Appendix B: SWOT Analysis

The following highlights and evaluates the findings of a detailed SWOT analysis of strengths, weaknesses, opportunities and threats with regard to the organisation's internal processes for securing high-value funding from UK / Welsh Government sources – called internally "post-Brexit funding". The processes have been split into the following stages: horizon scanning and donor relations; project scoping; funding confirmation process; funding to implementation transition; and monitoring, evaluation and learning. They consider work led by different services and the interactions between them.

Horizon scanning and donor relations

Horizon scanning is a systematic process for identifying emerging trends and opportunities in funding and using that information to anticipate and influence future developments, maximise project development timelines and manage risk. It typically involves identifying funding trends; building relationships with key individuals responsible for shaping funding calls in order to influence the call and/or get early insight into its focus; analysis of implications for the organisation, existing or potential projects; planning and preparation in anticipation of funding calls based on the information gathered. Robust horizon scanning can help maximise chances of funding success and enhance the quality of projects.

Summary of processes: Horizon scanning for post-Brexit funds in Denbighshire is led by Graham Boase as Chief Executive and Tony Ward at the Corporate Director level, and involves Heads of Service and their teams as required. Processes include attending meetings with UK and Welsh Government, the Corporate Joint Committee, Ambition North Wales, the Welsh Local Government Association (WLGA) and building key relationships with senior leaders from those organisations as well as peer councils.

Information and insight gathered from meetings is shared through the following channels as deemed appropriate: Council Executive Team (CET), Senior Leadership Team (SLT), DCC internal Growth Deal group meetings, the Post-Brexit Funding Programme Board and 1:1s as needed.

It is important to note that with both SPF and LUF, there was low transparency of fund development processes from UK Government teams. Despite regular engagement, DCC officers only received holding statements with few details until launch, and funding scope then changed several times after launch. This lack of transparency made political processes and delivery harder given lack of foresight and changing expectations.

SWOT analysis

Strengths	Weaknesses
• Successful track record of obtaining Levelling Up and Shared Prosperity funds • Partnership working is strong regionally and DCC is seen as a robust delivery partner • Regular engagement with national, regional and local government teams	Political /community priorities for funding may not always reflect council priorities arising from risk assessments or evidence-based planning processes;,
Opportunities	**Threats**

• Potential for a three-year post-Brexit funding agreement from Welsh Government being explored (potential shift from Westminster > DCC funding, to Westminster to Welsh Government or CJC > DCC) • Greater clarity on corporate objectives, roles and responsibilities around horizon scanning and donor engagement, particularly given the need and desire for closer partnership working • Capitalise on private sector partnerships and other emerging funding in line with DCC strategies and plans Potential for enhanced impact and cost efficiencies from developing project ideas across services, with partners and with more transparent community / stakeholder engagement processes • Training for local members on their role / responsibilities within project conception and development might help avoid pitfalls	• Increasingly competitive funding process – while we have been successful at earlier rounds of post-Brexit funding, it is unclear if this will enhance future bids (as we are seen as robust delivery agents) or undermine future bids (to distribute funds more equally across local authorities) • Establishment of the CJC may mean funding is allocated and distributed regionally, requiring different horizon scanning processes / approaches • Reduced financial capacity within the council to offer match funding • New Welsh Index of Multiple Deprivation coming out end of 2025 which may change funding sources available to Denbighshire • Funder timescales often do not allow for full project development and engagement processes to be applied

Analysis and themes to consider to position the Council well for future funding: Though we have been able to respond effectively to funding opportunities, tighter funding envelopes, changing funding pathways and increasing dissatisfaction with local government suggest:

- More deliberate influencing of regional decision-making priorities aiming to position DCC well for emerging funding opportunities
- Further relationship development with key stakeholders across national and regional government bodies.

Project scoping & funding applications

Summary of processes: Levelling Up and Shared Prosperity Fund projects were derived from a combination of the following processes:

- Community engagement e.g. town placemaking plans
- Denbighshire Council processes e.g. risk assessments, corporate plan
- Local, regional and national politicians

For both Levelling Up funds and Shared Prosperity Funds, it is worth noting the high degrees of uncertainty around fund focus ahead of each fund launch, and that application windows once funds were launched were extremely tight (6 weeks).

