



Supporting Local Business Priority UK Shared Prosperity Fund Programme Business Case Committee Version

Version 1.3 (Final)

VERSION CONTROL

Document version	Publication date	Description of changes	Modified by
Final 1.0	12/01/2023	Issued to WLDC	G Callingham
Final 1.1	17/01/20223	Minor amendments	G Callingham
Final 1.2	18/01/20223	Appendices Merge	J Makinson-Sanders
Final 1.3	23/01/20223	Minor amendments	J Makinson-Sanders

DECISION PROCESS

Financial Services Review

FIN-REF	
Recommendation	
Comments	
Officer	
Date	

Project Sponsor Sign- Off

Decision	
Comments	
Date	

Management Team Sign Off

Decision	
Comments	
Date	
Attendees	

Committee Sign Off

Decision	
Comments	
Date	
Attendees	

CONTENTS

Executive summary.....	1
1 Strategic case.....	3
1.01 Introduction.....	3
1.02 Strategic context.....	3
1.03 Case for change	5
1.04 Programme investment and strategic alignment	5
1.05 Changes to projects.....	12
1.06 Key strategic risks.....	12
1.07 Conclusion.....	13
2 Economic case.....	14
2.01 Introduction.....	14
2.02 Approach to economic case.....	14
2.03 Economic benefits	14
2.04 Economic cost	17
2.05 Value for money assessment.....	18
2.06 Non-quantified benefits	19
2.07 Key economic risks.....	19
2.08 Conclusions	20
3 Commercial case.....	21
3.01 Introduction.....	21
3.02 Commercial deliverability	21
3.03 Procurement strategy.....	21
3.04 Wider considerations	22
3.05 Key commercial risks.....	23
3.06 Conclusion.....	24
4 Financial case	25
4.01 Introduction.....	25
4.02 Costs	25
4.03 Initial costs.....	25
4.04 Funding.....	26
4.05 Sensitivity analysis / contingency	27
4.06 Ongoing costs.....	27
4.07 Key financial risks	28
4.08 Wider financial implications.....	29
4.09 Conclusion.....	29
5 Management case	Error! Bookmark not defined.
5.01 Introduction.....	30

5.02	Programme organisation and governance	30
5.03	Programme management	30
5.04	Stakeholder engagement and communication	31
5.05	Change control	31
5.06	Assurance.....	31
5.07	Benefits, monitoring and evaluation	32
5.08	Key management risks	33
5.09	Conclusion.....	33

APPENDICES

Appendix 1 – Theory of Change for UKSPF and REPF
Appendix 2 – Summary of Project Changes
Appendix 3 – Programme Risk Register
Appendix 4 – Benefit Calculations
Appendix 5 – Grant Process
Appendix 6 – DWF Law advice on subsidy control
Appendix 7 – Governance Diagram
Appendix 8 – Resource Plan
Appendix 9 – Terms of Reference Programme Board
Appendix 10 – Programme Plan
Appendix 11 – Stakeholder Register
Appendix 12 – Communication and Stakeholder Strategy
Appendix 13 – DLUHC reporting requirements

FIGURES

Figure 1 – Supporting local business – objectives, outputs, and outcomes
Figure 2 – Project Summary and Key Deliverables
Figure 3 – Key Outcomes and Outputs Project 2.1
Figure 4 – Key Outcomes and Outputs Project 2.2
Figure 5 – Key Outcomes and Outputs Project 2.3
Figure 6 – Key Outcomes and Outputs Project 2.4

TABLES

Table 1.1 – Key Strategic Risks and their management
Table 2.1 – Overall funding source UKSPF/REPF
Table 2.2 – Linking Outcome to Financial Measure
Table 2.3 – Assumptions made in calculating economic benefits
Table 2.4 – Overall quantified benefits
Table 2.5 – Key conversion factors
Table 2.6 – Overall quantified costs
Table 2.7 – Value for Money assessment
Table 2.8 – Sensitivity Analysis
Table 2.9 – Key Economic Risks and their management
Table 3.1 – Procurement route
Table 3.2 – Commercial Risks
Table 4.1 – Main costs of projects
Table 4.2 – Summary of Funding Sources
Table 4.3 – Summary of approach to containing project costs
Table 4.4 – Approaches to limiting ongoing financial commitment while sustaining benefits
Table 4.5 – Key Financial Risks
Table 5.1 – Summary of key programme milestones
Table 5.2 – Key Management Risks

EXECUTIVE SUMMARY

This document sets out the Council's compliant business case for investment into the Local Business Support priority as part of the UK Shared Prosperity Fund (UKSPF) and the additional complementary funding provided through the Rural England Prosperity Fund (REPF). The REPF will be administered and monitored as part of the main UKSPF.

The Council has secured £3.495m of UKSPF and REPF of which £1.238m is being used for the Supporting Local Business investment priority. The Council has used a robust methodology to select projects that align to the Theory of Change (appendix 1) and deliver the objectives within the Council's current and emerging Corporate Plan and key strategic documents.

The strategic case for investment into the Supporting Local Business priority remains the same as previously approved by the concurrent meeting of the Prosperous Communities Committee and the Corporate Policy and Resources Committee on 7th July 2022.

Since the initial submission of the UKSPF Investment Plan Government have issued additional information setting out requirements and guidance to councils. The projects have been reviewed against this guidance and interventions developed ready for delivery to ensure compliance.

The Supporting Local Business programme consists of four projects selected to deliver the Council's priorities following a robust options appraisal:

- 2.1 Flagship West Lindsey Business Support Programme.
- 2.2 Maximising the Visitor Economy Offer.
- 2.3 Growing Innovation.
- 2.4 Supporting our markets and retail centres.

The overall financial benefits of these project are estimated by linking specific benefit measures from the opportunities / challenges and expected outcomes from the Theory of Change. Using national statistics and published research findings coupled with local output estimates, prudent estimates were used demonstrating **£7.808m** of measurable benefits against **£2.350m** cost (both in 2022/3 real terms). This included reductions for optimism bias and considering the impact of the Additionality Guide¹ to adjust for what benefits may have happened anyway or the project otherwise being stopped from happening. This led to an overall benefit to cost ratio of **3.32** demonstrating a high value for money ratio, which would stay in the high threshold even if costs doubled or quantified benefits halved.

Each of the projects has a clear procurement route and delivery methodology to provide the most beneficial approach to maximise the impact of UKSPF interventions in West Lindsey.

Subsidy Control has been considered by the Council's external advisers DWF Law. They have confirmed that the projects **are xxxxxxxxxx**

The finance case sets out how the projects are costed, profiled, and funded. Although some elements of external funding are still subject to bidding and commitment, the projects they fund can be flexed to remain within any funding constraint, albeit at the potential cost of scaling back of outputs / outcomes. All the projects have considered how to balance the aims of generating long-term sustainable improvement for the region, with constrained time limited funding. Key financial risks have been identified and plans to treat or mitigate these have been developed. Overall, a sound financial footing for this programme has been demonstrated.

The Programme has a robust governance and assurance framework that complies with the Cabinet Offices assurance framework. The Programme will be overseen by the WLDC Portfolio Board, with the WLDC Programme Board dealing with the operational oversight and reporting of the UKSPF investment plan to Government. Quarterly updates on expenditure will be given to the Corporate Policy and Resources Committee and with an annual update to the Prosperous Communities Committee on the progress of the programme.

1 STRATEGIC CASE

1.01 INTRODUCTION

This chapter sets out the Council's strategic case for investment into the Supporting Local Business priority as part of the UK Shared Prosperity Fund (UKSPF) and the additional complementary funding provided through the Rural England Prosperity Fund (REPF). It makes the case for change and demonstrates the programme's strategic fit.

1.02 STRATEGIC CONTEXT

This section outlines the Government's agenda for Levelling Up and its links to UKSPF and REPF.

Levelling Up

The UK Government is committed to levelling up across the whole of the United Kingdom. It sets out to:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency.

Round 1 Levelling Up funding

It is recognised that West Lindsey is an area in need of additional support. As a first step toward this agenda the Council secured £10.275m Round 1 Levelling Up funding to support West Lindsey's major market town of Gainsborough.

'Thriving Gainsborough 2024' represents a single project comprising of aligned and coherent interventions. Each intervention is designed to address one or more elements of failure and provides inherent added value:

- Construction of a 4-screen cinema, two retail and one restaurant units in the town centre - (development of dilapidated site & new film facilities).
- Redesigning the use and streetscape of the Market Place with the aim of re-establishing the area as the town's thriving heart - (upgraded spaces and assets, where this links to local inclusive growth).
- The extension of the Townscape Heritage Initiative, involving the refurbishment of heritage buildings and wider shop fronts - (upgraded historical buildings).
- Creating a green public realm. The creation of a new pocket park along the riverside and undertaking improvements to the existing park - (delivery of new public spaces).
- The implementation of a wayfinding strategy - (enhanced townscape that is more accessible to residents, businesses and visitors).
- The refurbishment of the bus station - (enhanced townscape).
- Extending the live above the shop programme - (delivery of quality residential space).

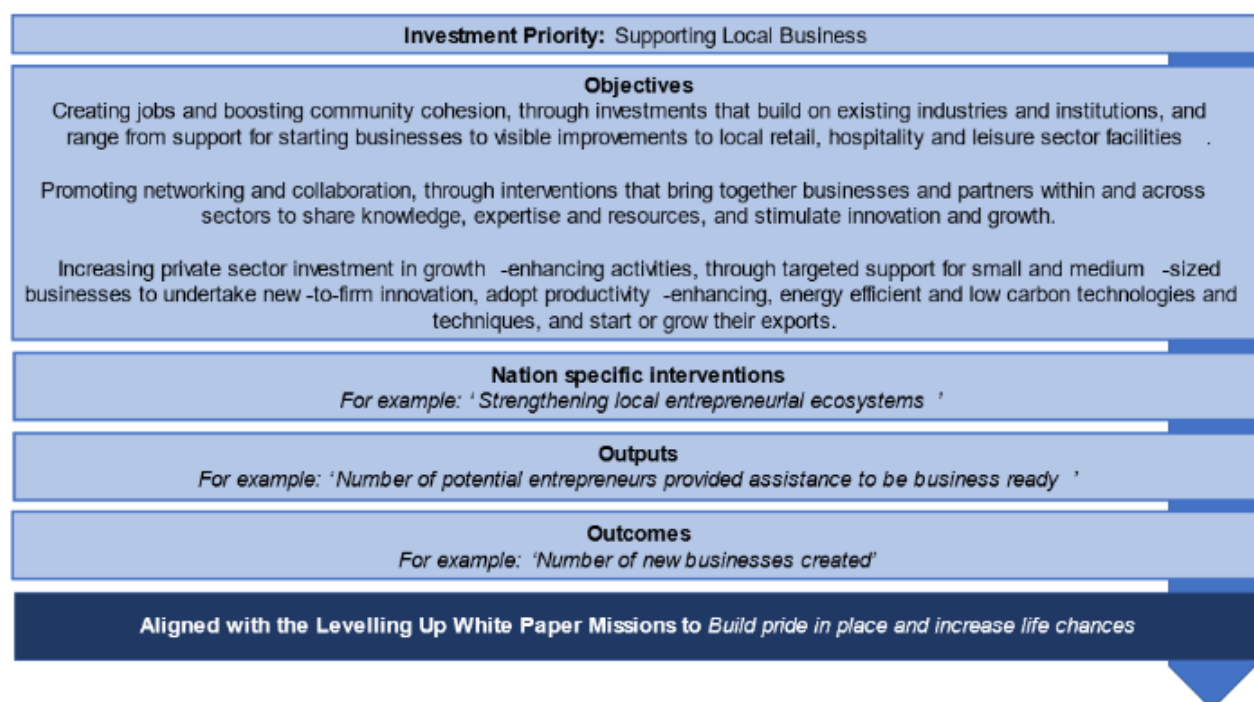
UKSPF

The UKSPF is a central pillar of the UK Government's Levelling Up agenda and is a significant component of its support for places across the UK. The funding complements the money the Council has received in Round 1.

The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. This aligns with Levelling Up White Paper² missions, particularly Mission 9: 'By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.'

Underneath the overarching aim of building pride in place and increasing life chances, there are three UKSPF investment priorities: communities and place; supporting local business; people and skills. There are detailed objectives associated with each of these priorities which are aligned to the relevant Levelling Up White Paper mission. Figure 1 shows the supporting local business investment priority, its objectives, outputs, and outcomes, and how they link together to contribute to the fund's overarching objective. A chain of arrows shows the logic flow.

Figure 1: Supporting local business – objectives, outputs, and outcomes



The UKSPF succeeds the old EU structural funds such as European Regional Development Fund (ERDF)/ European Social Fund (ESF). This means that all the provision previously funded through structural funds to support communities, businesses and skills will stop when the EU funding ends in March 2023.

The Council is allocated £2.7m of UKSPF of which £0.92m is being used for the Supporting Local Business investment priority. The funding will be used to benefit businesses across the District, with spend to be completed by March 2025.

REPF

In September 2022, the Government announced additional funding would be allocated to rural places across the UK in recognition of the specific challenges faced by rural areas. The REPF is top up funding to the UKSPF and an addendum to the UKSPF was approved by the Council and submitted to Government detailing the REPF proposals in November 2022.

The REPF is to support specific challenges in rural areas:

- Lower productivity rates.
- Poor connectivity.
- Poorer access to key services.

These are identified within the West Lindsey UK Shared Prosperity Fund Investment Plan (UKSPF) as important challenges for investment in Levelling Up the District. The funding can be spent on the Community and Place and Supporting Local Businesses priorities; People and Skills is specifically excluded from this funding.

The Council is allocated £795k of REPF of which £318k is being used for the Supporting Local Business programme. The funding will be used to provide capital grant funding for small scale investment in micro and small enterprises in rural areas. This will include investment into non-agricultural farm diversification and agri-tech business development. Spend under this fund must be completed by March 2025.

West Lindsey District Council Corporate Plan 2019-2023

The Corporate Plan is the overarching strategic document setting the vision and objectives for WLDC. The Council's vision for the economy is to ensure that 'economic regeneration in West Lindsey is sustainable and benefits all our communities'.

The Corporate Plan 2019-2023 is currently being refreshed and has been developed in parallel to the UK Shared Prosperity Fund Investment Plan. The emerging 2023-2027 Corporate Plan 'Our Place' theme focuses on economic regeneration, quality housing and ensuring clean, green and safe communities. This theme has been developed to align with the West Lindsey UKSPF Investment Plan, the Central Lincolnshire Local Plan, the Economic Recovery Plan, the Visitor Economy Strategy, the Local Industrial Strategy, the Environment Act 2021 and our Environment, Sustainability and Climate Change Strategy. Key targets are:

- Increased economic performance and higher Gross Value Added.
- A growing visitor economy.
- Job creation.
- Quality housing and improved housing standards.
- Better rural connectivity.
- Increased recycling rates.

1.03 CASE FOR CHANGE

The Council with its consultants Mutual Ventures, has developed a Theory of Change (ToC) for both UKSPF and REPF, a summary can be found in appendix 1.

The ToC make the case for change by illustrating how the Council objectives can be met by identifying the challenges facing the District and finding interventions that would support the delivery of its objectives.

1.04 PROGRAMME INVESTMENT AND STRATEGIC ALIGNMENT

This section provides an overview of the projects within the programme and their strategic alignment to local and regional priorities. A summary of the projects and their key deliverables can be found in figure 2.

Figure 2: Project Summary and Key Deliverables

Project name	Description	Total value	Key deliverables
Project 2.1 Flagship West Lindsey Business Support Programme	Four projects to strengthen local entrepreneurial ecosystems and support businesses at all stages of their development including training and offers of business support.	£1,188,331 ▼ £140,000 ▼ £80,000 ▼ £500,000 ▼ £468,331	Increased number of businesses supported through access to: ▼ Trained business advisers and specialist support. ▼ Tailored advice and guidance to support retail centres and the visitor economy. ▼ Grant schemes to support sustainability and climate change improvements for rural growth. ▼ Grant schemes for farm diversification and Agri-Tech business development.
Project 2.2 Maximising the Visitor Economy Offer	Improve and enhance the Visitor Product with a focus on outdoor recreation	£50,000 ▼ 10,000 ▼ £5,000 ▼ £5,000 ▼ £10,000 ▼ £15,000 ▼ £5,000	▼ Enhance Love Lincs Wolds Outdoor Festival to increase overnight stays and visitor spend. ▼ Create new walking routes. ▼ Refresh West Lindsey aviation guide. ▼ Create 3 digital heritage trails. ▼ Wayfinder strategies for Market Rasen and Caistor. ▼ Develop partnership working.
Project 2.3 Growing Innovation	Development of the UK Food Valley and emerging Agri Growth Zone	£400,000 <i>(development budget which includes £100,000 match and £200,000 of prospective match-funding)</i>	▼ Development of a business plan for Agri Growth Zone. ▼ Development of demonstrator sites across the Food Valley (medium term aim). ▼ Deliver Agricultural Growth Services (long term aim).
Project 2.4 Supporting our markets and retail centres	Support and expand the delivery of the West Lindsey Market Action Plan	£250,000 ▼ £100,000 ▼ £50,000 ▼ £80,000 ▼ £20,000	▼ Appointment of a Town Centres Manager to support and advise retailers. ▼ Funding Provision for the Cultural Events Officer ▼ Promotion and events programme. ▼ Capacity building, for example digitalisation.

