South Lakeland has a rich culture, heritage and natural capital offer to support enhanced quality of life. According to the RSA Heritage Index, South Lakeland has one of the highest heritage scores in England ranking 6th. Leveraging these assets through investment and promotion will attract and retain residents, visitors and businesses to the area.

Opportunity to Strengthen Town Centres through a Diversified Offer

South Lakeland has significant natural capital assets supporting growth in the visitor economy, including the World Heritage Lake District National Park.



There is the opportunity to attract and disperse visitors within South Lakeland to capture spend in town centres to support vitality. South Lakeland has a wealth of cultural assets which help to create pride and social cohesion in the area. Data from the Active Lives Survey shows that the 75% of adults in South Lakeland attended an arts event, museum or gallery or spent time doing an arts activity in the last 12 months, this is higher than the national average of 70%.

Local cultural, heritage and tourism assets need increased promotion to capitalise on the visitor economy and their ability to continue providing benefits for local residents. Town Centres in the district need to respond to drivers of economic growth which attracts residents and workers to the area and captures their spend locally.

In addition, town centres can provide a supportive business environment to facilitate enterprise and business growth including the provision of incubation and flexible workspace, and a range of housing options to meet the demands of a changing demographic. Vacant and underutilised units can be repurposed with new uses in response to these opportunities and inject vitality and footfall into the town centres.

Aim of the Project Call

The aim of this project call is to invite proposals in response to the Community and Place intervention E14: Funding to support relevant feasibility studies.

Through the development of our investment plan and the identification of the local challenges and opportunities detailed above which we aim to address through the UKSPF we have recognised that there is a gap in funding available for feasibility studies relevant to the objectives of the Community and Place priority. Through this intervention we intend to provide funding for feasibility studies which can enable projects and initiatives to move closer to their delivery stage and potentially unlock further sources of funding from other bodies or other UKSPF interventions.

Revenue funding only will be available through this project call. The total amount of funding available under this intervention is £110,753 and our intended output is to assist in funding at least four different feasibility studies using this allocation, with an outcome of at least one of these studies resulting in a delivered final project.

The feasibility study must be for a place-based project in the South Lakeland District Council area that can respond to the local challenges and opportunities detailed above, the objectives of the Community and Place investment priority and the relevant Levelling Up missions listed in the UKSPF prospectus. The feasibility study must be commissioned and then commence by March 31st 2023.

The funding ask made in this application must be for at least $\pounds 20,000$ and for no more than $\pounds 45,000$. Match funding is not required; however, applicants must demonstrate that the feasibility study can be fully funded through the UKSPF or with other sources of funding.

The intended final project resulting from the feasibility study must be deliverable by March 2025 and the eventual scale and impact of this project must be significant, with a total planned spend in capital or revenue of at least £250,000.

This project call will be made in South Lakeland in 2022/23 only and further funding will not be made available through this intervention in 2023/24 or 2024/25.

Process and Timescales

The deadline to submit this application is 7th October 2022. Assessment and appraisal of all submissions will then take place during October 2022. Subject to approval of our investment plan from Government, which is expected in autumn 2022, project awards will



be confirmed in November or December 2022 with grant agreements then made between the Council and successful applicants. Delivery of the project will then be completed by March 31st 2023 with monitoring, evaluation and reporting ongoing.

Contact Details

Questions about the details of the project call description can be directed to <u>sam.butcher@southlakeland.gov.uk</u>

Questions about the application process and completing the application can be directed to <u>chris.fox@hatch.com</u>

Reference Documents

UK Shared Prosperity Fund: prospectus - GOV.UK (www.gov.uk)

UK Shared Prosperity Fund framework of Objectives, Outcomes and Outputs (England)

UK Shared Prosperity Fund Interventions List (England)

