

PART A

Report to: Cabinet
Date of meeting: 4th September 2023
Report author: Cherie Norris, Economic Development Lead
Report sponsor: Ben Martin, Assistant Director Planning, Infrastructure and Economy
Portfolio holder: Peter Taylor, Elected Mayor
Report title: UK Shared Prosperity Fund Phase 2 Proposals

1.0 Executive Summary

- 1.1 This report sets out proposals for allocation of all of Watford's UK Shared Prosperity Fund.
- 1.2 Detailed proposals for allocation of Phase 1 projects, utilising year 1 funds and some of year 2 funds, were agreed by Portfolio Holders 16th January 2023. Those projects have been procured and are commencing.

This report sets out Phase 2 proposals to allocate the remainder of year 2 funds and all of year 3 funds. It provides detail about the new local projects proposed for investment. We are seeking approval of these proposed allocations.

There is no change to the proposed allocation of funds to Herts-wide, LEP-led projects, these remain as set out in previous papers. It should be noted that the funds will be transferred to Hertfordshire LEP once the relevant year's funds are received from DLUHC.

It should be noted that no project can commence until the relevant funds have been received from DLUHC.

The investment summary table in section 4.3 sets out the complete allocation proposal.

- 1.3 There are not considered to be any equality issues related to these proposals, although some of the projects are expected to have positive benefits in relation to equality.
- 1.4 Project risks will be managed and mitigated on a project-by-project basis. The primary risk to the council is reputational if there is challenge or a project delivery issue, however there is sufficient mitigation in place to minimise this risk.

There is not thought to be any risk of funds not being received from DLUHC or being withdrawn.

2.0 Recommendations

- 2.1 To approve allocation of Watford's UK Shared Prosperity Fund to all proposed project concepts, enabling the team to then develop these proposals into fully scoped projects and progress them through to delivery.
- 2.2 Specifically, to agree the Phase 2 proposals as set out in 4.4, to allocate funds to new local projects which would utilise the remainder of year 2 and year 3 funding.
- 2.3 To note that the allocations to year 2 and year 3 Herts-wide projects will be transferred to Herts LEP once funds are received from DLUHC.

3.0 Report pathway

- 3.1 Next review body: *Cabinet*
 - 3.1.1 Indicative date: 4th September 2023
- 3.2 Final review body: *Cabinet*
 - 3.2.1 Indicative date: 4th September 2023

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Reviewed and signed off by: Ben Martin, Assistant Director Planning Infrastructure and Economy.

4.0 Detailed proposal

4.1 Background

The UK Shared Prosperity Fund (UKSPF) is part of central government's Levelling-Up agenda and is intended to 'build pride in place and increase life chances across the UK', with three priority areas for investment:

- Community and Place
- Supporting Local Business
- People and Skills

Despite there being a range of potential intervention areas behind these headline priorities, fundamentally UKSPF replaces EU funding which in Hertfordshire was primarily invested in business support and skills development services.

The UKSPF paper to Portfolio Holders dated 18th July 2022 set out the fund context, approach taken to confirm Watford's priorities for this fund, and high-level proposals for indicative fund allocations. The indicative proposals were then submitted to central government as Watford UKPSF 'Investment Plan'.

Watford's Investment Plan was approved by central government in December 2022 and Watford's allocation of £1,000,000 over three years was confirmed. Year 1 was 2022/23, we are currently in year 2 of the programme.

The funding proposals are focused in two areas:

- £332,500 is allocated to Hertfordshire-wide economy, business support and skills projects, the principle of which was agreed through Herts Growth Board in Spring 2022 primarily to ensure continuation of key services previously receiving EU funding. These projects are being led by Herts LEP.
- £627,500 is allocated to new local economy, business support and skills projects.
- The remaining 4% of the funding is the allocation for administration and resource.

4.2 Context of new proposals

The Phase 2 project proposals have been created with consideration of:

- Alignment with Watford's current Council Plan and political priorities.
- Supporting delivery of Watford's Economic Growth Strategy 2021-25, as agreed in spring 2022 would be the focus for UKSPF funds.
- Reflection of outline proposals in the Watford UKSPF Investment Plan submitted to government in July 2022.
- Ensuring outputs and outcomes committed to DLUHC can be achieved – and wherever possible overachieved.