More detail on the projects and their strategic alignment can be found below:

Project 2.1 Flagship West Lindsey Business Support Programme

The project consists of 4 workstreams:

2.1.1 Lincolnshire Growth Hub Core Offer.

To provide financial support for the core growth hub in partnership with Lincolnshire authorities and the LEP, giving access to trained business advisors and a wider programme of specialist support. Throughout its operation, the Business Lincolnshire (BL) Growth Hub has performed a leading role in bringing parity, simplification and stability to the business support landscape. The BL Growth Hub has been able to address both local as well as national priorities, translating these into locally relevant tailored support to directly meet the needs of the profile, sectoral strengths and growth ambitions of the business community across West Lindsey. This role has included combining universal as well as targeted services, filling gaps in provision and harnessing new resources to create innovative support solutions for West Lindsey's businesses. Moving forwards, UKSPF funded provision means West Lindsey's businesses can benefit from continued access to free and impartial support from an evolved Business Lincolnshire platform.

Although WLDC could have set up its' own local Business Support programme, this would require considerable financial/time investment in operational personnel, governance, systems, branding and marketing - a significant cost against spend on the direct delivery of support, with increased risk of duplication and/or under-provision of locally important business support. The UKSPF funded business support programme also provides an opportunity to widen access to support by reducing the eligibility restrictions imposed by ERDF by:

- Utilising the existing, proven BL Growth Hub structure and service.
- Making strategic connections and avoid local provision gaps.
- Achieving critical mass and economies of scale.
- Providing value for money.
- Avoiding patchwork provision.

- Capitalising on BL's business support knowledge, experience, and intermediary relationships.
- Ensure alignment of services with the national Growth Hub business support offer funded by the Department for Business, Energy, and Industrial Strategy (BEIS).

This approach supports the Council's West Lindsey Economic Recovery Plan (2021-2024) overarching ambition to address the entrenched socio-economic challenges experienced in the District. This is by supporting long term local economic recovery/growth centred around inclusiveness, sustainability, and resilience – concurrently ensuring, economic regeneration and growth that benefits all our communities; this is a key focus of both our current and emerging Corporate Plan.

The key outputs and outcomes from the UKSPF and REPF Investment Plans are:

Figure 3 Key Outcomes and Outputs Project 2.1

Output Description	Output	Outcome Description	Outcome
Number of businesses receiving non-financial support (numerical value)	100	Jobs created (numerical value)	20
Number of businesses receiving grants (numerical value)	25	Jobs safeguarded (numerical value)	20
Number of potential entrepreneurs provided assistance to be business ready (numerical value)	15	Number of new businesses created (numerical value)	12
Number of businesses receiving non-financial support (numerical value)	100	Number of businesses introducing new products to the firm (numerical value)	169
REFP: Number of businesses supported	40	Number of businesses adopting new to the firm technologies or processes (numerical value)	169
REFP: Number of farm businesses supported	17	Number of businesses with improved productivity (numerical value)	169
REFP: Number of farm diversification projects supported	17	Number of businesses engaged in new markets (numerical value)	169
REFP: Number of micro businesses supported	26	Increased amount of investment (£)	37,1250
		Number of organisations engaged in new knowledge transfer activity (numerical value)	23
		Number of early-stage firms which increase their revenue following support (numerical value)	101
		REFP: Jobs safeguarded	26
		REFP: Number of new businesses created	10
		REFP: Number of businesses adopting new to the firm technologies or processes	16
		REFP: Number of businesses experiencing growth	26

2.1.2 West Lindsey tailored advice and guidance linked to local town, village and neighbourhood retail centres and the visitor economy.

The provision of a dedicated independent Business Support Adviser for West Lindsey to provide a tailored advice and guidance business support programme, which complements and extrapolates beyond the broader support provision delivered via Business Lincolnshire. This ensures that WLDC can offer rural businesses, retailers, and the visitor economy a highly responsive and sector tailored support product, bespoke to the nuances of local businesses and the wider local economy. The programme builds on the successes of, and learning points taken from the previous programme of support. It will provide a range of sector specific and bespoke 1-2-1 advice and guidance as well as support to businesses to better understand digital commerce (and how it applies to their customers), sustainability and environmental issues/net zero 'as an opportunity' (i.e., 'not just a cost saving activity'). There is also an opportunity for the programme to explore 'community commerciality' and the 'circular economy' - linking complementary businesses together to drive local footfall and spend. This provision also links with other UKSPF measures (e.g., 2.4, supporting our markets and retail centres), providing complementary support to enhance the impact of UKSPF interventions.

This approach supports the Council's Economic Recovery Plan (2021-2024) as above and assists with the delivery of key priorities within the West Lindsey Visitor Economy Strategy 2022. The Visitor Economy Strategy focuses on adding value to this key sector and ensuring that every visitor has a positive experience.

2.1.3 Business Sustainability Grant Scheme, supporting business led sustainability and climate change improvements/productivity and rural growth.

Green Business Grants can be used for both revenue projects (e.g., consultancy support or a carbon survey) and capital works/purchases to improve the energy efficiency of buildings and business operations. Potential projects include LED lighting, air source heat pumps, solar thermal, wall and roof insulation, variable speed drives, air compressors, induction cooking and solar PV. The grants process can be found in appendix 5.

Grants will help businesses (list not exhaustive):

- Avoid harmful emissions that contribute to climate change.
- Reduce energy bills and lower maintenance costs.
- Make buildings healthier for employees.
- Improve the business' green credentials with customers and contractors (social responsibility).
- Access cutting edge low carbon technologies.
- Actively support the local supply chain for energy efficiency goods and services.

This approach supports the Council's Climate Emergency Declaration: Sustainability, Climate Change and Environment Strategy and Action Plan, June 2021 which includes a stated goal of becoming a net zero carbon emission organisation and District before 2050.

2.1.4 Business Support Grant Scheme for Farm Diversification and Agri-Tech business development. (Funded through REPF)

Farm Diversification:

Diversification can considerably improve the economic viability of a farm business, whilst benefitting the wider rural economy and community by creating new employment opportunities, improving circular

spend in the local economy, increasing rural footfall and extending the mix/diversity of local retail/leisure facilities. The potential benefits of non-agricultural farm diversification include:

- Increased revenue, which in turn can financially supplement the long-term sustainability of the primary agricultural activity of the farm (improving food-security etc.) and at a community level, ensure continuity of ownership and local employment.
- Improved business security, broadening the business portfolio (and number of income streams) of a farm can mitigate the impact of economic and environmental shocks that are experienced increasingly commonly in primary agricultural activity.
- Improved general business adaptability, undertaking diversification projects improves the businesses awareness of opportunity and ability (skill set) to explore additional/complementary opportunities in the future.

Agri-Tech Business Development (AT):

The provision of grant support to local AT businesses will help to commercialise their research base, helping to consolidate Intellectual Property and Patents and the move towards 'product'. Local Government support would also help AT businesses to access commercial funding, reducing the risk profile of the borrowing for financial institutions. More broadly, provision of grant support would act as strategic signal from WLDC that the sector/cluster is an important element of future economic growth in the District. The grant would be catalytic by potentially supporting the creation of higher value jobs and new economic opportunities (helping to level-up and address economic under-performance in the West Lindsey economy. This can currently be defined as low skills/low wage and experiences low levels of investment in innovation). Concurrently, the innovation delivered by the AT cluster could help the District's primary agricultural sector to adopt agricultural technologies which are sustainable, improving water, energy, biodiversity, and landscape management, bringing benefits to the environment, residents, and visitors to the area.

This approach supports West Lindsey District Council's position as a key partner in the recently announced Greater Lincolnshire Agricultural Growth Zone the 'Ag Zone'. The 'Ag Zone' has been developed by the Greater Lincolnshire LEP, the Lincoln Institute of Agri-food Technology (LIAT) and the Riseholme Campus at the University of Lincoln, The Lincolnshire Agricultural Society, Bishop Burton College, the Barclays Eagle Farm Lab and Lincolnshire County Council.

The overall aim of the Ag Zone is to support:

- Regional leadership in agricultural innovation, skills, business support and technology adoption.
- Agricultural investment to deliver productivity gains, climate smart and sustainable farming as farmers respond to the Agricultural Transition (which runs to 2028).

WLDC UKSPF Business Support interventions are designed to maximise the strategic advantage of WLDC businesses being located within the UK Food Valley and Greater Lincolnshire Ag Zone. To supplement AT, WLDC will also provide AT businesses with access to a match-funded feasibility grant (revenue) which will complement the capital scheme identified above by providing funding to support feasibility activities (including expert consultancy, design, legal advice, proof of concept/product design and development etc.) which are required to mitigate risk prior to or during any capital investments.

Project 2.2 Maximising the Visitor Economy Offer

This project consists of 3 parts.

Part 1: Improve and enhance the Visitor Product with a focus on outdoor recreation (Product Development);

- Enhanced Development of Love Lincs Wolds Outdoor Festival, this will include the development of packages and itineraries to increase overnight stays and visitor spend.
- Create and review walking routes in partnership with Lincolnshire Wolds Countryside Service.
- Refresh West Lindsey Aviation Guide in partnership with Lincolnshire Aviation Partnership.

Part 2: Development of sustainable local attractions, trails and products (Product Development):

- Creation of three new digital heritage trails for Gainsborough, Market Rasen and Caistor.
- Develop wayfinding strategies for Market Rasen and Caistor.

Part 3: Develop and maintain improved planning and communication between key stakeholders and partners (Partnership):

- Development of thematic clusters.

This approach supports the Council's vision and corporate priorities of having a successful visitor economy and tourism industry. The 20-year vision for West Lindsey is to create a resilient and diverse rural District which embraces sustainable growth whilst retaining its quality, heritage, and character for the benefit for all. A strong visitor economy with an extensive leisure and cultural offer attracting visitors from around the world as well as serving the needs of the local community is identified as a priority objective. The visitor economy is also recognised as one of the key sectors in the recently produced West Lindsey Economic Recovery Plan (2021-2024), a post pandemic revival pathway which sets out the key themes and actions that will help implement and deliver the Council's ambitions to build a more inclusive, sustainable, and resilient economy in a post Covid-19 world.

The key outputs and outcomes from the UKSPF Investment Plan are:

Figure 4 Key Outcomes and Outputs Project 2.2

Output Description	Output	Outcome Description	Outcome
Number of businesses receiving non-financial support (numerical value)	20	Increased footfall (% increase)	5
Number of Tourism, Culture or heritage assets created or improved (numerical value)	20	Increased visitor numbers (% increase)	4
Number of commercial buildings developed or improved (numerical value)	5	Increase in visitor spending (% increase)	7
		Increased amount of investment (£)	£75,000
		Improved perception of attractions (% increase)	10

Project 2.3 Growing Innovation

There is an opportunity for West Lindsey District Council to foster the continued development of an emerging and strategically important local Agri-Tech/defence and drone technology clusters based around the 'A15 corridor' (Hemswell Cliff Food Enterprise Zone, UoFL Riseholme Campus, the Lincolnshire Show Ground and RAF Scampton) under the banner of the UK Food Valley and the emerging Agricultural Growth Zone, which could position the District as a UK (if not International) leader in agricultural technology, innovation and sustainability. Since the closure of Scampton RAF Base in Sept 2022, the opportunity of a collaborative approach between the space/defence and agricultural

sectors has since gained more traction strategically, with the possibility to explore, develop and test application of satellite technologies for the benefit of the agri-food supply chain. Globally after defence, agriculture and land use is the largest user of Earth Observation (EO) technologies. Over the next few months, the AgZone Partnership will develop a business plan that will help shape the concept further and outline the A15/AgZone programme delivery in more details, this is currently being structured in three main phases:

1. Develop a core hub north of Lincoln.
2. Develop a network of demonstrator sites across the Food Valley around the A15 (farm/research partners).
3. Deliver Agricultural Growth Services (long term aim).

As set above, West Lindsey's UK SPF Investment Plan is designed to align with the emerging Greater Lincolnshire Agricultural Growth Zone.

The key outputs and outcomes from the UKSPF Investment Plan are:

Figure 5: Key Outcomes and Outputs Project 2.3

Output Description	Output	Outcome Description	Outcome
Number of businesses receiving non-financial support (numerical value)	4	Number of new businesses created (numerical value)	1
Number of businesses receiving grants (numerical value)	2	Number of businesses introducing new products to the firm (numerical value)	5
		Number of organisations engaged in new knowledge transfer activity (numerical value)	5
		Number of businesses adopting new to the firm technologies or processes (numerical value)	5
		Number of new to market products (numerical value)	6
		Increased amount of low or zero carbon energy infrastructure installed (% increase)	10
		Greenhouse gas reductions (% decrease in Tonnes of Co2e)	12
		Number of businesses with improved productivity (numerical value)	5

Project 2.4 Supporting our markets and retail centres

The project will see the appointment of a Town Centres Manager to provide retail support, advice and guidance to market traders and retailers. Funding will also be used to provide a range of interventions such as:

- Digitalisation capacity building.
- FSB / Chamber capacity building.
- Place promotion app development and roll out.
- Local activities and events programme (links to signature events programme).
- Run publicity campaigns and prepare to hold events that will boost footfall and encourage people to visit the retail areas and thereby supporting local businesses.

- Utilise footfall monitoring data to better understand and target what works to bring people to our town centres and retail areas.

This approach supports the Council's WLDC Economic Recovery Plan and the West Lindsey Market Action Plan.

Figure 6: Key Outcomes and Outputs Project 2.4

Output Description	Output	Outcome Description	Outcome
Number of local markets supported (numerical value)	4	Increased footfall (% increase)	40
Number of businesses receiving non-financial support (numerical value)	12	Increased visitor numbers (% increase)	5
Number of potential entrepreneurs provided assistance to be business ready (numerical value)	6	Improved perception of markets (% increase)	85
		Increased number of businesses supported (% increase)	5
		Increased business sustainability (% increase)	75

1.05 CHANGES TO PROJECTS

Over the last few months, the UKSPF projects have been refined and where necessary changes made to the scope, funding profile and delivery methodology. This includes the incorporation of REPF into the Flagship West Lindsey Business Support Programme to create a grant scheme for Farm Diversification and Agri-tech business development. A summary of all changes to the projects can be found in appendix 2.

The UKSPF Investment Plan was submitted to Government in July 2022. The UKSPF required the Council to identify outputs and outcomes for each of the interventions it proposed. These outputs and outcomes form part of the Memorandum of Understanding the Council signed with DLUHC to secure the funding.

In July 2022 additional guidance was issued to Councils on specific areas of the fund. The outputs and outcomes provided by lead local authorities as part of the Investment Plan are indicative and DLUHC expect plans to be refined as delivery progresses. This reflected in the flexibility given to the process of refining outputs as part of the change control process for the fund, this can be found in the UK Shared Prosperity Fund: reporting and performance management (3)³. DLUHC recognises that outcomes are more challenging to define and therefore lead authorities can continue to develop and amend these throughout delivery.

1.06 KEY STRATEGIC RISKS

The key strategic risks and how they will be managed are provided in table 1.1 below. These form part of the overall risk management process (described in the Management Case) and overall risk register (Appendix 3).

Table 1.1 – Key Strategic Risks and their management

Key Strategic Risk and Potential Impact	Approach / Risk Treatment
The Supporting Local Business programme does not align with emerging Corporate Plan. Lack of coordination between strategies undermines basis for investment plan.	The Council's Corporate Plan 2019-2023 is currently being updated and redrafted. There is an opportunity to ensure that the challenges and goals identified through the Theory of Change process are reflected and strengthened in the new Corporate Plan.
Failure to agree changes in the output and outcomes with DLUHC. The Council will not meet the terms of the Investment Plan submitted to Government leading to a potential reduction in funding and reputational damage for the Council.	Engage with DLUHC, once in the delivery stage, illustrate the need to change the intervention outputs and outcomes due to further guidance being issued following submission of the investment plan. Negotiate and agree revised targets showing how the Council will still deliver the objectives of UKSPF.

1.07 CONCLUSION

The Council has secured £3.495m of UKSPF and REPF of which £1.238m is being used for the Supporting Local Business investment priority. The Council has used a robust methodology to select projects that align to the Theory of Change and deliver the objectives within the Council's current and emerging Corporate Plan and key strategic documents.

Since the submission of the UK Shared Investment Fund Investment Plan, Government have issued additional information setting out requirements and guidance to councils. The projects will be review in the delivery stage and where necessary changes in expected outputs and outcomes will be agreed with DLUHC.

The strategic case for investment into the Supporting Local Business priority remains the same as previously approved by the concurrent meeting of the Prosperous Communities Committee and the Corporate Policy and Resources Committee on 7th July 2022.

2 ECONOMIC CASE

2.01 INTRODUCTION

The Economic Case sets out how this project provides value for money. It demonstrates how the range of options was narrowed down to the preferred approach and the expected benefits and costs associated with this preferred approach. This section sets out the tools and techniques used to estimate these benefits and costs, and the assumptions underlying the calculated values. Additionally, some of the risks and non-financially attributable benefits are listed to provide a wider reflection of the objectives of the project and the impact it will have on the wider region.

2.02 APPROACH TO ECONOMIC CASE

Option appraisal

An initial series of workshops and discussion was used to develop a series of options for the UKSPF and to categorise these into the three themes (Community and Place, Supporting Business and People and Skills), agreed previously as part of the UKSPF Investment Plan submission process. This was supplemented when an indicative REPF allocation was announced for the area; leading to a second exercise to determine the priorities for this further funding. Table 2.1 sets out the overall projects taken forward, and sets out whether they are funded by UKSPF, REPF or a combination of both.

