

# Cabinet

28 January 2025

## Dorset Shared Prosperity Fund Extension

### For Decision

**Cabinet Member and Portfolio:**

Cllr R Biggs, Property & Assets and Economic Growth

**Local Councillor(s):**

All

**Executive Director:**

J Britton, Executive Director for Place Services

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**Report Status:** Public

### Brief Summary:

Government has offered Dorset Council another year's Shared Prosperity Fund (SPF) funding for 2025-2026 at reduced rate - £1.4m - to bridge the transition year while government develops a longer-term proposal. No new Investment Plan is needed, and Fund administration is simplified.

The original Dorset SPF Investment Plan, endorsed by Cabinet in 2023, permits Dorset Council access to the £6.4 million allocated to Dorset by government to improve local productivity and pride in place. The Plan, developed in consultation with local stakeholders and in accordance with government guidelines, helps support delivery of corporate priorities and specific actions in the Council's Plan and other supporting strategies.

Proposed use of the 2025/6 funding is in appendix 1, and is an evolution of the original Investment Plan, which now focuses on fewer priorities and is adapted to better fit the priorities of the new Council Plan and government guidance.

**Recommendation:**

That Cabinet:

1. Endorses the Dorset Shared Prosperity Fund Investment Plan Addendum, attached in appendix 1 to this report.
2. Delegates authority to the Executive Director, Place, in consultation with the Cabinet Member for Property, Assets and Economic Growth, to implement the Investment Plan Addendum.

**Reason for Recommendation:**

1. To support delivery of the Council Plan priorities of:
  - Grow our economy
  - Communities for all
  - Respond to the climate and nature crisis
2. To contribute towards measures in the Council Plan aiming to:
  - narrow the Dorset to UK productivity gap by 5% by 2029
  - generate jobs and private sector investment in renewable energy projects
  - increase total visitor-related spend in Dorset by 5% by 2029
  - create 1000 business start-up courses for 16- to 34-year-olds
3. To contribute towards key actions in the Council Plan including:
  - encourage increased levels of sustainable tourism
  - implement our digital Infrastructure and Inclusion strategy
  - work closely with town and parish councils and community organisations
  - help residents and organisations improve energy efficiency
  - reset our relationship with national government
  - build relationships with skills providers, colleges and universities
  - play a leading role in regional politics and lobbying of government
  - influence government for increased focus on retrofitting homes
4. To facilitate use of the funding allocated by government to benefit Dorset residents, communities, and businesses.

## 1. Report

- 1.1 The Shared Prosperity Fund (SPF) - designed to level up the UK economically through improvements to productivity and to increase pride in place - is part of the previous UK government's Levelling Up policy. It fulfils a broadly similar function to that covered by EU regional funding in the recent past. Funding is used for three Investment Priorities: *Community and Place, Local Business, and People and Skills*.
- 1.2 Dorset Council was allocated a notional £5.8 million for SPF on production of a satisfactory Investment Plan, to use on activities up to March 2025. This activity is nearing completion.
- 1.3 Local stakeholders were consulted on relevant challenges, opportunities, data sources, and proposed Investment Plan, and a local partnership group was established, as requested in government guidance.
- 1.4 The Plan was shaped by the Stakeholder Group, approved by Government and endorsed by Cabinet in December 2023.
- 1.5 Government has offered another year's funding for 2025-2026 at reduced rate – c. £1.4m - to bridge the transition year while government develops a longer-term proposal. No new Investment Plan is needed.
- 1.6 The allocation consists of a maximum of £1,183,229 revenue and minimum £267,930 capital. Funds notionally allocated to revenue can be spent on capital, but not vice-versa.
- 1.7 The previous list of 53 specific interventions have been simplified to a shorter and wider selection of five themes and twelve subthemes, and the current interventions have been mapped to the new themes.
- 1.8 Proposed use of the funding is in appendix 1, and is an evolution of the original Investment Plan, which now focuses on fewer priorities and is adapted to better fit the ambitions of the new Council Plan priorities and government guidance to focus on productivity:

## 2. Proposed SPF extension allocation:

- 2.1 Communities and Place priority:
  - £200,000: improve home energy efficiency (supports climate priority)
  - £150,159: community sector grants (supports communities priority)

- £118,000: visitor economy development (supports economy priority)
- 2.2 Supporting Local Business priority: (all support economy priority)
  - £400,000 advice and support to business including productivity grants
  - £200,000 enterprise culture and startup support
  - £125,000 Zero carbon business support (also supports climate priority)
- 2.3 People and skills priority: (supports economy and climate priorities)
  - £200,000 Employment related skills including digital skills
- 2.4 Other:
  - £58,000 project administration