- Recent changes to UKSPF programme guidance, reflecting a national priority to bring more economically inactive people back into the workforce. DLUHC confirmed that year 2 funds can be invested in new People and Skills projects (previously new skills projects only with year 3 funds).
- June 2022 Expressions of Interest submitted for allocation of Watford's UKSPF to local projects. The EoI process was part of our consultation with economy and community related organisations.
- Maximising:
 - value for money
 - positive impact for Watford's businesses and community
 - delivery capacity with limited internal team resources
- Allocating sufficient funding to make projects viable for delivery organisations.
- Building on good foundations being created through Phase 1 projects, particularly around decarbonisation, boosting local supply chains and supporting small businesses growth.
- Revalidation of current business need and economic trends. Through discussion with One Watford for Business stakeholders, analysis of regional and local economic commentary and direct feedback from Watford businesses, priorities remain:
 - Staff skills development and training, recruitment challenges
 - SME access to bidding for local contracts
 - Support for start-up and micro business early-stage growth
 - Reducing carbon and environmental sustainability

4.3 Investment Summary

Projects highlighted in **green** are Phase 1, have already been approved and are commencing.

Projects highlighted in **amber** are Phase 2 proposed, and to be approved.

Projects highlighted in **blue** are Herts-wide, project concepts have been approved and funds will be transferred to Herts LEP once funding has been received from DLUHC.

Ref:	Project	2022-23	22-23 carry forward	2023-24	2024-25	Totals
	4% admin allocation	£4,691		£9,383	£25,925	£39,999
Capital fund allocation and projects						
1)	Community and Place - CCTV projects for crime reduction	£15,000		£10,000	£10,000	£35,000
2)	Gaming Training Hub			£20,494	£120,446	£140,940
Revenue funding: New local business support and skills development projects						
3)	Community Wealth Building (Resource Bank creation)			£15,000		£15,000
4)	Business decarbonisation - Wenta Watford Net Zero project	£27,591		£15,000	£30,000	£72,591
5)	Boosting local supply chains - Fit to Bid project	£50,000		£12,187	£25,000	£87,187
6)	Scale-up support for start-up and micro businesses			£20,000	£50,000	£70,000
7)	Upskilling in the workplace		£10,000	£10,000	£61,784	£81,784
8)	Work-ready skills (support for people ready to get back into work)				£100,000	£100,000
9)	Business engagement and boosting participation (Blueberry calling)				£8,000	£8,000
10)	Contribution to Herts SHDF 2 supply chain support and events				£5,000	£5,000
11)	Developer skills and employment impacts - assessment of gaps, need and opportunity				£12,000	£12,000
Revenue funding: Herts-wide, Herts LEP-led projects						
a)	Destination Management Service - Visit Herts				£5,000	£5,000
b)	Herts start-up support - Wenta , Get Enterprising			£22,500	£30,000	£52,500
c)	Sector development activity - creative and screen industry				£5,000	£5,000
d)	Herts Film Office	£10,000		£10,000	£10,000	£30,000
e)	Herts Growth Hub			£30,000	£30,000	£60,000
f)	Herts Opportunity Portal			£10,000	£20,000	£30,000
g)	Step2Skills Road to Employment			£50,000	£30,000	£80,000
h)	Step2Skills Inclusive Employment Programme				£25,000	£25,000
i)	Step2Skills Pathways to Employment 16-24 Year Olds				£45,000	£45,000
	Totals	£107,282	£10,000	£234,564	£648,155	£1,000,001

4.4 Detail of Phase 2 proposals

1) CCTV projects for crime reduction (capital funding)

Summary:

Contribution of £10k funding towards each of:

- 1 x Cassiobury Park CCTV refresh in 2023/24
- 1 x Watford Fields new CCTV install in 2024/25

Rationale:

This is the only project aligned with the funding programmes 'Community and Place' priority. The current proposal builds on year 1 investment in crime reduction measures through the £15,000 contribution towards the installation of a CCTV camera in Victoria Passage.