Table 2.1: Overall funding source UKSPF/REPF

Project	UKSPF Funded	REPF Funded
2.1 Flagship West Lindsey Business Support Programme	✓	✓
2.2 Maximising the Visitor Economy Offer	✓	✗
2.3 Growing Innovation	✓	✗
2.4 Supporting our markets and retail centres	✓	✗

2.03 ECONOMIC BENEFITS

Economic benefits have been based upon local expected outputs (as detailed in the Theory of Change), converted to financial outputs through established models. The following approach has been used consistently in developing the benefits estimation:

- Limited to one broad measure per key area to avoid duplication (or removal of any overlapping figures).
- Implicit optimism bias included within figures, with greater allowance where national data is used (see below for further details).
- Where local baseline data was unavailable, no economic benefit has been calculated and any such expected benefits have been included in the non-monetised impact instead.

Table 2.2 sets out the approach used for each category of benefit.

Table 2.2: Linking Outcomes to Financial Measures

Outcomes (from Theory of Change)	Financial Measure	Justification
Increased provision, quality and impact of local businesses resulting in greater levels of sustainable businesses and local employment. *	GVA of Jobs safeguarded / created	Recognised national practice / modelling approach. ⁴ Gross benefit measured as number of jobs created and/or sustained multiplied by the GVA per worker calculated for West Lindsey from latest data available ⁵ .
Jobs safeguarded **	GVA associated with all capital expenditure	Recognised national practice / modelling approach. Gross benefit measured as programme specific capital expenditure multiplied by the national ratio of construction Gross Value Added to construction turnover.
Increased number of people visiting and spending money in West Lindsey. *	Contribution to local economy from additional overnight stays	Sub-regional assessment of visitor numbers and the impact upon local spend ⁶ combined with a local estimate of increased numbers
Increased provision and quality of new businesses and products, increasing local knowledge and reduced emissions. *	Value of reduced estimated emissions	Research showing likely impact of reduced emissions multiplied by with the current (November 2022) trading price for trading permission to create a tonne of CO ₂ emissions in the UK via the UK ETS Futures Market ⁷ .
Increased number of people visiting and spending money at WL markets, creating more sustainable local markets and businesses.	Non cashable benefit	Baseline performance and spend within existing markets unknown

* From the UKSPF Theory of Change

** From the REPF Theory of Change

The key assumptions made for each of the financial measures used above and justification for those measures is included in Table 2.3.

Table 2.3: Assumptions made in calculating economic benefits

Assumption	Value	Justification / Methodology
General assumptions		
Discount rate for benefits	3.5%	Aligned to standard rate within Green Book ⁸
Base year for calculation	2022/23	First year of significant expenditure upon project
Gross Value Added (Construction)		
Total construction expenditure	(2022/3) £0.150m (2023/4) £0.447m	Estimate of the capital elements of the works less expected inflation ⁹

National construction turnover	£144,035m	Annual Business Survey 2019 ¹⁰ – Section F – SIC 41 Column E
National construction Gross Value Added	£51,407m	Annual Business Survey 2019 – Section F – SIC 41 Column F
National employment in sector	498,000	Annual Business Survey 2019 – Section F – SIC 41 Column I
Gross Value Added (Employment)		
Gross Value Added per job in region	£49,386	ONS Data ¹¹ - Subregional productivity: labour productivity indices by local authority district – Table B3 (2020 figure)
Estimated jobs created	(2023/4) 5 (2024/5+) 10	Local estimate aligned to programme outputs
Estimated jobs safeguarded	(2023/4) 8 (2024/5+) 18	Local estimate aligned to programme outputs
Increase in visitor nights		
Value of overnight stay (per night)	£30.82	Based upon data from Visit Britain which estimated £9.667m spent in West Lindsey based upon 313,667 nights (average 2017 to 2019)
Estimated additional nights	(2023/4) 8,593 (2024/5+) 17,187	Local estimate
Value of reduced estimated emissions		
Amount of land dedicated to agriculture in UK	8.9 million hectares	Government statistics ¹²
Potential CO2 savings yet to be realised in UK in agriculture	1.9m tonnes per year	DEFRA Agri-climate report 2021 ¹³
Average size of East Midlands farm	102 hectares	DEFRA statistics ¹⁴
Estimated number of farms receiving emission reducing grants	17	Local estimate (and output target)
Value of tonne of carbon saved	£75.17	UK ETS Futures trading price – 1 st December 2022 ¹⁵

All benefits were assessed to determine if and how much of these would have been achieved if the project did not go ahead. This follows the principals of the Additionality Guide and ensures that naturally occurring increases are not considered as part of the benefits for this project.

The following elements were considered for each benefit:

- Leakage – benefits to people outside the target area (e.g., health benefits from people coming from overseas participating in leisure activities generated by a project).
- Displacement – benefits lost because individuals swap from another activity which would also have provided similar benefits (e.g., when a job created is taken by someone already in full time employment and their previous role is not re-filled).
- Substitution – benefits lost because companies change their decisions because of the scheme (e.g., they don't repair a building themselves, because they can get a grant to support it).

- Economic Multiplier – the wider supply chain and regional impact of the benefit (e.g., construction work having a beneficial impact on the local supply chain).
- Deadweight – what would happen even if the project didn't go ahead (e.g., general rises in commercial or house prices).

Each benefit was assessed by the project to assess the likely impact of each factor, using the reference cases set out in the Additionality Guide and HCA Additionality Guide¹⁶ as starting points, supplemented with local knowledge and sector specific research. Appendix 4 sets out values used per benefit, for each factor and the reasoning behind this.

The gross benefits multiplied by the Additionality Guide factors gives an overall net impact, per benefit. These are then discounted to get a single Net Present Value of the benefits, using a discount rate of 3.5% and a base year of 2022/23, as per the assumptions within Table 2.3 above. Discounting is used to reflect the fact that a benefit today should be valued higher than the same benefit in the future.

The overall quantified benefits are set out in Table 2.4.

Table 2.4: Overall quantified benefits

Benefit	Gross Impact (£m)	Additionality Adjustment (£m)	Net Impact (£m)	Less: Discount (£m)	NPV of Benefit (£m)
GVA Construction	0.213	0.066	0.279	(0.016)	0.263
GVA Jobs Created	7.408	(2.408)	5.000	(0.936)	4.065
GVA Jobs Sustained	12.840	(11.215)	1.625	(0.305)	1.320
Increase in visitor nights	5.297	(2.851)	2.446	(0.446)	2.000
Value of reduced estimated emissions	0.779	(0.516)	0.263	(0.103)	0.160
TOTAL BENEFITS (A)	26.537	(16.924)	9.613	(1.806)	7.808

2.04 ECONOMIC COST

Economic costs have been developed aligned to Green Book guidance. Table 2.5 presents the key factors applying to the conversion of financial case costs to economic case.

Table 2.5: Key conversion factors

Area	Assumption	Justification
Baseline Year	2022/23	First year of expenditure
Discount rate	3.5%	Standard Green Book rate
Inflation: 2023/4 2024/5	7.4% 0.6%	Office for Budgetary Responsibility November 2022 Outlook – estimate for CPI ¹⁷
Optimism Bias	41%	Overall allowance to project the relatively early stage of scheme development. Although this is applied to the cost element it is intended as likely to be manifested across cost and benefits. This value is taken as the Upper Limit for outsourcing projects ¹⁸ – chosen due to the high

		proportion of revenue expenditure making comparison with construction contracts less appropriate
--	--	--

Table 2.6 below summarises the calculation of the economic cost used in the value for money assessment.

Table 2.6: Overall quantified costs

Calculation Steps	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	TOTAL (£m)
Costs – Finance Case	0.070	0.725	1.094	1.888
Less: contingency within costs	0.000	0.000	0.000	0.000
Less: Inflation contained within costs	(0.000)	(0.050)	(0.081)	(0.131)
Sub-total: Costs less contingency & inflation	0.070	0.675	1.012	1.757
Add: Optimism bias	0.029	0.277	0.415	0.720
Sub-total: Total costs undiscounted	0.099	0.951	1.427	2.477
Discount factor	1.000	0.966	0.901	
TOTAL DISCOUNTED COST (B)	0.099	0.919	1.332	2.350

2.05 VALUE FOR MONEY ASSESSMENT

Table 2.7 presents the Benefit Cost Ratio (BCR). This has been calculated by dividing the total monetised benefits by the total monetised costs (both discounted to 2022/3 prices).

Table 2.7: Value for Money assessment

Measure	Value (2022/3 prices)
Total discounted benefits (A)	7.808
Total discounted costs (B)	2.350
Benefit Cost Ratio (A/B)	3.32

The project has an overall **BCR of 3.32**; putting it in the High category of value for money.

Table 2.8 presents the outcome of sensitivity analysis, used to determine how much costs could increase, or benefits could fall, while remaining in the high category (at BCR of 2) for Towns Fund.

Table 2.8: Sensitivity analysis

Sensitivity	Change to estimate (£m)	Percentage Change
Maximum cost change (with no change to benefits)	2.171	125.3%
Maximum benefit change (with no change in costs)	(4.343)	(55.6%)

The overall BCR has been calculated in a manner consistent with Green Book and DLUHC appraisal guidance, using costs and benefits with inherent optimism bias built into estimates. On top of this there are several non-monetised benefits of the scheme, particularly around the wider expected impact of the revitalised markets offer for the area.

Even without some of the wider harder to quantify benefits, sensitivity stress testing shows overall costs could double or benefits fall by over half and the scheme would still deliver a high category of value for money via the calculated BCR.

2.06 NON-QUANTIFIED BENEFITS

There are several benefits that have not been measured, as baselines do not exist and/or research does not allow prudent estimates of the monetary value of those benefits to be captured.

The expansion and additional promotion of the markets will have both direct and indirect financial benefits. It will likely increase wider footfall during the operation times of the markets, and this will have a beneficial impact on existing traders and the wider economy. The expansion will also allow opportunities for new stallholders to trade. Whilst research presents findings from investment in markets elsewhere, there is no baseline of current impact to project from. As part of the overall monitoring and evaluation work, it is proposed that establishing a baseline of the various markets' impact will inform future decisions to continue activities piloted through this programme.

The overall environmental benefits from this programme are likely to be understated too. The flagship grants will partially be assessed against environmental sustainability benefits projected by applicants, but the extent that these will be proposed is currently unknown. Similarly, the benefits from grants for environmental improvements in agriculture have been measured purely in terms of CO2 reduction, there is likely to be benefits in other pollutants, such as Nitrous Oxide and Methane reduction.

2.07 KEY ECONOMIC RISKS

The key economic risks and how they will be managed are provided in table 2.9. These form part of the overall risk management process (described in the Management Case) and the full Risk Register (Appendix 3).

Table 2.9: Key Economic Risks and their management

Key Economic Risk and Potential Impact	Approach / Risk Treatment
Insufficient demand for grants as offered – leading to the expected level of benefits being delayed or reduced	Targeted marketing and promotion of grants in advance of bidding deadlines. Ongoing monitoring of applications and approvals; opportunity to widen scope or geographic boundaries if demand is not forthcoming.
Baselining and measuring environmental improvement may be challenging	Ensure that all bidders demonstrate the likely impact the funding will have upon environmental improvements within their organisation. Supplement this with dedicated monitoring and evaluation tools and support, learning from the practice employed through Levelling Up monitoring and evaluation approach.
Inflation reduces the overall benefits that can be achieved with the funding, as costs are higher than originally planned for the levels of interventions required	A reasonable expectation for level of inflation has been built in, with a suitable deflator for costs and benefits based upon latest OBR's inflation estimates.

All the key risks have mitigation approaches applied and will be monitored throughout the implementation and delivery periods.

2.08 CONCLUSION

The projects were selected through a robust process, initially considering the challenges in the area and fit to both local policy, priorities and matched to the UKSPF funding criteria. After notification and allocation of RESF funding, a second Theory of Change and option appraisal process was undertaken, looking to maximise the additional benefit this further funding could have on the area, particularly focussing on building on established approaches, but also considering priorities that were not possible to fund via the UKSPF. This led to the selection of 4 projects (many of which themselves have various strands):

- 2.1 Flagship West Lindsey Business Support Programme.
- 2.2 Maximising the Visitor Economy Offer.
- 2.3 Growing Innovation.
- 2.4 Supporting our markets and retail centres.

The overall financial benefits of these project were estimated by linking specific benefit measures from the opportunities / challenges and expected outcomes from the Theory of Change. Using national statistics and published research findings coupled with prudent local output estimates, a total of **£7.808m** of measurable benefits was calculated against **£2.350m** cost (both in 2022/3 real terms). These figures included reductions for optimism bias and considered the impact of the Additionality Guide to adjust for benefits that may have happened without the projects proceeding. This led to an overall benefit to cost ratio of **3.32** demonstrating a high value for money ratio, which would stay in the high threshold even if costs doubled or quantified benefits halved.

Additionally, wider benefits have been identified that are harder to measure, such as the impact of the local markets on footfall and sales and some of the wider environmental improvements expected to be brought about by some or all the grants awarded.

There is a demonstrable direct link from problem identification, through option appraisal through to quantified benefits, leading to a very strong value for money solution.

3 COMMERCIAL CASE

3.01 INTRODUCTION

The purpose the commercial case is to outline the procurement and contracting implications of the preferred option and ensure that a well-structured deal between the Council and the grant recipients or service providers can be delivered. As part of this process the Council will assess how best social value can be secured during the contract phase.

3.02 COMMERCIAL DELIVERABILITY

The Local Business Support priority will be helping local businesses through a mixture of grant funding and Council led initiatives. Several the projects involve working with partner organisations such as the Greater Lincolnshire Local Enterprise Partnership (GLLEP) and other Local Authorities to deliver projects.

Organisational structure

Project 2.1 West Lindsey Business Support Programme will be outsourced, and the grant process administrated by external bodies on behalf of the Council. The third parties will conduct all the necessary checks and provide expert endorsement on any grant awards or support provided to businesses. This approach was tested during the final phase of the Covid 19 Business Grant delivery and was found to deliver a highly efficient outcome.

Project 2.2 Maximising the Visitor Economy will require the Council to procure specific pieces of work to support the visitor economy such as the development of digital trails and the creation of a wayfinding strategy.

Project 2.3 Growing Innovation will require the Council to contribute funding to the Greater Lincolnshire LEP and the Agricultural Growth Zone Partnership (AgZone) to develop a business plan to support the AgZone's development.

Project 2.4 Supporting our Markets and retail centres will see WLDC appoint a Town Centres Manager with a budget to promote the area through events and marketing.

Key Contractual Arrangements

The Flagship West Lindsey Business Support Programme will require businesses to apply for funding on a first come, first served basis. The businesses will be required to enter into a funding agreement with the Council to secure financial support. The proposed process for application, assessment and award can be found in appendix 5.

The Growing Innovation project will be managed through AgZone Partnership agreement. This will be contracted via a Service Level Agreement with the Greater Lincolnshire LEP.

3.03 PROCUREMENT STRATEGY

The programme will undertake procurement of goods and services following Government guidance¹⁹ and its own contract and procurement procedure rules. Procurement routes reflect the Council's understanding of local markets, existing frameworks, and desire to drive local growth and employment through the use of local supply chains.

Summarised below are the main procurement routes for the projects within the programme. The value £ column reflects the cost of the service being procured rather than whole project cost.

Table 3.1: Procurement route

Project name	Value £	Procurement Route
Project 2.1 The Flagship West Lindsey Business Support Programme	-	See below
2.1.1 Lincolnshire Growth Hub Core Offer	140,000	Service Level Agreement (SLA) – Lincolnshire LA's collectively sign up to procured provider of services.
2.1.2 West Lindsey tailored advice and guidance linked to local town, village and neighbourhood retail centres and the visitor economy	80,000	Formal Tender through a Request to Quote (RFQ).
2.1.3 Business Sustainability Grant Scheme	15,750 (est.)	Formal Tenders (RFQ) for management of grant process. Provision of expert advice via direct award
2.1.4 Business Support Grant for Farm Diversification and Agri-Tech business development and Revenue Grant for Agri-tech.	10,000 (est.)	Formal Tenders (RFQ) for management of grant process. Provision of expert advice via direct award.
2.2 Maximising the Visitor Economy	50,000	Projects of between £5k and £10k will be by direct award. Wayfinding Strategy will be via a tender process (£15k)
2.3 Growing Innovation	100,000	SLA with AgZone Partnership/GLLEP to develop business plan
2.4 Supporting our markets and retail centres	250,000	Recruit Town Centres Manager Projects of between £1 and £25k will be by direct award.

3.04 WIDER CONSIDERATIONS

Subsidy Control

The Council will have regard to the new Subsidy Control Act 2022 which came into force on 4th January 2023. The business case has been reviewed by DWF Law and they have confirmed XX. A full copy of their advice can be found in appendix 6.

Public Sector Equality Duty

The Council has a public sector equality duty under the Equality Act 2010, this is enshrined in its Equality Strategy 2020-2024. In line with the Equality Impact Assessment: government grants minimum standards²⁰; West Lindsey District Council will complete a detailed Equality Impact Assessment (EqIA) for the projects included in this programme.

The EqIA for this programme is live document that will be updated as the investment plan progresses to ensure latest best practice is applied. Updated versions of the EqIA will be required prior to the Flagship West Lindsey Business Support Programme being launched.