### 3. **Financial Implications**

- 3.1 The Section 31 grant funding is specifically for SPF activity, so cannot be used for Business-as-Usual activity. However, while much of the funding is allocated to benefit Dorset businesses and communities through grant schemes and commissioned work, some interventions will be delivered in-house and help deliver actions in the Dorset Council Plan.
- 3.2 Up to 4% of the grant can be used for administration and delivery costs, which is sufficient to cover the costs of a fixed-term project manager. Further support will be provided from existing Economic Growth and Regeneration Service officers.
- 3.3 In summary, there are no additional costs to the council, and some unfunded ambitions of the council will be funded, match-funded, or gap-funded - and delivered - through SPF.

### 4. **Natural Environment, Climate & Ecology Implications**

- 4.1 Interventions included in the Plan include funding for energy efficiency and sustainable energy improvements to homes and businesses. Potential interventions available through SPF grants include funding for energy efficiency and sustainable energy improvements to community buildings. Climate impact is one of the considerations for evaluating business and community grant applications.
- 4.2 Climate wheel:

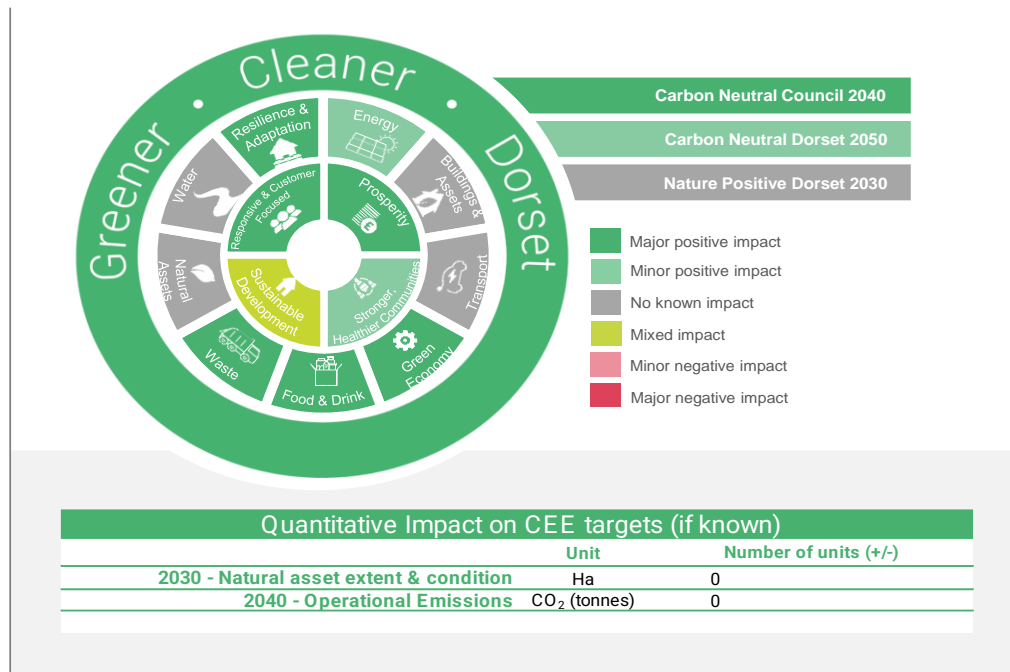


Figure 1: Climate wheel showing positive impact in several areas

4.3 For impact assessment see background paper: [Appendix 3 Accessible Impact Assessment and Table of Recs.pdf](#)

## 5. Well-being and Health Implications

5.1 There are interventions to improve cold homes and community facilities, both of which contribute to reducing health and wellbeing inequalities.

5.2 The Business and Skills actions support better quality jobs, improving levels of financial wellbeing. Income and wealth are key determinants of health and wellbeing.

## 6. Other Implications

6.1 None

## 7. Risk Assessment

7.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Medium

Residual Risk: Low

8. **Equalities Impact Assessment**

8.1 An EQIA for the Plan indicated moderate positive impacts for people with a range of protected and non-protected characteristics.

9. **Appendices**

- i. Dorset SPF Investment Plan addendum
- ii. EqIA

10. **Background Papers:**

SPF Investment Plan: [Appendix 1 SPF Investment Plan and addendum.pdf](#)

Natural environment implications:

[Appendix 3 Accessible Impact Assessment and Table of Recs.pdf](#)

11. **Report Sign Off**

11.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)