Further justification for the year 2 and 3 projects, and the specific proposals, will be developed by colleagues in the Community Safety team in due course. The report is seeking approval of allocation of UKSPF funds to these concepts so that officers can fully develop the projects.

Outcomes:

DLUHC outcomes targeted:

- 2 x neighbourhood improvements undertaken (plus 1 output from year 1 investment, 3 in total)
- 5% decrease in number of crimes reported from all 3 improvements.

2) Gaming Training Hub (capital funding)

Summary:

This project proposes creation of a new training hub for disadvantaged young people, focused on training related to new technologies, virtual reality, gaming and animation activities. The objective is to enable young people to develop the skills needed to enter the workplace, or start their own business, gaining employment within the booming film and TV industry surrounding Watford, or related creative digital fields.

Rationale:

Response to the call for Expressions of Interest issued in June 2022 suggested there are established providers that could create such a training hub and deliver the required outcomes.

There is potential for a training hub to be located within the Town Hall complex, maybe part of the Terrapin, so we are working with

colleagues in the EPMO and Town Hall team to explore possibilities. A location here would contribute to the innovation and community outcomes that the Council is targeting for use of the Town Hall. If appropriate space is available, a provider could, for example, enter into a minimum two-year tenancy, on a cost-neutral basis to the council.

The timeframe could be targeted at Autumn 2024 ready for the 24/25 academic year.

Capital funding would be required to refurbish and furnish any space appropriately, and also to contribute to towards procurement of the equipment required to deliver the training (IT/gaming hardware). The refurbishment could be led by the Council team; a grant could then be awarded to the provider (subject to satisfactory bidding process) who would be responsible for procuring the equipment.

The proposed model would require a provider to secure revenue funding for delivery of the curriculum from other sources.

The provider would be required to work with our local business community to harness potential for collaboration, enhanced learning potential, new innovation, and help secure routes into employment.

The provider would be fully responsible for delivery of the service, working with local schools, West Herts College and other agencies to attract sufficient numbers of students, and for securing the required outcomes. The council would only be responsible for provision of the space, refurbished appropriately, and for awarding a UKSPF grant to fund the equipment.

The council may, however, also choose to support promotion of the hub service to support its success.

Fund allocation:

Year 2 funding £20,494, year 3 funding £120,446 – total £140,490

The proportion of funding required to refurbish and furnish the space would need to be determined, working with colleagues in the EPMO and facilities teams. The remainder would be available as grant towards equipment costs.

Significant match funding will be required, primarily revenue to meet the curriculum delivery and staffing costs, and also to fund any remaining equipment costs.

The precise volume and structure of match funding would be established through the 'call for bids' process.

Route to delivery:

The first step is to work with the EPMO and Town Hall team to establish whether there would be suitable space available in the Town Hall complex / Terrapin.

Working under guidance of procurement, we would issue a 'call for bids' to enable any relevant organisation to submit a bid to deliver the service and bid for the associated grant funding for equipment. This would ensure due process is followed with complete transparency. The full project requirements will be set out clearly in the specification and the successful bidder would have to meet these requirements in full. No bespoke refurbishment of the space would take place until a contract was in place with the service delivery organisation.

Outcomes:

DLUHC outcomes targeted:

- Entrepreneurs assisted to be business ready – 7
- Jobs created – 5
- New businesses created – 4

In addition, other local outcomes will be targeted in relation to skills development and training. These would be identified through the 'call for bids' process, where bidders would be invited to set out the outputs and outcomes that they could achieve.

3) Community Wealth Building - Resource Bank (revenue funding)

This project is included here for completeness; however, investment is already approved. This is funding to resource the creation and launch of a Resource Bank required to support the success of a Watford Business Charter.

4) Business decarbonisation – Watford Net Zero (revenue funding)

Summary:

Wenta secured the contract to deliver the Watford Net Zero project, utilising year 1 and year 2 funding and delivery is underway. The proposal now is to build on this important work and continue the project into year 3, to support Watford's journey towards a net zero carbon future.