Data Protection

The Council has a duty under the Data Protection Act 2018 to ensure that any personal data obtained in connection with UKSPF activities is handled in compliance with the Act. Any personal data obtained through the Local Business Support activity will be managed in line with West Lindsey District Council's Growth and Regeneration Privacy Notice.²¹

Data is likely to be collected in relation to assisting and supporting business for such areas as business grants funding, to manage tourism, deliver projects and to process any enquiries.

Data may be shared with external partners or consultants, employed or contracted by the Council to assist in the delivery of its services and projects; and internal department such as finance to process grant payments.

The Council's Data Protection Officer will ensure that process respects the persons rights and follows the law.

3.05 KEY COMMERCIAL RISKS

The key commercial risks associated with specific projects within the programme are highlighted below in table 3.2. The full risk register can be found in appendix 3.

Table 3.2: Commercial Risks

Key Commercial Risk and Potential Impact	Approach / Risk Treatment
Grant receiving organisation fail to deliver on outputs and outcomes in the funding agreement. The Council cannot demonstrate VfM and, provide outputs and outcomes that meet the requirements of MOU agreed with DLUHC	Most outputs and outcomes will be delivered via the SLA/Contract for project 2.1.1/2.1.2 which will identify a contractual obligation to deliver programme outputs/outcomes. Although it is unlikely, business grant beneficiaries (2.1.3/REPF) will be formally contracted to deliver outputs/outcomes (given the size of grant award), they will be obliged to report on any outputs/outcomes accrued via a grant contract reporting obligation.
Grant receiving organisation fail to comply with grant conditions (such as monitoring). Council cannot demonstrate VfM and, provide outputs and outcomes that meet the requirements of MOU agreed with DLUHC.	The organisation contracted to deliver 2.1.3/2.1.4 will be obliged to enforce compliance with grant reporting obligations (with 'mitigating factors' loop incorporated for legitimate non-compliance).
Insufficient financial resources available to fund interventions through to completion. Grant recipients fail to deliver the scheme they are contracted to do as part of the grant agreement. The Council is unable to demonstrate VfM, outputs and outcomes.	<ol style="list-style-type: none"> 1) Develop a contractually binding grant agreement - with requirement for early notification if the recipient organisation considers itself unlikely to be able to deliver and the recipient's suggestions on how to rectify 2) WLDC to consider any amendments required in light of notifications in terms of impact on budget and overall outcomes through its monitoring and governance processes 3) Consider all available options to resolve - whether this is an increased contribution from the recipient, transferring budget that is yet to be allocated, seeking further alternative funding or relaxing outputs or outcomes to be delivered - if this leads to a material reduction in overall outcomes, write to Government to explain change and reasoning.
Lack of interest from communities to apply for grant funding. Council cannot demonstrate VfM and, provide outputs and outcomes that meet the requirements of MOU agreed with DLUHC.	Marketing and engagement work to ensure awareness and deliver pipeline of projects and applications.

<p>Fraud Risk, risk that grant schemes could be abused by fraudulent claims leading to reputational damage to the council and reduced realisation of the expected outputs and outcomes.</p>	<p>The Council will introduce a proportionate level of due diligence prior to any payments being made and periodically during duration of the programme. This will be in line with the mandatory due diligence checks required by the government in the Guidance for General Grants. Minimum Requirement Seven: Risk, Controls and Assurance.</p>
---	---

3.06 CONCLUSION

Each of the projects has a clear procurement route and delivery methodology to provide the most beneficial approach to maximise the impact of UKSPF interventions in West Lindsey.

DWF Law have confirmed that the projects are xxxxxxxxxx

4 FINANCIAL CASE

4.01 INTRODUCTION

The purpose of the Financial Case is to demonstrate that the proposal is financially viable during the development phase and in the long-term. Additionally, key sensitivities and financial risks will be considered as well as the suitability of contingencies or alternative plans for cost containment.

4.02 COSTS

Costs for this project are separated and analysed in two sections; looking firstly at the affordability of the initial development, and secondly that the scheme is financially sustainable once complete.

4.03 INITIAL COSTS

Table 4.1 sets out the main sources of expenditure within each project, the best estimate of these costs and how the split of costs between capital and revenue expenditure, and across financial years.

Table 4.1 – Project Costs

Project Number	Expenditure Category	2022/23 Forecast Expenditure (£000's)	2023/24 Forecast Expenditure (£000's)	2024/25 Forecast Expenditure (£000's)	TOTAL Expenditure (£000's)
	Capital				
2.1	Flagship Grants – Business Sustainability	0	81	244	325
2.1	Flagship Grants – Farm Diversification / Agri-Tech	0	80	239	318
	TOTAL Capital	0	161	482	643
	Revenue				
2.1	Flagship Grants – Farm Diversification / Agri-Tech	0	75	75	150
2.1	Flagship Grants – Lincolnshire Growth Hub Core Offer	0	70	70	140
2.1	Flagship Grants – Tailored advice and guidance linked to local town, village and neighbourhood retail centres and visitor economy	0	40	40	80
2.1	Flagship Grants – Business Sustainability	0	44	131	175
2.2	Market Rasen and Caistor Wayfinding Strategy (plus village pilot)	0	15	0	15
2.2	Digital Trails	0	10	0	10
2.2	Aviation Guide	0	5	0	5

2.2	Development of new walking routes	0	0	5	5
2.2	Development of thematic clusters	0	0	5	5
2.2	Development of outdoor festival	0	5	5	10
2.3	Agricultural Zone Business Plan development	50	200	150	400
2.4	Town Centres Manager	20	40	40	100
2.4	Cultural Events Officer	0	10	40	50
2.4	Events Programme	0	40	40	80
2.4	Marketing / partnerships	0	10	10	20
	TOTAL Revenue	70	564	611	1,245
	TOTAL Expenditure	70	725	1,094	1,888

4.04 FUNDING

This expenditure is funded by a variety of sources, harnessing public and private sector contributions and seeking to align to and tap into additional funding sources. The intended funding sources are broken down in Table 4.2.

Table 4.2: Summary of Funding Sources

Project Number	Funding Source	Expected Funding (£000's)	Status / Certainty
	Capital		
2.1	UK Shared Prosperity Fund	325	Indicative Approval
2.1	Rural England Prosperity Fund	318	Indicative Approval
	TOTAL Capital Funding	643	
	Revenue		
All	UK Shared Prosperity Fund	595	Indicative Approval
2.1	WLDC Remaining Feasibility Budget	150	Fully approved
2.3	WLDC Invest for Growth Reserve	100	Fully approved
2.3	Other UK Government Grants	100	Seeking aligned grants and application process
2.3	Private Sector Contributions	100	To be sought as specific proposals are developed
2.4	WLDC Staffing Budget	100	Fully approved

2.4	WLDC Cultural Reserve (Events & Markets)	100	Fully approved
	TOTAL Revenue Funding	1,245	
	TOTAL Funding	1,888	

Additionally, the Flagship Grant process will seek bidders to propose a contribution to any proposals, increasing the additionality and overall scale of interventions proposed. Any such amounts will be in addition to the figures above; these are excluded at the current stage as the value cannot be reliably estimated at this time.

4.05 SENSITIVITY ANALYSIS / CONTINGENCY

Within this programme, projects have been designed with the ability to flex the outputs and levels of intervention as the basis of constraining expenditure. Table 4.3 summarises how each project will keep within its funding limit.

Table 4.3: Summary of approach to containing project costs

Project	Approach to containing cost
2.1 Flagship West Lindsey Business Support Programme	Successful grant applications will be paid via a Grant Funding Agreement limiting WLDC's exposure to the amount bid for
2.2 Maximising the Visitor Economy Offer	All aspects will be contracted for on a fixed cost basis, transferring the risk of overspend
2.3 Growing Innovation	It is WLDC preferred option to engage in a public sector partner contract agreement with the GLLEP whereby a contribution would be made available via a SLA that would outline conditions of services and responsibilities for business plan development and delivery of associated tasks, limiting WLDC to the agreed financial contribution
2.4 Supporting our markets and retail centres	These costs are a combination of employment (with fixed costs and terms) and contributions to wider programmes and markets, where the contribution from this programme can be limited to the value awarded

There is also the opportunity, in line with the Governance and decision-making processes highlighted in the Management Case, to adjust funding between projects and between themes as required.

Whilst it would be standard practice to include an element of contingency and sensitivity analysis on the figures provided, WLDC is able to effectively manage their contributions in each project to the value of funding available. Therefore, there is limited benefit to make a contingency allowance or measure sensitivity to price changes.

4.06 ONGOING COSTS

One of the key aims of the overall programme is to embed sustainable change, however, this needs to be balanced with the practicalities of time limited funding. Steps have been taken to spend in areas that will have lasting benefits, but where there are no ongoing financial commitments created. Table 4.4 sets out how these requirements will be achieved.

Table 4.4: Approaches to limiting ongoing financial commitment while sustaining ongoing benefits

Project	Limiting ongoing financial commitment from WLDC	Ongoing benefits
2.1 Flagship West Lindsey Business Support Programme	Specific, time and value constrained funding agreements with grant recipients	Assessment criteria will include how long-term benefits can be sustained and ability of organisation in receipt to embed change
2.2 Maximising the Visitor Economy Offer	<p>Developments chosen with no on-going support costs</p> <p>Outdoor festival can be developed to be self-funding in future; may be able to lever sponsorship or alternative funding for future events once success demonstrated – if not, no obligation to run future events</p>	<p>Products developed (digital trails, walking routes and aviation guide) will all have ongoing use beyond investment period, with no additional ongoing costs</p> <p>If festival demonstrated successful, then opportunity to seek alternative funding for future festivals or seek sponsorship from external organisations</p>
2.3 Growing Innovation	Expenditure will be constrained with a time and value constrained funding agreement	This funding is seeking to establish a long-term business case for investment in the A15 corridor and support demonstrator sites within - it is expected that this will be the catalyst for long-term private investment in the area
2.4 Supporting our markets and retail centres	<p>Majority of funding is for fixed term positions – there is no expectation that the roles will be extended</p> <p>Other funding is for marketing and additional events can be scaled back if no alternative funding is available post-project</p>	If the project is a success and the popularity of and size / scale of markets increases, then additional income generated could be used post-project to sustain investment

4.07 KEY FINANCIAL RISKS

The key financial risks and their mitigations are set out in Table 4.5.

Table 4.5: Key Financial Risks

Key Financial Risk and Potential Impact	Approach / Risk Treatment
External funding assumed to support the “2.3 Growing Intervention” project is not secured leading to a shortfall in funding	<p>There are multiple sources (private sector and central Government) – additional funding from the other party can be sought should one source be unsuccessful.</p> <p>Plans for intervention and the anticipated grant funding agreement can be developed to cap WLDC’s contribution to funding is has available (noting that this may reduce the planned outputs and outcomes if the funding available is lower than intended).</p>
Cost inflation means that each bid to the grant schemes is for greater amounts than planned for the outcomes delivered	A strong assessment process for bids will ensure those maximising value to the area will be taken forward. If cost inflation erodes the overall benefits that can be achieved for the funding available, then this may have to be accepted to stay within the funding envelope.

Salary for fixed term employment is insufficient to recruit to new posts	Ensure that posts are widely promoted and advertised. Consider internal secondments and backfill successful applicant's post instead.
Insufficient demand for grants as offered	Ongoing monitoring of applications and approvals; opportunity to widen scope or geographic boundaries if demand is not forthcoming.

The wider risk management approach is considered in the Management Case and the full risk register is contained in appendix 3.

4.08 WIDER FINANCIAL IMPLICATIONS

Each of the projects are flexible, with the scope and scale of each project adjusted according to the resources available and the ability to lever external funding. There is additional flexibility to adjust funding across the UK SPF programme including between priorities. As part of the Flagship Grant scheme there is an expectation that bidding organisations will be asked to provide a contribution, providing extended scope of funding and potentially greater outcomes.

In the Growing Innovation project, there are plans to identify and bid for additional funding from Central Government and others. Sufficient flexibility exists to tailor the sites, to maximise the opportunities to take advantage of any identified additional funding streams.

4.09 CONCLUSION

This finance case sets out how each project within the Business Support theme are costed, profiled, and funded. Although some elements of external funding are still subject to finalisation, the projects funded can be flexed to adjust, albeit at the potential impact of scaling back of outputs / outcomes. Projects have all considered how to balance the aims of generating long-term sustainable improvement for the region, with constrained time limited funding. Key financial risks have been identified and a plan to treat or mitigate these has been developed.

5 MANAGEMENT CASE

5.01 INTRODUCTION

The purpose of this management case is to demonstrate that robust arrangements are in place for the successful delivery of the programme and its constituent projects. The chapter covers the delivery, monitoring and evaluation of the UKSPF programme including feedback into the Council's strategic planning cycle. The REPF will be administered and monitored as part of the UKSPF process.

5.02 PROGRAMME ORGANISATION AND GOVERNANCE

There are three levels of internal UKSFP programme governance, appendix 7 provides a diagram showing the hierarchy of governance in detail. The main roles are summarised below:

WLDC Portfolio Board: The Portfolio Board has strategic responsibility and accountability for all major programmes. It meets every eight weeks and will receive an update on progress against contracted milestones at every meeting. The Portfolio Board is chaired by The Director Change Management, ICT and Regulatory Services.

West Lindsey SPF Programme Board: The Board has been established to provide operational oversight of the UKSPF investment, monitoring the overall plan, risks, and ensuring synergies between component projects. It will meet quarterly and will be chaired by the programme sponsor, the Director of Planning and Regeneration and Communities, and report to the Portfolio Board. The Programme Board will also provide an interface with the Place Board which will ensure that our stakeholders are engaged in the programme.

SPF Core Team / Project Management: Each of the three investment priorities will have a Project Core Team, led by a dedicated Project Manager. Project Managers will have responsibility for the day-to-day delivery and management of the project. They will report progress and issues to the Steering Board. This governance structure will be underpinned by WLDC assurance procedures. A resource plan to support the delivery of the programme can be found in appendix 8.

The Terms of Reference for the West Lindsey SPF Programme Board can be found in appendix 9. The main roles and responsible officers are:

Director of Planning and Regeneration, and Communities (Chair): Programme Sponsor accountable for the overall success of the programme

Programme Manager UK Shared Prosperity Fund: Programme Lead responsible for the day-to-day management of the programme and programme team

Economic Growth Team Manager: Project Lead responsible for the day-to-day management and delivery of the Supporting Local Businesses business case

5.03 PROGRAMME MANAGEMENT

This section details, in broad terms details, the actions that will be required to ensure successful delivery of the programme in accordance with best practice. A more detailed programme can be found in appendix 10.

The table 5.1 below sets out an indicative timetable for the delivery of the Supporting Local Business projects within an overall programme.

Table 5.1: Summary of key programme milestones

Action	Date
Business Case Approved by Prosperous Communities Committee	9 th February 2023
Business Case Approval by Corporate Policy and Resources Committee	9 th February 2023
Project 2.1.1 Lincolnshire Growth Hub Offer	Nov 2022 – March 2025
Project 2.1.2 West Lindsey Tailored Advice linked to local town, village and neighbourhood retail centres and the visitor economy	Nov 2022 – March 2025
Project 2.1.3 Business Sustainability Grant Scheme	Nov 2022 – March 2025
Project 2.2.1 Market Rasen and Caistor Wayfinding Strategy	Feb 2023 - Oct 2023
Project 2.2.2 New Digital Trails	June 2023 – March 2024
Project 2.2.3 Aviation Guides	June 2023 – March 2024
Project 2.2.4 Walking Route	Feb 2023 – Sept 2023
Project 2.2.5 Thematic Clusters	April 2024 – March 2025
Project 2.2.6 Outdoor Festival	Feb 2023 – March 2025
Project 2.3 Growing Innovation	Sept 2022 – March 2025
Project 2.4 Supporting our markets and retail centres	Nov 2022 – March 2025
Programme Closes	31 st March 2025

5.04 STAKEHOLDER ENGAGEMENT AND COMMUNICATION

The UKSPF and REPF have been developed in conjunction with key partners and stakeholders. Appendix 11 provides a list of key stakeholders of the whole UKSPF programme and their role or interest in this programme. The Supporting Local Business programme has specific stakeholders representing a wide range of businesses through the Greater Lincolnshire Local Enterprise Partnership and Business Lincolnshire.

The Council will continue to engage with its extensive network of stakeholders and key partners to help shape proposals as the projects develop. To facilitate this the Council has developed a Communications and Stakeholder Strategy (appendix 12). The strategy will include the development of the Council's UKSPF website and directing any enquiries to the Growth email inbox. The UK SPF Programme Board will be responsible for the stakeholder management for the programme.

5.05 CHANGE CONTROL

As the projects develop the programme will be monitored and updated by the UKSPF Programme Manager. A robust Change Control mechanism will be instigated in line with the Council's existing procedures. Any change requests will be fully costed and the implications on the programme fully understood. The request will be reviewed at an appropriate level based on the programme governance arrangements agreed with the Programme Sponsor.

5.06 ASSURANCE

This programme will follow the Government's UKSPF guidance: assurance and risk guidance (5).²²

In accordance with the Cabinet Officer Government Functional Standards²³, the assurance for each DLUHC programme provides three separate and defined levels of assurance, referred to as the three lines of defence.

First Line of Defence

The first line of defence is provided by the lead local authority and is the responsibility of the Chief Finance Officer as they act at an operational management level within the lead local authority in receipt of the funding (via a Section 31 Grant). The Chief Finance Officer is therefore responsible for the delivery of HMG investment, with propriety, regularity, and value for money.

Reporting carried out by lead local authorities to DLUHC will be used to secure evidence of the first line of defence. The Chief Finance Officer will be required to provide written confirmation that they have undertaken all the necessary checks, to ensure that the lead local authority and the programme specific project(s) have in place the processes to ensure proper administration of its financial affairs with regard to the funding programme, and these are in active use. The current timetable for providing information can be found in appendix 13.

Second Line of Defence

The second line of defence is independent of the first line activity and oversee the management of the risk to ensure that the first line has been appropriately constructed and is delivering as intended.

Reflecting the devolved nature of the fund, the second line of defence is the wider Local Government Accountability Framework which scrutinises local authority activity. This sits within Government's commitment to continue to improve wider Local Government transparency and reporting, DLUHC's specific UKSPF performance reporting and departmental intelligence of Local Government.

DLUHC co-ordinates work across Government departments that brings different analysis together on a common basis to understand the overall fiscal position of local authorities, and particular risks and opportunities. This will support and manage any risk emerging in the delivery of the UKSPF.

Local Government audit also plays a vital role in providing local authorities with accurate and reliable financial information to plan and manage their services and finances effectively. Local audit also ensures local authority financial arrangements, including whether value for money is being achieved, are transparent to the taxpayer, and facilitates assurance for the public sector.

Third Line of Defence

The third line of defence should be undertaken by independent audit or an independent body to secure an 'objective opinion on the effectiveness of governance, risk management and internal controls.'²⁴ This is inclusive of the second and first lines of defence.

In respect of this assurance framework, The Government Internal Audit Agency (GIAA) will provide independent risk-based assurance over the design and operation of controls within the arrangements for the UKSPF – as operated within DLUHC – and if required, other Government departments.

To support this the council have engaged Assurance Lincolnshire to review the governance and reporting arrangements for the Levelling Up Programme. Learning from the LUF audit will be fed into the UKSPF and an early review by Assurance Lincolnshire will be conducted into the governance and assurance framework for the UKSPF will be programmed in for 2023.

The scope and timing of this independent assurance will be discussed and agreed with the DLUHC Audit and Risk Assurance Committee, the Accounting Officer and the respective Senior Responsible Officers (SROs).

5.07 BENEFITS, MONITORING AND EVALUATION

The Council will as a minimum monitor spend, outputs and outcomes against agreed indicators to be submitted to Government to assist programme-level evaluation. Each project will undergo a process evaluation to demonstrate the effectiveness of delivery this process. The UKSPF process will be monitored in tandem with the Levelling Up Round 1 regime.

The Government is developing a full UKSPF Monitoring and Evaluation Strategy (M&E) to understand the impact of the UKSPF. Impact evaluation will be supported by an external evaluation expert.

5.08 KEY MANAGEMENT RISKS

The key management risks and their mitigations are sets out in table 5.2. A full risk register for the UKSPF and REPF programme has been developed and can be found in appendix 3. The Council's robust, internal governance procedures will be fully applied to ensure that risks and opportunities are properly considered by the Programme Board.

Table 5.2: Key Management Risks

Key Management Risk and Potential Impact	Approach / Risk Treatment
Unable to collect data to baseline and monitor interventions. The Council does not currently collect information to allow the measurement of several outputs and outcomes. The Council will fail to report against the submitted investment plan.	The Council will need to invest into a range of solutions from surveys to purchase of data sets such as footfall. The Council will negotiate with DLUCH to remove or replace output or outcome.
Failure to recruit to key roles leading to lack of resource to deliver projects in a timely manner and meeting the requirements of the submitted Investment Plan.	Several projects require the recruitment of a staff member or the procurement of a third-party organisation. The Council will ensure the opportunity is widely promoted and develop an attractive proposal. Where this is unsuccessful alternative delivery options will be considered.

5.09 CONCLUSION

The Programme has a robust governance and assurance framework that complies with the Cabinet Offices assurance framework. The Programme will be overseen by the WLDC Portfolio Board, with the WLDC Programme Board dealing with the operational oversight and reporting on the UKSPF Investment Plan. Quarterly financial updates will be given to the Corporate Policy and Resources Committee and an annual update to the Prosperous Communities Committee on the progress of the programme.

APPENDIX 1 - THEORY OF CHANGE FOR UKSPF AND REPF

Theory of Change is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context. It is focused in particular on mapping out or “filling in” what has been described as the “missing middle” between what a programme or change initiative does (its activities or interventions) and how these lead to desired goals being achieved. It does this by first identifying the desired long-term goals and then works back from these to identify all the conditions (outcomes) that must be in place (and how these related to one another causally) for the goals to occur.

Reference: [What is Theory of Change? - Theory of Change Community](#)

Supporting Local Business - UKSPF

AREA OF NEED	INTERVENTIONS	INTERVENTION AIMS	KEY OUTCOMES
The majority of the businesses are micro businesses (90%).	2.1. Flagship West Lindsey Business Support Programme	2.1. LCC Core Growth Hub offer, tailored advice and guidance linked to local village & retail centers and the visitor economy Programme and a grant scheme for business led sustainability improvements.	2.1. Increased provision, quality and impact of local businesses resulting in greater levels of sustainable businesses and local employment.
Relatively low level of new job postings: April 2021 the number of unique job postings was 15% lower than in 2016.	2.2. Maximising the Visitor Offer	2.2. Increased visitor accommodation, development of local attractions, increased communication and coordination between key stakeholders and activities	2.2 Increased number of people visiting and spending money in West Lindsey.
The vibrancy of the district's economy: ranked to 263 out of 324.	2.3. Growing Innovation	2.3. Supporting the development of a growth corridor around the A15 and supporting agritech business.	2.3 Increased provision and quality of new businesses and products, increasing local knowledge and reduced emissions.
The visitor economy shrank as a result of Covid.	2.4. Supporting West Lindsey Markets and Retail Centers	2.4. Supporting and expanding the delivery of the West Lindsey Market Action Plan.	2.4 Increased number of people visiting and spending money at WL markets, creating more sustainable local markets and businesses.

Theory of Change – Rural Businesses

Challenges	Interventions	Opportunities	Outputs	Outcomes
Local business landscape dominated by micro businesses	<ul style="list-style-type: none"> Intervention 1.1: capital grant funding for small scale investment in micro and small enterprises in rural areas. <p><i>Links to UKSPF Investment Plan: Project 2.1: Flagship West Lindsey Business Support Programme – (REPF as a capital grant alongside this). Interventions: E23: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development... E24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise...</i></p> <ul style="list-style-type: none"> Part 3: Grant Scheme – support implementation of business led sustainability and climate change improvements / productivity and rural growth. 	Business Support: <ul style="list-style-type: none"> Extensive experience and track record of providing business support programmes. Opportunity to build on this. Investment in research and development. Funding to support innovation and new ideas and entrepreneurship. Funding to support the 'green' agenda and move to improve sustainability and circularity. 	<ul style="list-style-type: none"> Number of businesses supported. Number of farm businesses supported. Number of farm diversification projects supported. Number of micro businesses supported. 	<ul style="list-style-type: none"> Jobs safeguarded. Number of new businesses created. Number of businesses adopting new to the firm technologies or processes. Number of businesses experiencing growth.
Productivity		Tourism and Diversified Activities: <ul style="list-style-type: none"> Opportunity for growth as a visitor destination to meet unfulfilled local/broader demand for diversified activities e.g., visitor accommodation, a farm shop, cafe, leisure attraction, adventure playground etc. 		
Low level of new job postings and difficulty in recruiting		Key Sector Development: <ul style="list-style-type: none"> Working with Lincolnshire Agricultural Society and established farm sector to develop diversification opportunities. Leveraging existing strength in Agri-tech through Lincoln University Riseholme Campus, the local Agri-Tech cluster based around the 'A15 corridor' and building on UK Food Valley and potential for Agricultural Enterprise Zone. 		
Pressure on farm incomes				
Low number of highly skilled roles				

APPENDIX 2 – SUMMARY OF PROJECT CHANGES

This document summaries changes to projects from the submitted UKSPF investment plan. Projects may have been changed for several reasons namely:

- Changes in scope as the project is refined
- Availability of funding i.e. REPF and match funding
- Changes in spend profile to enable delivery of projects
- Changes to output and outcome figures with the inclusion of REPF

Each project is considered against the criteria above and a summary of any changes shown. Any changes to existing outputs and outcomes will be discussed with DLUHC as the projects develop.

2.1 Flagship West Lindsey Business Support Programme

Scope

The scope of the project has expanded to included £318,331 of REPF capital funding to provide grants to develop business support grants for Farm Diversification and Agri-Tech Business Development. A £150,000 of existing revenue funding will be reallocated to support the delivery of workstream of the above grant scheme but allow flexibility to use in other 2.1 workstreams.

Finance

This project's budget has increased from £720,000 to £1,188,331 for the following reasons:

- Funding two new strands of grant allocations supporting farm business diversification and Agri-tech business development from REPF – totalling £318k
- Match funding of £150k identified (WLDC Feasibility budgets)

Original Allocation

	2022	2023	2024	Grand Total
Match - Revenue	0	0	0	0
REPF - Capital	0	0	0	0
UKSPF - Capital	0	37,096	287,904	325,000
UKSPF - Revenue	0	129,975	265,025	395,000
Grand Total	0	167,071	552,929	720,000

Revised Allocation

	2022	2023	2024	Grand Total
Match - Revenue	0	75,000	75,000	150,000
REPF - Capital	0	79,582	238,749	318,331
UKSPF - Capital	0	81,250	243,750	325,000
UKSPF - Revenue	0	153,750	241,250	395,000
Grand Total	0	389,582	798,749	1,188,331

Change

	2022	2023	2024	Grand Total
Match - Revenue	0	75,000	75,000	150,000
REPF - Capital	0	79,582	238,749	318,331
UKSPF - Capital	0	44,154	(44,154)	0
UKSPF - Revenue	0	23,775	(23,775)	0
Grand Total	0	222,511	245,820	468,331

Outputs and Outcomes

There are additional REPF outputs and outcomes summarised below:

Output Description	Outputs	Output Description	Revised Outputs
REPF: Number of businesses supported	40	REPF: Number of businesses supported	40
REPF: Number of farm businesses supported	17	REPF: Number of farm businesses supported	17
REPF: Number of farm diversification projects supported	17	REPF: Number of farm diversification projects supported	17
REPF: Number of micro businesses supported	26	REPF: Number of micro businesses supported	26

2.2 Maximising the Visitor Economy Offer

Scope

The scope of the project has not changed but the description of project has been further refined.

Finance

This project's budget has remained the same but has been reprofiled, followed detailed planning of the specific activities that will support the overall outcomes being achieved.

Original Allocation

	2022	2023	2024	Grand Total
UKSPF - Revenue	0	25,000	25,000	50,000
Grand Total	0	25,000	25,000	50,000

Revised Allocation

	2022	2023	2024	Grand Total
UKSPF - Revenue	0	35,000	15,000	50,000
Grand Total	0	35,000	15,000	50,000

Change

	2022	2023	2024	Grand Total
UKSPF - Revenue	0	10,000	(10,000)	0
Grand Total	0	10,000	(10,000)	0

Outputs and Outcomes

There are no changes to the outputs and outcomes related to the submitted UKSPF.

2.3 Growing Innovation

Scope Change

The project description has been refined following the Lincolnshire LEP's recent announcement regarding the Agricultural Growth Zone (AgZone).

Finance

This project's budget has not been changed since the original allocation.

Original & Current Allocation

	2022	2023	2024	Grand Total
Match - Revenue	0	150,000	150,000	300,000
UKSPF - Revenue	50,000	50,000	0	100,000
Grand Total	50,000	200,000	150,000	400,000

Outputs and Outcomes

There are no changes to the outputs and outcomes related to the submitted UKSPF.

2.4 Supporting our markets and retail centres

Scope Change

There is no change in the project scope.

Finance

This project has changed the profile of the match revenue spend profile with £15k moving from 2023/4 to 2024/5. This is the work of more detailed project planning.

Original Allocation

	2022	2023	2024	Grand Total
Match - Revenue	20,000	90,000	90,000	200,000
UKSPF - Revenue	0	25,000	25,000	50,000
Grand Total	20,000	115,000	115,000	250,000

Revised Allocation

	2022	2023	2024	Grand Total
Match - Revenue	20,000	75,000	105,000	200,000
UKSPF - Revenue	0	25,000	25,000	50,000
Grand Total	20,000	100,000	130,000	250,000

Change

	2022	2023	2024	Grand Total
Match - Revenue	0	(15,000)	15,000	0
UKSPF - Revenue	0	0	0	0
Grand Total	0	(15,000)	15,000	0

Outputs and Outcomes

There are no changes to the outputs and outcomes related to the submitted UKSPF.

APPENDIX 3 - PROGRAMME RISK REGISTER

Insert text here

APPENDIX 4 – BENEFIT CALCULATIONS

Purpose

This appendix sets out the detailed calculations used to derive the benefits presented in the Economic Case for the project.

Additionality Guide

All benefits were assessed to determine if and how much of these would have been achieved if the project did not go ahead. This follows the principals of the Additionality Guide and ensures that naturally occurring increases are removed before considering the benefits for this project. The formula used is as follows:

$$AI = [GI \times (1-L) \times (1-Dp) \times (1-S) \times M] - [GI^* \times (1-L^*) \times (1-Dp^*) \times (1-S^*) \times M^*]$$

Where:

AI = Net additional impact

GI = Gross impact

L = Leakage

Dp = Displacement

S = Substitution

M = Multiplier

* denotes reference case and hence deadweight

- Net additional impact – the final value of the benefit after the calculation
- Gross impact – the total benefit, the starting point before adjustments for this formula
- Leakage – benefits going to people outside the target area (e.g. health benefits from people coming from overseas participating in leisure activities generated by a scheme)
- Displacement – benefits lost because individuals swap from another activity which would also have provided similar benefits (e.g. when a job created is taken by someone already in full time employment and their previous role is not re-filled)
- Substitution – benefits lost because companies change their decisions because of the scheme (e.g. they don't repair a building themselves, because they can get a grant to support it)
- Economic Multiplier – the wider supply chain and regional impact of the benefit (e.g. construction work having a beneficial impact on the local supply chain)
- Deadweight – what would happen even if the project didn't go ahead (e.g. general rises in commercial or house prices) – this formula is often simplified to be a percentage of the overall benefits where a reference case is not directly calculated

The values for each of these components were considered on a benefit-by-benefit basis. The following table sets out the values used for each, per benefit.

Additionality Components per Quantified Benefit

Area / Measure	Value	Justification
Gross Value Added - Capital		
Leakage	10%	Low leakage – the benefits will be focussed primarily within the region; procurement will emphasise desire for local supply chains
Displacement	25%	Some displacement – significant expenditure within UKSPF may mean other projects cannot proceed at same time due to a lack of local resources / capacity
Substitution	0%	No substitution, the nature of the high percentage of grant of overall costs demonstrates that projects supported would not otherwise proceed
Multiplier	2.7	HCA 2014 Additionality Guide research showed an average 2.7 multiplier for construction schemes (table 4.11) – this is appropriate as the input is only the capital elements of expenditure
Deadweight	28%	In line with City Challenge Regeneration schemes average (Table 3.3 of Additionality Guide)
GVA – Jobs Created		
Leakage	10%	Low leakage – the benefits will be focussed primarily within the region; jobs are expected to be filled from within the region
Displacement	25%	Some displacement – some jobs created may be filled by people employed already, but it is likely that these jobs will be advertised and re-filled too.
Substitution	0%	No substitution, the nature of the high percentage of grant of overall costs demonstrates that projects supported would not otherwise proceed, so the jobs would only be created due to the grants available
Multiplier	1	No wider benefit considered as the Gross Value Added element already considers the impact the employment has on the wider economy
Deadweight	0%	These new jobs are directly created through the grant funding being made available – these jobs would not otherwise be created, thus none of the benefit is considered deadweight.
GVA – Jobs Supported		
Leakage	10%	Low leakage – the benefits will be focussed primarily within the region; jobs sustained are expected to be primarily for people already living and working in the local area.
Displacement	25%	Some displacement – if the funding wasn't available, some posts may be lost, but some of those post holders may be employed in existing vacancies elsewhere in the region.
Substitution	25%	Some substitution – without the grant funding available, recipients may find alternative ways to fund these posts, or de-prioritise other roles within their organisations to retain these.
Multiplier	1	No wider benefit considered as the Gross Value Added element already considers the impact the employment has on the wider economy
Deadweight	75%	Some of the funding is supporting retention of roles, rather than creation of new roles. It is considered that for these existing roles, there is a much greater chance that employment would continue without the intervention. Therefore a prudent estimate of the benefits includes a

		significant overall reduction due to deadweight for this benefit.
Increase in visitor nights		
Leakage	10%	Low leakage – the vast majority of the benefits from over-night stays will remain within the region
Displacement	25%	Some displacement – due to the investment some of the additional visitors may chose sites receiving grant in preference to alternatives within the wider region
Substitution	10%	Low substitution – an amount of investment in local tourism offers may have occurred without grant funding, as farms look to diversify their businesses. The high grant intervention rate would suggest a very low rate level of substitution is occurring.
Multiplier	1	The benefit calculation figure used already considers any wider benefits by additional visitor nights
Deadweight	24%	Average across City Challenge schemes (Table 3.3 of Additionality Guide)
Value of reduced estimated emissions		
Leakage	0%	No leakage - As carbon emissions affect are not localised, there is no leakage from carbon savings
Displacement	10%	Low displacement - An element of savings may occur naturally within the agriculture sector – however the easier savings have already occurred over the previous two decades ¹
Substitution	25%	Some substitution - An element of savings may occur naturally within the agriculture sector – however the easier savings have already occurred over the previous two decades (the displacement and substitution elements combine give an estimate of what investment may have taken place without grants being available)
Multiplier	1	The value of a tonne of CO2 saved it very hard to quantify, but using a traded value gives a justifiable figure. Therefore no adjustment is made to this figure for any wider impact.
Deadweight	50%	Significant deadweight - the measure used is based upon the gap between efficiencies capable of being made and current national performance. The use of averages and a conceptual efficiency level, means this is unlikely to be reached in practice, even with grant support. Thus a significant reduction is taken to reflect a combination of lack of local data, optimism bias and probability of potential savings being made.