Rationale:

Sustainability is strategic priority for the council. Greater outputs and outcomes can be achieved for our business community by extending a successful project, rather than starting something new. The UKSPF funding means that Wenta Net Zero business support offer is fully funded, so that there is no cost of entry to the businesses. There are two strands to Wenta's project, firstly providing information, advice and guidance, training and resources to businesses over a two-year period to help them measure and reduce their carbon footprint. Secondly, they are offering an intensive 'deep dive' support service to 10 businesses with more complex carbon challenges.

Fund allocation:

Year 3 funding £30,000, on top of £42,591 from year 1 & 2 funding. Total of £72,591 over 3 years.

Route to delivery:

Provision was made within the contract recently awarded to Wenta, for an extension for a further year, to be able to allocate year 3 funding on the basis of satisfactory performance with utilisation of year 1 and 2 funding.

Outcomes:

Outputs & outcomes	DLUHC requirement		Stretch targets	
	Year 1 & 2	Year 3	Year 1 & 2	Year 3
businesses receiving non-financial support	47	48	265	100
businesses adopting new-to-firm technology or processes	6	4		

businesses measuring carbon footprint			150	100
businesses with net zero/sustainability plan			100	50
businesses pledged NZC by 2050			10	10

5) Boosting local supply chains - Watford Fit to Bid (revenue funding)

Summary:

Branduin secured the contract to deliver the Watford Fit to Bid project, utilising year 1 and 2 funding and delivery is underway. Having had a very successful start to the project, the proposal now is to build on the first phases of delivery and continue the project into year 3, in order to help Watford's SME's thrive and keep procurement spend within our local economy.

Rationale:

The project provides training, resources and mentoring for small businesses to help them become more successful in bidding for new larger contracts. It also facilitates 'meet-the-buyer' events. This involves working with some of our larger businesses to gain their commitment to be part of a 'buyer' panel, setting out forthcoming contracts so that our local businesses can submit bids for the products or services required. Interest has been expressed from several of our HQ's, brands and 'anchor' organisations. Branduin have an established model to support this approach.

Greater outputs and outcomes can be achieved by extending a successful project into a third year, rather than starting something new.

Fund allocation:

Year 3 funding £25,000, on top of £62,187 from year 1 & 2 funding. Total of £87,187 over 3 years.

Route to delivery:

Provision was made within the contract recently awarded to Branduin, for an extension for a further year, in order to utilise year 3 funding on

the basis of satisfactory performance with utilisation of year 1 and 2 funding.

Outcomes:

Outputs & outcomes	DLUHC requirement		Stretch targets	
	Year 1 & 2	Year 3	Year 1 & 2	Year 3
businesses receiving non-financial support	40	20	70	30
Jobs created	10	10		
Jobs safeguarded	3	3		
Businesses engaged in new markets	15	15		

6) Scale-up support for start-up and micro businesses (revenue funding)

Summary:

The University of Herts (UH) were successful in securing the contract to deliver support and mentoring for small and start-up businesses with good potential to ‘scale-up’, utilising year 1 and 2 funding. The proposal now is to build on this with allocation of year 3 funding, to give the project sufficient critical mass to be viable and deliver the outcomes required.

Rationale:

Further to the successful ARG funded Watford Young Entrepreneur Project last year, which helped 40 local people start new businesses, it has become clear that there is demand for support services to help newly formed businesses go through the early stages of growth, so that they become resilient as established businesses. Feedback from start-up businesses said that mentoring is the most valuable form of support. UH has over 70 mentors available through their networks, with experience across a wide-range of sectors and business disciplines. With multi-year funding they can create a viable project to help our small businesses through the challenging early stages of growth, so that they can make a greater contribution to our local economy and go onto offer good employment to local people. This project delivers additionality over and above existing business growth support services (e.g. Herts Growth Hub).

Fund allocation:

Year 3 funding £50,000 on top of £20,000 year 2 funding, so £70,000 in total.

Route to delivery:

Provision was made within the contract recently awarded to UH for an extension for a further year, in order to utilise year 3 funding on the basis of satisfactory performance with utilisation of year 1 and 2 funding.

Outcomes:

Outputs & outcomes	DLUHC requirement		Stretch local targets	
	Year 1 & 2	Year 3	Year 1 & 2	Year 3
Entrepreneurs assisted to be business ready		5		
Jobs created	5	10		
Business receiving non-financial support			8	16
Business with a clear plan for growth			8	16

7) Upskilling in the workplace (revenue funding)

Summary:

This project would provide funding to a training provider in order for them to offer a range of training courses to Watford businesses, which businesses could use to improve the skills of their staff, on a fully or partially funded basis. The project would have to focus on training in disciplines related to known skills gaps, or sectors where there are known skills shortages. There are many of these, but for example Herts Local Skills Improvement Plan points to shortages in professional skills, soft skills, digital skills, green skills, sales skills, customer service skills and specific technical skills such as cyber security, AI and VR.

Rationale:

This project responds to national priorities to enhance workplace skills and also responds to extensive feedback from local businesses that

they are struggling to find and keep the right skills within their teams. In parallel to this, businesses are facing the significant cost pressures related to inflation (energy, transport, materials, wages etc) and may not have available budget for staff training and development. Enabling businesses to access relevant, funded training for their staff will help businesses increase productivity – at a time when there are national and regional productivity challenges – it will help increase staff loyalty enabling businesses to retain good people, and also improve the skills of individuals for their own economic wellbeing.

Fund allocation:

A single fund would be offered of £81,784, comprising £10,000 carried forward from year 1, £10,000 from year 2 and £61,784 from year 3.

Route to delivery:

Procurement process or 'call for bids', depending on advice from the Procurement Manager. A detailed specification will be drafted and the provider would need to set out a strong proposal meeting all required criteria to be selected to deliver the project.

Outcomes:

There is a minimum commitment to DLUHC of:

- number in employment engaging with the skills system – 6
- number gaining qualifications, licences and skills - 2

However, this project will be expected to deliver a far greater number and range of outputs and outcomes than this minimum. The targets will be established through the procurement process.

8) Work-ready skills, support for people ready to get back into work (revenue funding)

Summary:

This project would provide training and skills development for people not in work, but ready to come back into employment. This would have to focus where other programmes are not already delivering, and therefore the voluntary sector is expected to be well placed to help facilitate this.

We will seek creative proposals to suggest new ways for the private and third sector to work together to facilitate the provision of relevant training, to help people become employment ready, and to connect them with routes into employment.

Rationale:

Unemployment figures only reflect those claiming unemployment benefits and there is employment support in place to help those people. It is those who are classified as 'economically inactive' that we are seeking to target with this project. There is extensive commentary about people who have left the workplace over recent years, for a variety of reasons, and national government is keen to see initiatives to help these people back into the workforce. Balancing this with the continuing feedback from our local businesses that it is difficult to recruit people with the right skills, this project will seek to connect the demand businesses have with a supply of new candidates who have been enabled through relevant training.

Through the UKSPF Expression of Interest (Eoi) process in June 2022 several local voluntary sector organisations submitted Eois which proposed training offers for local people wanting to get into work. This project needs to provide a response to that interest and proposes to seek a way to engage the third sector in delivery. The project would also need to focus on local partnership working and leveraging any relevant existing or proposed initiatives (for example the proposed Watford Business Charter).

Fund allocation:

£100,000 from year 3 funding in total.

Route to delivery:

Procurement process or 'call for bids', depending on advice from the Procurement Manager. A wide scope will be defined to encourage creative solutions to be proposed, with a clear weighting for meeting key criteria.

Outcomes:

DLUHC requirements below are a minimum, and this volume of funding would be expected to deliver a far greater number and range of outcomes than this. These will be defined through the procurement process.

number of socially excluded people accessing support	2
number receiving support to sustain employment	4
number in employment following support	2
number receiving support to gain a vocational licence	15
number in employment following support	15

9) Business engagement and boosting participation £8,000 (revenue funding)

Using telemarketing to boost business participation in the ARG funded business support projects proved really successful, enabling many more businesses to access funded support than would otherwise have been the case. We therefore propose to allocate £8,000 for provision of telemarketing activity to increase business participation in these projects. This has the additional benefit of creating new awareness of the good work the council is doing within the business community and providing new engagement opportunities for the team.