The overall impact of the additionality adjustment can be calculated by multiplying the impact of each component together (the impact is 100% less the value for each element other than the multiplier). So for example the GVA capital calculation would be:

$$(100\%-10\%) * (100\%-25\%) * (100\%-0\%) * 2.7 * (100\%-28\%) = 131.2\%$$

Leakage Displacement Substitution Multiplier Deadweight TOTAL

Overall additionality guide adjustment impact (percentage)

<https://www.gov.uk/government/statistics/agri-climate-report-2021/agri-climate-report-2021>

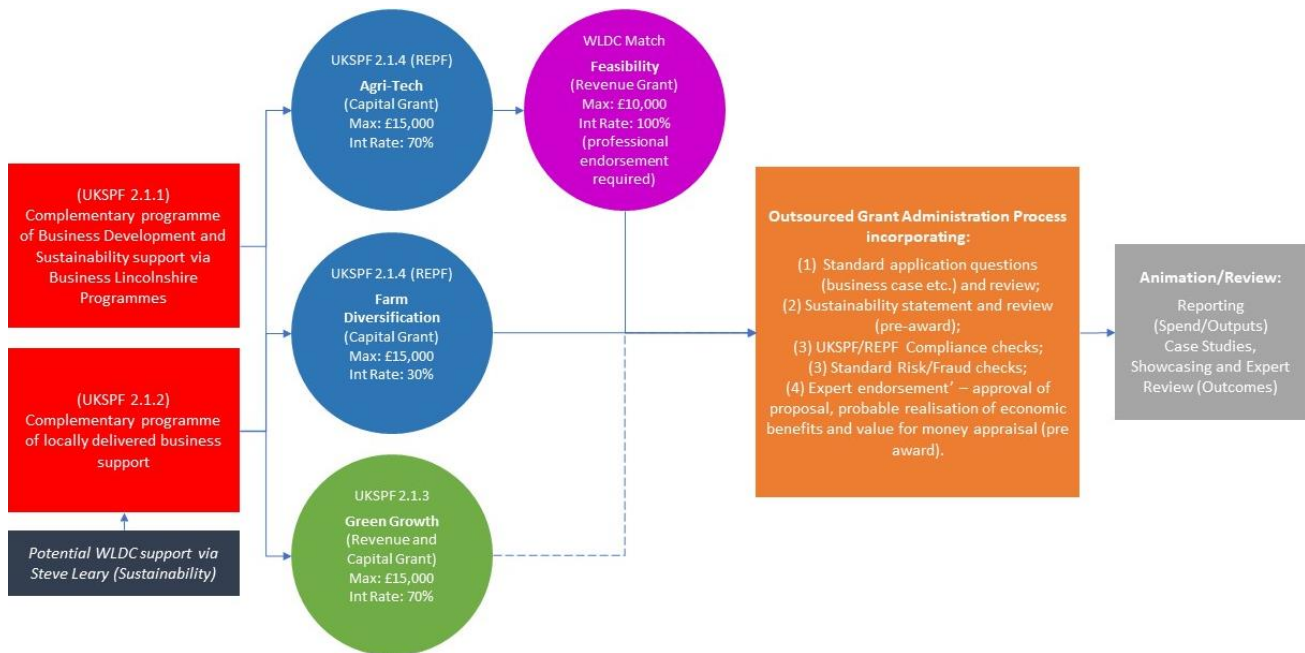
Benefit	Leakage	Displacement	Substitution	Multiplier	Deadweight	Overall ADJ
GVA – Capital	10%	25%	0%	2.7	28%	131.2%
GVA – Jobs Created	10%	25%	0%	1.0	0%	67.5%
GVA – Jobs Supported	10%	25%	25%	1.0	75%	12.7%
Increase in visitor nights	10%	25%	10%	1.0	24%	46.2%
Value of reduced estimated emissions	0%	10%	25%	1.0	50%	33.8%

The additionality adjusted benefit can be calculated by taking the gross benefit, then multiplying by the overall adjustment figure calculated above. The table below shows the additionality adjusted benefit figure for each quantified benefit.

Quantified Benefit	Gross Benefit (£m)	Change due to Additionality (£m)	Additionality Adjusted Benefit (£m)
GVA – Capital	0.213	0.066	0.279
GVA – Jobs Created	7.408	(2.408)	5.000
GVA – Jobs Supported	12.840	(11.215)	1.625
Increase in visitor nights	5.297	(2.851)	2.446
Value of reduced estimated emissions	0.779	(0.516)	0.263
TOTAL	26.537	(16.924)	9.613

<https://www.gov.uk/government/statistics/agri-climate-report-2021/agri-climate-report-2021>

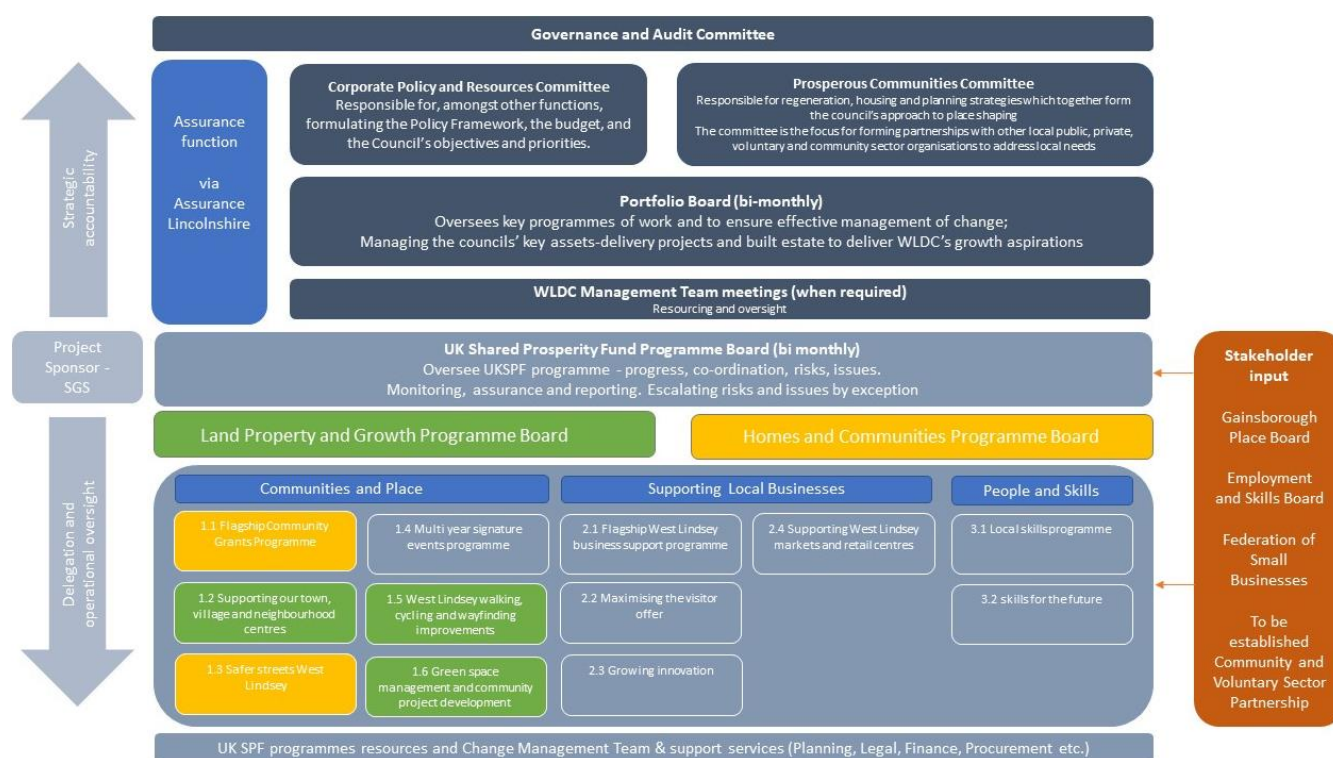
APPENDIX 5 – GRANT PROCESS



APPENDIX 6 - DWF LAW ADVICE ON SUBSIDY CONTROL

Insert text here

APPENDIX 7 – GOVERNANCE DIAGRAM



APPENDIX 8 – RESOURCE PLAN

Programme Resource Plan				
A capacity and capability assessment has been undertaken at a programme and project level. The majority of projects will leverage our existing experienced resources. Where gaps have been identified, new posts (to be partially match funded between UKSPF and the Council) have been identified.				
Role	Role Status	FTE	Key responsibilities	Seniority
Overall programme delivery and oversight				
Programme Sponsor (Director of Planning, Regeneration, and Communities)	Existing role	1 FTE Part time SPF role	<ul style="list-style-type: none"> ▼ Overall Programme oversight ▼ Key stakeholder engagement ▼ Managing intervention interdependencies 	Senior Officer
Programme Manager	New role funded from 4% admin pot	1 FTE	<ul style="list-style-type: none"> ▼ Development/maintenance of Project Initiation Document and other project documents (risk logs, comms strategy etc.). ▼ Support with Programme delivery, stakeholder engagement and communication, monitoring and evaluation ▼ Reporting to the Programme Sponsor 	11/12
Data lead	Existing role	1 FTE Part time SPF role	<ul style="list-style-type: none"> ▼ Data collection and analysis to support monitoring and evaluation ▼ Reporting on outputs and outcomes 	12
Individual project delivery and oversight				
<ul style="list-style-type: none"> ▼ Economic Growth Team Manager ▼ Enterprising Communities Manager 	Existing roles	11 FTEs Part time SPF roles	<ul style="list-style-type: none"> ▼ Responsibilities for designing and implementing individual projects 	7-13

<ul style="list-style-type: none"> ▼ Commercial Development Manager ▼ Economic Growth Team Leader ▼ Senior Project Officer: Employment & Skills ▼ Vistor Economy Officer ▼ Economic Growth Specialist ▼ Community Engagement Officer ▼ Senior Community Action Officer ▼ Economic Growth Officer ▼ Major Projects Officer 			<p>that fall within their remit</p> <ul style="list-style-type: none"> ▼ Coordination of stakeholders and delivery partners ▼ Collaboration with the Programme Manager to identify and manage delivery risks 	
Retail areas programme and support officer (Project 1.4. Multi Year Signature Events Programme)	New role Match funded	1 FTE	▼ Supporting market towns and retail centers activities programme	6
Green Spaces Officer (Project 1.6. Part 1 Green Space Management and Developing Capacity)	New role Match funded	1 FTE	<ul style="list-style-type: none"> ▼ Developing our approach to Green Space Management and community project development ▼ Supporting community groups 	Band 9c
Cultural Events and Marketing Officer (Project 2.4 Supporting our markets and retail centres)	Current Role Match Funding	1FTE	▼ Deliver publicity campaigns and events supporting footfall generation.	8
Town Centres Manager (Project 2.4 Supporting our markets and retail centres)	New role Match Funding	1FTE	▼ Provide retail support, advice and guidance to market traders and retailers.	TBC

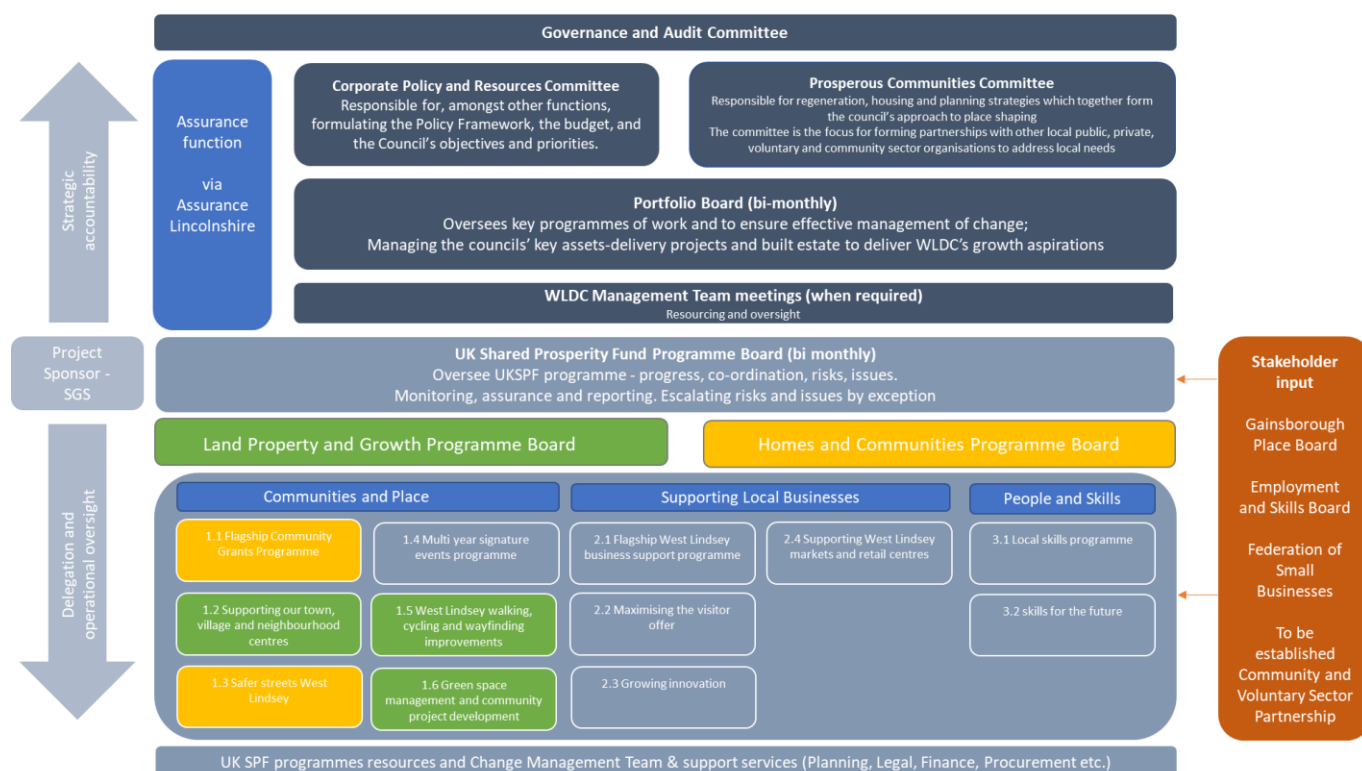
APPENDIX 9 – TERMS OF REFERENCE PROGRAMME BOARD

The UKSPF Programme Board has accountability for and responsibility of setting and managing strategic direction (as informed by Portfolio Board/Management Team/Funders), providing oversight of the programme and associated projects, and working closely with both Land Property and Growth Board and Homes and Communities Board (where required) Portfolio Board, Management Team, and member Committees to ensure good governance.

The UKSPF Programme Board strives to achieve the following:

1. Delivery of Investment Plan programme and associated projects to support and ensure programme outputs and outcomes are delivered by 31st March 2025.
2. Approving project and resource expenditure/escalating as appropriate.
3. Provides a forum for more detailed discussion around projects, escalating to Portfolio Board where necessary.
4. Acts as a sounding board for new ideas, identification of new projects, provides a space for grants/funding bids to be discussed, and for work to be synergised and linked where appropriate.

The UKSPF Programme Board is embedded within the Council's programme management and governance structure as at out below.



Each of the 12 interventions will have an appropriate project / working group responsible for delivery through a Project Delivery Plan. Where appropriate the project / working group will feed into Land Property and Growth / Homes and Communities Board for oversight and assurance. Some interventions will feed directly into the UKSPF Programme Board.

Risk Management

- The Programmes risk register is to be reviewed by the Programme Board on a six-monthly basis in accordance with the Council's Quality Assurance Strategy. Visibility of mitigating actions will be made visible in bi-monthly Programme Update reports with oversight of actions due in the previous month and those due in the following month.

- The project working groups will be responsible for intervention level risk management and report to the board by exception.

Stakeholders

- The UK SPF Programme Board is responsible for Stakeholder Management for the programme.
- The Stakeholder Register will be reviewed at each Board meeting.
- Project working groups will be responsible for the day to day management of stakeholders ensuring that engaging with appropriate stakeholders for each intervention is in place.

Internal Health Checks

The Performance and Programme team will undertake internal health checks on the programme every six months. These health checks will focus on programme information, and programme minutes to ensure compliance with the Quality Management Strategy. Feedback will be given to the Programme Board on the outcome of the check and the schedule of them will be identified within the Quality Management Plan.