A specific scope of work would be defined and procured from a proven telemarketing company.

In terms of comms generally, whilst each individual UKSPF project must include provision for marketing, and each provider is responsible for attracting sufficient participation in the scheme, the Council clearly has a strong interest in success and will support comms and marketing plans as appropriate. Again, learning from our experience with the ARG funded projects, care will be taken over the timing and tone of comms activity to avoid confusing businesses with multiple offers at once, and ensuring messages are highly targeted to gain maximum impact.

10) Contribution to Herts SHDF 2 supply chain support and events £5,000 (revenue funding)

The Herts Social Housing Decarbonisation Fund 2 projects present a significant opportunity to build ‘green’ capacity within our local supply chains and SME’s. However, cross-district collaboration and focus will be required to deliver on that opportunity. Conversations are starting

around sub-regional supply-chain events and business support activity, and a funding contribution is likely to be required to help ensure any such activity is meaningful and brings good benefit specifically to Watford businesses. Therefore, we propose to allocate £5,000 to support such activity.

This funding would only be utilised on the basis of a detailed, viable proposal and facilitated by appropriate procurement processes.

11) Developer skills and employment impacts - assessment of gaps, need and opportunity £12,000 (revenue funding)

It has been highlighted that there could be a significant amount of more positive impact that could be secured from the construction and development industry, in relation to local skills and employment. However, this is based on anecdotal sources, so evidence is required. In order to quantify what the additional positive impact is, and to understand how to harness it, we need to better understand where the gaps are in the local dynamic and seek suggestions about how they could be addressed.

An example is that our Local Plan has some great hooks for requiring developers to deliver more around local skills development and employment, but we have limited tools in place to enable this to happen in practice, or mechanisms to monitor how well developers actually deliver on their skills and employment commitments.

Learning from best practice is key, and anecdotally we know that other areas have far more robust tools and mechanisms in place to help with this.

Therefore, we propose to allocate a £12,00 funding envelope, to enable an appropriate sector specialist organisation to undertake a study on our behalf. The assessment would need to consider where the 'gaps' are, the scale of the local opportunity, identifying opportunities for collaboration, a 'market' scan to gather best practice, and clear recommendations about how we could do things differently in order to harness any additional positive impacts that we may currently be missing. Any recommendation would need to be reflective of the Councils constraints around resources and budgets, and present creative solutions.

This funding would only be utilised on the basis of a detailed, viable proposal and facilitated by appropriate procurement processes.

4.5 Governance (including procurement)

4.5.1 Procurement

The approach to procurement varies slightly across projects, hence there is reference to the approach within each section above. The Councils' procurement process will be followed in all instances. As referenced in previous UKSPF papers, Local Authority procurement rules will be followed by Herts LEP for all contracts that they award, overseen by Herts County Council as their accountable body.

4.5.2 Strategic oversight

UKSPF rules require that a Local Partnership Group oversees the direction and delivery of the funding programme. It also requires that the local MP is updated regularly, if they are not part of the Local Leadership Group.

One Watford for Business, our economy steering group, acts as the Local Leadership Group, amongst other things. They meet quarterly, and a UKSPF programme update is a standing agenda item. This group has the following representation: West Herts College, Watford BID, Watford Chamber, University of Herts, Federation of Small Businesses, Herts Chamber, Herts LEP, HCC/Herts Growth Board, Herts Growth Hub, Watford and Three Rivers Trust, Wenta, Watford Borough Council.

The local MP is updated on programme progress once a quarter through the Chief Executive briefing meetings.

Regular updates are also provided to the Elected Mayor, in his capacity as Portfolio Holder for economy.

4.5.3 Monitoring and reporting

Monitoring and reporting expectations are confirmed at the inception meeting of every project, in order that all projects have appropriate oversight. The Economic Development team will project manage all new local projects, requiring delivery organisations to provide monthly reports on progress and outcomes. Close monitoring by the

team will ensure that any issues are identified early and enable us to work collaboratively to mitigate issues and ensure good quality delivery.