Membership of the Board and Roles

- **Director - Planning, Regeneration & Communities (Chair):** Programme Sponsor accountable for the overall success of the programme
- **Programme Manager: UK Shared Prosperity Fund** Programme Lead responsible for the day-to-day management of the programme and programme team
- **Enterprising Communities Manager:** Project Lead responsible for the day-to-day management and delivery of Communities and Place business case
- **Economic Growth Team Manager:** Project Lead responsible for the day-to-day management and delivery of the Supporting Local Businesses business case
- **Senior Project and Growth Officer: Employment and Skills:** Project Lead responsible for the day-to-day management and delivery of the People and Skills business case
- **Change and Projects Officer:** Subject matter expert of project management, project governance and quality assurance
- **Communications Manager/Senior Communications Officer:** Subject matter expert supporting the Comms element of the programme
- **Finance Business Partner:** Financial oversight of programme, management of project finances
- **Contract Manager:** Responsibility for management of programme and project related contracts
- **Economic Development Team Leader:** Subject matter expert in Growth and Heritage projects
- **Team Manager Property and Assets:** provision of expert advice on WLDC property related matters
- **Democratic Services and Elections Team Manager:** subject matter expert on Member Support, Engagement and Committee processes
- **Commercial Development Manager:** Chair of cultural working group, linking project dependencies and providing expertise on commercial matters
- **Director Corporate Services** responsibility for programme finances and sign off on reporting back to government
- **Major Projects Officer:** responsible for providing specific updates on and delivering key projects that support the wider programme delivery/dependent projects

Board Responsibilities

The Programme Sponsor will:

- be ultimately responsible for the delivery of the UK Shared Prosperity Fund Investment Plan
- ensure the Investment Plan remains focused on achieving its objectives

The Programme Lead(s) will:

- track progress and monitor the delivery plan for the programme and associated projects
- ensure that the required resources are available
- resolve any conflicts escalated by the project delivery teams
- be responsible for the communication plan

The Programme Board will:

- be accountable to the Portfolio Board for the delivery of the programme, within the specified time and resource boundaries
- review papers, attend meetings and complete assigned actions
- monitor the progress of the overall programme and associated projects
- manage any risks assigned to individual board members
- monitor the risk log for the programme and agree mitigation
- raise and resolve issues
- authorise financial commitments within the existing financial procedures
- monitor project benefits
- escalate any conflicts with other corporate programmes to the Sponsor
- facilitate change and champion the programme to internal/external stakeholders

Meetings

- The Programme Board meeting is to be chaired by the Director - Planning, Regeneration & Communities.
- Meetings will be arranged to meet bi-monthly. Special meetings may be called at any time at the discretion of the Chair.
- Agenda and papers will be circulated at least one calendar week prior to the meeting by the board administrator.
- Reports on progress will be submitted to the Portfolio Board and relevant committee meetings, as well as monthly progress meetings with BEIS, and quarterly reporting to Government.

Review

- The board's Terms of Reference will be reviewed on an annual basis, or as required.

APPENDIX 10 – PROGRAMME PLAN

Programme name:	UKSPF Supporting Local Business			
Task ID		Owner	Start date	End Date
Work Stream 1: WLDC/Government Approvals				
1.01	Approval of REPF programme by Prosperous Communities Committee and Corporate Policy and Resources Committee	SGS	24/11/2022	24/11/2022
1.02	Government issue Grant determination letter for UKSPF and REPF Investment Plan	SGS	01/01/2023	31/01/2023
1.03	Business Case Approved by Prosperous Communities Committee	SGS	09/02/2023	09/02/2023
1.04	Business Case Approval by Corporate Policy and Resources Committee	SGS	09/02/2023	09/02/2023
1.05	Updates to Programme and Portfolio Board	SGS	11/04/2023	01/12/2024
1.06	Updates to Policy and Resources Committee	SGS	01/03/2024	01/03/2025
Work Stream 2: Project 2.1 Flagship West Lindsey Business Support Programme				
Work Package Project 2.1.1 Lincolnshire Growth Hub Offer				
2.01	Approval of Identified Approach.	Econ Dev	01/11/2022	31/12/2022
2.02	Review and Confirmation of BL offer	Econ Dev	01/11/2022	31/03/2023
2.03	Confirmation of SLA	Econ Dev	01/03/2023	31/03/2023
2.04	Delivery of Business Support Programme	Econ Dev	01/04/2023	31/03/2025
2.05	Review and Evaluation	Econ Dev	01/04/2023	31/03/2025
Work Package Project 2.1.2 West Lindsey Tailored Advice linked to local town, village and neighbourhood retail centres and the visitor economy				
2.06	Approval of Identified Approach.	Econ Dev	01/11/2022	31/12/2022
2.07	Review and Confirmation of WLDC offer	Econ Dev	01/11/2022	31/02/2023
2.08	Procurement of business support provider	Econ Dev	01/01/2023	31/03/2023
2.09	Delivery of Business Support Programme	Econ Dev	01/04/2023	31/03/2025
2.10	Review and Evaluation	Econ Dev	01/04/2023	31/03/2025
Work Package Project 2.1.3 Business Sustainability Grant Scheme				
2.11	Approval of Identified Approach.	Econ Dev	01/11/2022	31/12/2022

2.12	Development of Grant(s) 'Product(s)'. Econ Dev	01/11/2022	31/02/2023
2.13	Procurement of grant administration support (dual process with UKSPF 2.1, 3) Econ Dev	01/01/2023	31/03/2023
2.14	Delivery of Grant Scheme(s) Econ Dev	01/04/2023	31/03/2025
2.15	Review and Evaluation Econ Dev	01/04/2023	31/03/2025
Work Stream 3: Project 2.2 Maximising Visitor Economy Offer			
Work Package Project 2.2.1 Market Rasen and Caistor Wayfinding Strategy			
3.01	Develop RFQ WO	01/02/2023	31/03/2023
3.02	Appointment of contractor WO	01/04/2023	31/05/2023
3.03	Delivery phase WO	01/05/2023	31/10/2023
Work Package Project 2.2.2 New Digital Trails			
3.04	Agree specification WO	01/06/2023	31/07/2023
3.05	Appointment of contractor WO	01/08/2023	31/08/2023
3.06	Delivery phase WO	01/10/2023	31/03/2024
Work Package Project 2.2.3 Aviation Guides			
3.07	Agree specification WO	01/06/2023	31/07/2023
3.08	Appointment of contractor WO	01/08/2023	31/08/2023
3.09	Delivery phase WO	01/10/2023	31/03/2024
Work Package Project 2.2.4 Walking Route			
3.10	Workshop with Lincolnshire Wolds Countryside Service to agree specification WO	01/02/2023	28/02/2023
3.11	Appointment of contractor WO	01/03/2023	31/03/2023
3.12	Delivery phase WO	01/07/2023	30/09/2023
Work Package Project 2.2.5 Thematic Clusters			
3.13	Agree specification WO	01/04/2024	31/05/2024
3.14	Appointment of contractor WO	01/06/2024	30/06/2024
3.15	Delivery phase WO	01/10/2024	31/03/2025
Work Package Project 2.2.6 Outdoor Festival			
3.16	Meeting with ELDC to discuss / agree specification and scope of works WO	01/02/2023	28/02/2023
Work Stream 4: Project 2.3 Growing Innovation			
4.01	Concept for A15 growth corridor and Ag zone being developed and endorsed by Partnership Econ Dev	01/09/2022	01/11/2022
4.02	Product launch at the GLLEP conference Econ Dev	01/11/2022	01/11/2022
4.03	Pre-Development of Business Plan for Ag Zone Econ Dev	01/01/2023	01/03/2023
4.04	Development/Delivery of Business Plan for Ag Zone Econ Dev	01/04/2023	31/03/2025

4.05	Agree specification for AgZone Employment Land evidence base	Econ Dev	01/01/2023	01/03/2023
4.06	Delivery of Ag Zone EL evidence base	Econ Dev	01/04/2023	31/03/2025
4.07	Initial phase Riseholme Masterplan	Econ Dev	01/09/2022	01/12/2022
4.08	Completion of Riseholme Masterplan	Econ Dev	01/01/2023	31/08/2023
4.09	Phase 1 Feasibility Option Study for A15	Econ Dev	01/06/2022	28/02/2023
Work Stream 5: Project 2.4 Supporting our markets and retail centres				
5.01	Appointment TCM	AS/ SGS	22/11/2022	22/12/2022
5.02	Develop workplan for TCM	CM/ WO	01/01/2023	28/02/2023
5.03	Agree Events / support plan	CM	01/02/2023	31/03/2023
5.04	Delivery phase	CM	01/04/2023	31/03/2025

APPENDIX 11 – STAKEHOLDER REGISTER

Ref	Stakeholder	Category	Current Profile	Proposed Profile	Change?	Current Support	Proposed Support	Change?	Action Plan
1	WLDC Members	4. Governance	3. Inform	1. Manage	Yes	3. Neutral	5. Leading	Yes	Member engagement workshops - optional attendance Use Member bulletin and reporting process to update
2	MP	2. Influencer	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Keep upto date with updates/latest news/photo opportunities - via SG-S
3	Town and Parish Councils	2. Influencer	3. Inform	3. Inform	No	3. Neutral	4. Supportive	Yes	Engage in project development and delivery
4	Funders - Government	4. Governance	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Bespoke progress reports/updates as required Invite to tour of the town to update
5	Funders - WLDC	4. Governance	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Bespoke progress reports/updates as required Invite to tour of the town to update
6	Business Owners	1. User	3. Inform	3. Inform	No	1. Uaware	4. Supportive	Yes	Opportunities for funding and wider programme engagement. Ebrief and targeted messaging
7	Farming community	1. User	3. Inform	1. Manage	Yes	1. Uaware	4. Supportive	Yes	Potential targeted intervention. Ensure appropriate engagement with business representative organisations such as Lincolnshire Agricultural Society
8	WL Communities	1. User	4. Monitor	3. Inform	Yes	1. Uaware	4. Supportive	Yes	Positive messaging - opportunity to engage in and benefit from programme delivery. Communities to shape local delivery priorities
9	Visitors	1. User	4. Monitor	3. Inform	Yes	1. Uaware	4. Supportive	Yes	Repeated key messages via online/mailshot - would like to direct everyone online to the most upto date information Potential to attract new visitors or repeat visitors
10	Market Traders	1. User	3. Inform	3. Inform	No	1. Uaware	4. Supportive	Yes	West Lindsey Markets intervention - engage traders across district and from further a field
11	WLDC Colleagues - indirect	1. User	4. Monitor	3. Inform	Yes	3. Neutral	4. Supportive	Yes	Repeated key messages on Minerva, Corporate Update, MT emails
12	WLDC Colleagues - direct	2. Influencer	2. Satisfy	1. Manage	Yes	3. Neutral	4. Supportive	Yes	Regular update meetings
13	Insurers	3. Provider	4. Monitor	4. Monitor	No	1. Uaware	3. Neutral	Yes	Inform of work schedule
14	Procurement	3. Provider	4. Monitor	4. Monitor	No	3. Neutral	3. Neutral	No	Inform and engage when required
15	Legal	3. Provider	4. Monitor	4. Monitor	No	3. Neutral	3. Neutral	No	Inform and engage when required
16	Education and skills	1. User	4. Monitor	4. Monitor	No	1. Uaware	4. Supportive	Yes	Develop key proposals for future investment - key input into People and Skills
17	Contractors	3. Provider	3. Inform	3. Inform	No	3. Neutral	3. Neutral	No	Inform and engage when required
18	LCC	2. Influencer	3. Inform	1. Manage	Yes	3. Neutral	4. Supportive	Yes	Regular update meetings - particular focus on walking, cycling and wayfinding
19	Voluntary Sector	1. User	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Engagement of voluntary and community sector in programme delivery is key to success - development of voluntary and community sector board
20	Greater Lincolnshire Local Enterprise partnership	2. Influencer	3. Inform	3. Inform	No	4. Supportive	4. Supportive	No	Work collaboratively to develop business support programme and Ag Zone proposals - business engagement
21	University of Lincoln	2. Influencer	3. Inform	3. Inform	No	4. Supportive	4. Supportive	No	Maximise partnership opportunities for sector growth through positive stakeholder engagement
22	Destination Lincolnshire	2. Influencer	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Key stakeholder in engaging visitor / destination businesses and shaping delivery in this sector
23	Media	2. Influencer	2. Satisfy	1. Manage	Yes	4. Supportive	4. Supportive	No	Regular updates, radio interviews, regional and national. Invite to launch events Comms Plan

APPENDIX 12 – COMMUNICATIONS AND STAKEHOLDERS STRATEGY

UKSPF ‘Supporting Local Business’ Programme (Measures 2.1 to 2.4)

1. Context:

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government’s ‘Levelling Up’ agenda and a significant component of its support for places across the UK. It provides three years of funding for local investment in three priority areas: (1) communities and place; (2) businesses; and; (3) people and skills. West Lindsey District Council (WLDC) has received an approved (Dec 2022) allocation of £2.7m, as well as a Rural England Prosperity Fund (REPF) allocation of £800k.

UKSPF complements WLDC’s broader strategic ambition to continue to evolve West Lindsey as a place where our businesses and local economy can thrive in an environmentally sustainable way - ensuring that the District builds on its own local economic identity, heritage and natural assets. WLDC’s Government approved Investment Plan: [insert link to web-page](#), has identified UKSPF contributions of c.£1.24m (including £320k via the REPF) towards a programme of local interventions valued at c.£1.89m (subject to external contributions) to support the local economy across the following activities:

Project name	Description	Total value	Key deliverables
Project 2.1 Flagship West Lindsey Business Support Programme	Four projects to strengthen local entrepreneurial ecosystems and support businesses at all stages of their development including training and offers of business support.	£1,188,331 ▼ £140,000 ▼ £80,000 ▼ £500,000 ▼ £468,331	Increased number of businesses supported through access to: ▼ Trained business advisers and specialist support. ▼ Tailored advice and guidance to support retail centres and the visitor economy. ▼ Grant schemes to support sustainability and climate change improvements for rural growth. ▼ Grant schemes for farm diversification and Agri-Tech business development.
Project 2.2 Maximising the Visitor Economy Offer	Improve and enhance the Visitor Product with a focus on outdoor recreation	£50,000 ▼ 10,000 ▼ £5,000 ▼ £5,000 ▼ £10,000 ▼ £15,000 ▼ £5,000	▼ Enhance Love Lincs Wolds Outdoor Festival to increase overnight stays and visitor spend. ▼ Create new walking routes. ▼ Refresh West Lindsey aviation guide. ▼ Create 3 digital heritage trails. ▼ Wayfinder strategies for Market Rasen and Caistor. ▼ Develop partnership working.
Project 2.3 Growing Innovation	Development of the UK Food Valley and emerging Agri Growth Zone	£400,000 <i>(development budget which includes £100,000 match and £200,000 of prospective match-funding)</i>	▼ Development of a business plan for Agri Growth Zone. ▼ Development of demonstrator sites across the Food Valley (medium term aim). ▼ Deliver Agricultural Growth Services (long term aim).
Project 2.4 Supporting our markets and retail centres	Support and expand the delivery of the West Lindsey Market Action Plan	£250,000 ▼ £100,000 ▼ £50,000 ▼ £80,000 ▼ £20,000	▼ Appointment of Town Centre Manager to support and advise retailers. ▼ Funding Provision for the Cultural Events Officer ▼ Promotion and events programme. ▼ Capacity building, for example digitalisation.

The UKSPF ‘Supporting Local Business Programme’ (SLBP) of activity will be delivered over Financial Years 23/24 and 24/25. Enquiries relating to SLBP provision can be sent to: growth@west-lindsey.gov.uk. This plan has been created to:

- Confirm the key stakeholders involved in the project;
- Ensure there is a shared understanding of the communications objectives of the project;
- Make sure appropriate and UKSPF compliant messages are delivered to stakeholders in a timely fashion (compliance: <https://www.gov.uk/guidance/uk-shared-prosperity-fund-branding-and-publicity-6>);
- Influence decision makers; and;
- Promote the role of the Council and the SLBP across the media and partner organisations in Lincolnshire.

2. Objectives:

The primary objective of this Communications Strategy is to:

- Increase general awareness of the availability of the LBSP and its' benefits to ensure full take-up of the offer, minimising the likelihood of Government claw-back of local funds.

Secondary objectives include:

- Communicate in a planned/structured and end-user centric manner to maximise the impact and reach of all communications activity;
- Deliver communications to ensure a 'level playing field' amongst potential beneficiaries with respect to limited service offers (such as business grants);
- Manage publicity and media effectively to promote LBSP, meet UKSPF communication guidelines and reinforce positive messages through proactive reporting of the benefits of the project; and;
- Ensure communication activity is consistent and co-ordinated and is shared in an accurate and timely way amongst businesses, stakeholders and partner organisations.