For Herts-wide projects, outcomes and outputs have been agreed between Herts LEP and all participating districts and these are being reported quarterly.

DLUHC require quarterly reports to be submitted setting out programme progress and output and outcomes secured.

4.6 Resource implications

This programme will be delivered from within existing team resource, with funding support from the UKSPF administration allocation.

Resource support will be required from the Procurement and Legal teams to help procure all providers and out contracts in place to enable delivery.

We may explore delivery of the Community Wealth Building work to create a Resource Bank through a short-term internal secondment, otherwise it will be an external procurement. Funding to support either route was approved with Phase 1 proposals.

5.0 Implications

5.1 Financial

This project is fully funded from a central government grant. There should be no additional financial implication to the Council.

5.1.1 The Shared Director of Finance comments that the proposals allow for the spending of grant received from Central Government.

5.2 Legal issues (Monitoring Officer)

Support will be required from the legal team to put contracts in place with providers to support delivery of all projects. Other than that, no legal implications are foreseen.

5.2.1 The Group Head of Democracy and Governance comments that the council's contract procedure rules will be followed for any procurements.

5.3 Risks

Nature of risk	Consequence	Suggested control measure	Response (treat, tolerate, terminate, transfer)	Risk rating (combination of severity and likelihood)
Poor quality project delivery	Reputational damage to the council	Robust procurement up front and thorough project management and monitoring by the team throughout delivery	Tolerate	2
Projects do not secure the required outcomes	Reputational damage to the council, but funding would not be withdrawn	Target outcomes have been estimated conservatively They will be validated with delivery organisations through the procurement process	Tolerate	2
Local organisations challenge approach	Reputational damage to the council	Proposals are created with consideration of the EoI process in June '22. The approach has been consistent and transparent throughout.	Tolerate	2
Claw-back of underspent funds	Loss of UKSPF funding	DLUHC permitted Year 1 underspend to be carried into year 2. Approvals are being sought for allocation of all remaining funds at	Tolerate	2

		now to ensure sufficient time to scope projects and award funding within each annual funding window.		
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5.4 Equalities, Human Rights and Data Protection

5.4.1 Equalities

5.4.1.1 It is considered that several of these projects will have a positive benefit on equalities because they are linked to our Community Wealth Building work or linked with our skills and employment work, through which we seek to bring greater employment opportunities for people with all circumstances and backgrounds. Some of the projects will have a specific focus on inclusion and supporting people in disadvantaged situations.

5.4.2 Human Rights

5.4.2.1 There are no human rights implications related to these proposals.

5.4.3 Data Protection Impact Assessment

5.4.3.1 Data protection implications are considered with every UKSPF project awarded, as there is a need for the Council to retain business data related to delivery of support services that we are funding, and hold this within our CRM system. The team has experience of this and therefore we are confident that UKSPF project activity complies with the council’s obligations under the General Data Protection Regulation (GDPR) 2018.

5.5 Sustainability

5.5.1 The Watford Net Zero decarbonisation project will have a positive impact on Watford’s carbon status. Other than this there are no known implications for sustainability.

5.6 People Implications

5.6.1 There are no known ‘People’ implications.

5.7 Community Safety/Crime and Disorder

- 5.7.1 The proposals include a £20,000 investment in CCTV infrastructure intended to help reduce crime. (in addition to £15,000 from year 1 funds) Otherwise, there are no known implications for community safety and crime/disorder.

5.8 Property

- 5.8.1 The only consideration from a property perspective is potential use of some of the Town Hall complex / Terrapin for the gaming training hub concept. We are working with the EPMO and Town Hall teams to explore possibilities.

6.0 Next steps should recommendations be approved

- 6.1 The next step is to map out a detailed timeline for procurement of all projects liaising with the Procurement Manager. We will begin to scope each project requirements in detail, in order of priority and timeframe.

7.0 Background papers

No papers were used in the preparation of this report.