3. Communication Story - Key Messages:

The following key points will be communicated (list not exhaustive and evolving):

- The West Lindsey LBSP has been designed to support businesses to realise opportunities for business development/growth as they emerge from and deal with recent/current global socio-economic events;
- WLDC will use LBSP to support the development of a strong, stable and self-sustainable business environment in West Lindsey which continues to support established business stock, improve three-year survival rates of new businesses, improve environmental practice and increase the productivity (GVA) of the District;
- The LBSP's Business Lincolnshire Growth Hub (BLGH) provision ensures that West Lindsey's businesses can benefit from continued access to free and impartial support from an evolved Business Lincolnshire platform - aligned with the National Growth Hub business support services funded by BEIS;
- LBSP's tailored advice and guidance provision compliments the broader support provision delivered via the BLGH, ensuring that WLDC can offer rural businesses, retailers and the visitor economy a highly responsive and sector tailored support product.
- LBSP's 'Green Growth Grant' will support West Lindsey businesses to improve the environmental credentials of their business activities;
- LBSP's REPF funded capital grants programme will support farming businesses to diversify into non-agricultural activity as well as supporting marketing development in the Agri-Tech sector;
- LBSP will support and extend the remit of the WL Market Action Plan and linked events programme, increasing footfall in and the renaissance of WL's market towns;
- LBSP will support the Visitor Economy through investment in place-making infrastructure, events, activities and marketing collateral;

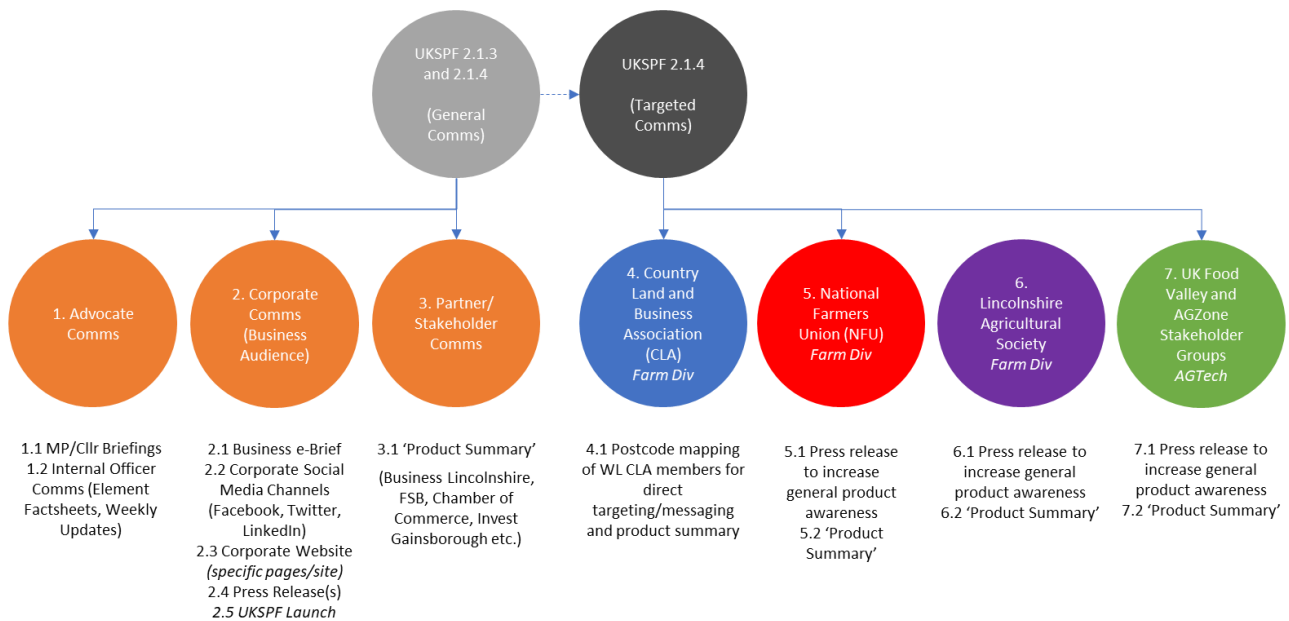
- LBSP will contribute towards the continued partnership development of an emerging and strategically important local Agri-Tech/defence and drone technology clusters based around the 'A15 corridor' (Hemswell Cliff Food Enterprise Zone, UoL Riseholme Campus, the Lincolnshire Show Ground and RAF Scampton) under the banner of the UK Food Valley and the emerging Agricultural Growth Zone, which could position the district as a UK (if not International) leader in agricultural technology, innovation and sustainability;
- Elements of LBSP provision (e.g. grants) will be delivered on a competitive basis (i.e. 'first come, first served') and once budgets have been exhausted, provision will be withdrawn; and;
- It is likely that just under £8m of local economic benefit will be accrued through the delivery of the two year LBSP (overall benefit to cost ratio of 3.32 - demonstrating a high value for money ratio).

4. Target Audiences (Stakeholders) and Communications Planning:

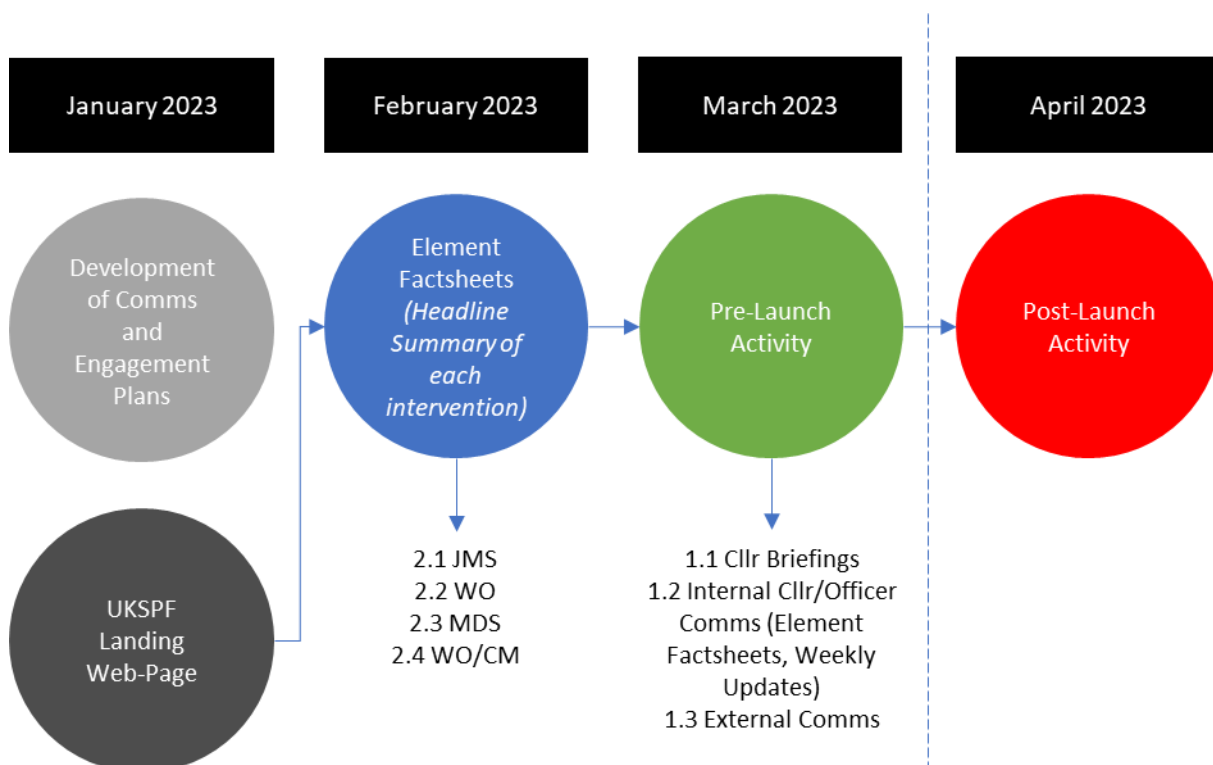
As part of the development of the overarching UKSPF programme, WLDC has developed an evolving stakeholder mapping and action planning tool which identifies key stakeholders/stakeholder groups and headline action(s) to engage with each throughout the delivery of the UKSPF programme to ensure communications objectives are realised and any risks (associated to under/mis-communication of offer) are mitigated:

Ref	Stakeholder	Category	Current Profile	Proposed Profile	Change?	Current Support	Proposed Support	Change?	Action Plan
1	WLDC Members	4. Governance	3. Inform	1. Manage	Yes	3. Neutral	5. Leading	Yes	Member engagement workshops - optional attendance
2	MP	2. Influencer	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Use Member bulletin and reporting process to update
3	Town and Parish Councils	2. Influencer	3. Inform	3. Inform	No	3. Neutral	4. Supportive	Yes	Keep upto date with updates/latest news/photo opportunities - via SG-S
4	Funders - Government	4. Governance	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Engage in project development and delivery
5	Funders - WLDC	4. Governance	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Bespoke progress reports/updates as required
6	Business Owners	1. User	3. Inform	3. Inform	No	1. Uaware	4. Supportive	Yes	Invite to tour of the town to update
7	Farming community	1. User	3. Inform	1. Manage	Yes	1. Uaware	4. Supportive	Yes	Bespoke progress reports/updates as required
8	WL Communities	1. User	4. Monitor	3. Inform	Yes	1. Uaware	4. Supportive	Yes	Invite to tour of the town to update
9	Visitors	1. User	4. Monitor	3. Inform	Yes	1. Uaware	4. Supportive	Yes	Opportunities for funding and wider programme engagement. Ebrief and targeted messaging
10	Market Traders	1. User	3. Inform	3. Inform	No	1. Uaware	4. Supportive	Yes	Potential targeted intervention. Ensure appropriate engagement with business representative organisations such as Lincolnshire Agricultural Society
11	WLDC Colleagues - indirect	1. User	4. Monitor	3. Inform	Yes	3. Neutral	4. Supportive	Yes	Positive messaging - opportunity to engage in and benefit from programme delivery. Communities to shape local delivery priorities
12	WLDC Colleagues - direct	2. Influencer	2. Satisfy	1. Manage	Yes	3. Neutral	4. Supportive	Yes	Repeated key messages via online/mailshot - would like to direct everyone online to the most upto date information
13	Insurers	3. Provider	4. Monitor	4. Monitor	No	1. Uaware	3. Neutral	Yes	Potential to attract new visitors or repeat visitors
14	Procurement	3. Provider	4. Monitor	4. Monitor	No	3. Neutral	3. Neutral	No	West Lindsey Markets intervention - engage traders across district and from further a field
15	Legal	3. Provider	4. Monitor	4. Monitor	No	3. Neutral	3. Neutral	No	Repeated key messages on Minerva, Corporate Update, MT emails
16	Education and skills providers	1. User	4. Monitor	4. Monitor	No	1. Uaware	4. Supportive	Yes	Regular update meetings
17	Contractors	3. Provider	3. Inform	3. Inform	No	3. Neutral	3. Neutral	No	Inform of work schedule
18	LCC	2. Influencer	3. Inform	1. Manage	Yes	3. Neutral	4. Supportive	Yes	Inform and engage when required
19	Voluntary Sector	1. User	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Develop key proposals for future investment - key input into People and Skills
20	Greater Lincolnshire Local Enterprise Partnership	2. Influencer	3. Inform	3. Inform	No	4. Supportive	4. Supportive	No	Inform and engage when required
21	University of Lincoln	2. Influencer	3. Inform	3. Inform	No	4. Supportive	4. Supportive	No	Regular update meetings - particular focus on walking, cycling and wayfinding
22	Destination Lincolnshire	2. Influencer	1. Manage	1. Manage	No	4. Supportive	4. Supportive	No	Engagement of voluntary and community sector in programme delivery is key to success - development of voluntary and community sector board
23	Media	2. Influencer	2. Satisfy	1. Manage	Yes	4. Supportive	4. Supportive	No	Work collaboratively to develop business support programme and Ag Zone proposals - business engagement

As we progress forwards and refine delivery methods, communications activity will be further broken down for each UKSPF programme element – in the case of LBSP, an example stakeholder and communication channel headline summary has been identified for LBSP 2.1.3 and 2.1.4 (Business Grants):



Additionally, all communications activity will be specific and time-bound:



5. Social Media:

Throughout the initiative, WLDC will direct 'followers' to the official UKSPF website via WLDC's dedicated UKSPF webpage: xxxxx.

We will also follow, via our social media channels, the Government's Department for Levelling Up, Housing and Communities (UKSPF) (and Department for Environment, Farming and Rural Affairs (REPF)):

- **Twitter:** @TheUKSPF
- **LinkedIn:** <https://www.linkedin.com/groups/8655918>
- **Hashtags:** #UKSPF (UK Government - this will be re-tweetable by allowing others to follow fund activities)

In order to maintain UKSPF branding and publicity guidelines, where details of Fund activities are published on our website, a clear and prominent reference to the funding from the UKSPF will be included as follows:

‘This project is [funded/part-funded] by the UK Government through the UK Shared Prosperity Fund.’

Where practical, WLDC (and project deliverers) will also include a link to the UK Shared Prosperity Fund webpage: <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>, and use the following text (which must also be used for notes to editors):

‘The UK Shared Prosperity Fund is a central pillar of the UK government’s Levelling Up agenda and provides £2.6 billion of funding for local investment by March 2025. The Fund aims to improve pride in place and increase life chances across the UK investing in communities and place, supporting local business, and people and skills. For more information, visit <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>’

6. UKSPF Communications Team:

Project Communications Team Contacts:			
Sally Grindrod Smith	Director Planning, Regeneration and Communities	WLDC	sally.grindrod-smith@west-lindsey.gov.uk
Julie Heath	Communications Manager	WLDC	Julie.heath@west-lindsey.gov.uk
Grant White (Communities and Place)	Enterprising Communities Manager	WLDC	Grant.white@west-lindsey.gov.uk
Amanda Bouttell (People and Skills)	Senior Project & Growth Officer: Employment & Skills	WLDC	amanda.bouttell@west-lindsey.gov.uk
James Makinson-Sanders (Local Business Support)	Economic Growth Team Manager	WLDC	James.ms@west-lindsey.gov.uk
Wendy Osgodby	Economic Growth Team Leader	WLDC	Wendy.osgodby@west-lindsey.gov.uk
Cara Markham	Commercial Development Manager	WLDC	cara.markham@west-lindsey.gov.uk

APPENDIX 13 – DLUHC REPORTING REQUIREMENTS

UK Shared Prosperity Fund: reporting and performance management (3) - GOV.UK (www.gov.uk)

The table below sets out the timeline for reporting. Quarterly reporting will only ask the questions detailed at 3.2. Lead local authorities should continue to collect the outputs and outcomes of their UKSPF spend as benefits continue to be delivered after the reporting period. How we would expect lead local authorities to provide outputs and outcomes that continue to materialise after 2025 will be set out in due course.

Reporting Periods	Report Due Date	Information Type
1 August to 31 December 2022	1 February 2023	Quarterly (summary report only)
1 January to 31 March 2023	1 May 2023	Sixth monthly
1 April to 30 June 2023	1 August 2023	Quarterly (summary report only)
1 July to 30 September 2023	1 November 2023	Sixth monthly
1 October to 31 December 2023	1 February 2024	Quarterly (summary report only)
1 January to 31 March 2024	1 May 2024	Sixth monthly
1 April to 30 June 2024	1 August 2024	Quarterly (summary report only)
1 July to 30 September 2024	1 November 2024	Sixth monthly
1 October to 31 December 2024	1 February 2025	Quarterly (summary report only)
1 January to 31 March 2025	1 May 2025	Sixth monthly and final reporting of the SR funding cycle

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191511/Additionality_Guide_0.pdf

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052706/Levelling_Up_WP_HRES.pdf

³ <https://www.gov.uk/guidance/uk-shared-prosperity-fund-reporting-and-performance-management-3>

⁴ <https://townsfund.org.uk/resources-collection/business-case-template> (Example benefits table within Economic Case guidance)

⁵<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/datasets/subregionalproductivitylabourproductivityindicesbylocalauthoritydistrict>

⁶ <https://www.visitbritain.org/destination-specific-research> (Local Authorities combined analysis spreadsheet)

⁷ <https://ember-climate.org/data/data-tools/carbon-price-viewer/>

⁸ <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020>

⁹Capital expenditure from Finance Case, inflation estimate from Central Government latest estimate:
https://obr.uk/docs/dlm_uploads/CCS0822661240-002_SECURE_OBR_EFO_November_2022_WEB_ACCESSIBLE.pdf (table A1 - page 59)

¹⁰<https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/datasets/uknonfinancialbusinessconomyannualbusinesssurveysectionsas>

¹¹<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/datasets/subregionalproductivitylabourproductivityindicesbylocalauthoritydistrict>

¹²<https://www.gov.uk/government/statistics/agricultural-land-use-in-england/agricultural-land-use-in-england-at-1-june-2022>

¹³ <https://www.gov.uk/government/statistics/agri-climate-report-2021/agri-climate-report-2021> (figure 4.1)

¹⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/972103/regionalandstatistics_overview_23mar21.pdf (page 18)

¹⁵ <https://ember-climate.org/data/data-tools/carbon-price-viewer/>

¹⁶https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf

¹⁷ https://obr.uk/docs/dlm_uploads/CCS0822661240-002_SECURE_OBR_EFO_November_2022_WEB_ACCESSIBLE.pdf (table A1 - page 59)

¹⁸https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191507/Optimism_bias.pdf

¹⁹ <https://www.gov.uk/guidance/uk-shared-prosperity-fund-procurement-8>

²⁰ [Microsoft Word - 2016-10-04 Grant Standards Equality Impact Assessment.docx \(publishing.service.gov.uk\)](#)

²¹ www.west-lindsey.gov.uk/privacy/growth-regeneration-privacy-notice.

²² <https://www.gov.uk/guidance/uk-shared-prosperity-fund-assurance-and-risk-5>

²³ Government Functional Standard GovS 015: Grants - GOV.UK (www.gov.uk)

²⁴ Government Functional Standard - GovS 0015: Grants (publishing.service.gov.uk)