SWOT analysis

Strengths	Weaknesses

• Project ideas increasingly derived from Placemaking Plans and regeneration analyses co-produced with residents and members, although note that ideas are often undeveloped "wish lists" (missing cost detail, planning requirements etc) • Matrix team have been pivotal in working well across services to develop and deliver projects with multi-sector impact and value	• Limited number of shelf-ready projects i.e. with robust community prioritisation and engagement, with costs and environmental considerations fully scoped. • Some services engaging more proactively to develop a robust project pipeline than others – risks projects put forward not responding to greatest risks / opportunities • Tight application funding timescales may mean that projects for funding are not fully scoped/defined – economic/ financial cases especially weak • Project proposals do not always receive robust scrutiny at the Stage Gate required in the DCC Project Management Framework due to time/capacity pressures • Project management resources for delivery are often not well costed • Stakeholder (particularly community) engagement challenging due to funding uncertainty and time constraints described above, which increases later risk to project delivery • Low levels of Subsidy Control understanding and internal legal support • Late consideration of emissions and biodiversity impacts; some projects will have increased carbon emissions and biodiversity impacts, mostly through construction. • Little consideration for climate adaptation – this will increase retrofit/adaptation costs for the council in the future
Opportunities	**Threats**
• Further combine project development across services for greater impact and value • Build engagement around regeneration or placemaking plans (while testing against risks/evidence base) • Need to balance policy aspirations and application rhetoric with project management and delivery understanding and knowledge – cross service teams will develop a more rounded application plus allow for quality assurance • Work with other partners (external to Local Authority) to develop applications	• Reduced capacity within EBD due to budget limitations (key staff involved previously have not been replaced due to budget limitations) • Increasingly turbulent times mean DCC needs to plan for the unexpected e.g. be prepared to slow or halt projects if finances/people need to be diverted to unexpected issues • Required match funding may not be available given financial outlook for local and national government • Reduced capacity within the council to deliver funding opportunities if approved • Infrastructure projects drive majority of emissions and significant biodiversity loss;

• Deliver environmentally enhanced options as standard to reduce later costs[1] • Training for local members on their role / responsibilities within project lifecycles might improve resident satisfaction and trust	• Late consideration of adaptation risks will drive increasing issues and costs • DCC resourcing – insufficient capacity to deliver projects let alone source and develop them

Analysis and themes to consider to position the Council well for future funding: With timelines notoriously tight for applying to all funds and funding pathways changing as outlined above, we need to:

- Set up / deploy frameworks for quick capacity
- Invest in earlier feasibility studies with dedicated time and resource for robust project scoping to ensure there is a viable project and robust business case (stakeholder development, accurate costing and specialist support as required) – note this cannot be done with existing resources and delivery commitments.
- Map out and clearly define roles and responsibilities at an early stage to ensure that sufficient internal resources are available (see monitoring and reporting SWOT below), roles/responsibilities for members are clear, and to support officers and members work together to source stakeholder input and manage expectations
- Test cost-effectiveness of outsourcing for specialist support i.e. Subsidy Control
- Ensure the work developing a longer-term vision for Denbighshire (a PPA recommendation) supports cities, towns and communities to engage with future opportunities and risks to build shared agreement on longer-term priorities.
- Build engagement around regeneration or placemaking plans (while testing against risks/evidence base)
- Cross-check project pipeline against corporate and service risk registers to ensure a balance of capitalising on opportunities and mitigation of risks
- Reinforce the importance of and provide training in the 'Stage Review' in capturing comments/issues with the Business case prior to the project going live and moving into the delivery stage.[2] Important to note that the Stage Review only comes when the project is uploaded to Verto – multiple officers report this is too late and have stressed the importance of an earlier stage review.
- At the Stage Review or other points in the application / project development process, DCC should be prepared to actively choose *not* to apply for funding or proceed with a project if it doesn't fit with priorities or there is insufficient team capacity. Elected members should expect to see analysis presenting why proposed projects are not being taken forward.

There could be value in requiring robust feasibility studies to be undertaken prior to business case brief development of projects above a certain threshold to strengthen confidence in project viability. Consideration should be given to which body is best positioned to source funding for such feasibility studies e.g. town and community councils or third sector organisations can sometimes better source funding for feasibility studies for projects they consider a priority.

---

[1] https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2022/05/What-will-climate-change-cost-the-UK-risks-impacts-mitigation.pdf

[2] As per guidance, stage review should particularly check resource allocation for the project, and test potential risks and costs such as those from climate, nature and adaptation.

Governance & community engagement

Summary of processes: The section above provides examples of project conception. As projects took shape, they were taken through some or all of the following governance and community engagement steps:

- SPF projects derived from corporate plan which had recently been approved following extensive public and member engagement
- LUF project ideas increasingly derived from Placemaking Plans and regeneration analyses co-produced with residents and members (although note the weakness that these ideas are typically very undeveloped missing accurate costs, environmental assessments and stakeholder input)
- Details of governance arrangements for both funds shared with all councillors
- Member Area Group regularly updated on individual projects and on progress with their deliverability
- Officer teams liaised with local members prior to relevant delegated decisions
- Community consultation for significant projects and/or as part of planning process.
- Liaison groups established for LUF Round 2 & Round 3 which brought together the funder's interests (MP), the grant recipient interests (MAG) and Town Councils as key local stakeholder to provide regular engagement opportunities and link into overall programme governance
- Range of communication tools used to ensure transparency including <u>dedicated website</u>, mailing lists, social media updates and press releases.

SWOT analysis

Strengths	Weaknesses
• SPF projects derived from corporate plan which had recently been approved following extensive public and member engagement • Project approvals followed required governance processes • <u>Public-facing website</u> with regular updates on all SPF & LUF projects	• Pace of project approvals through governance processes was faster than usual due to tight funding deadlines • SPF process raised concerns among members who called in decision for further scrutiny • Due to tight timing, roles and responsibilities between council and external project delivery teams weren't fully scoped at outset which contributed to some misunderstandings and delays • Stakeholder management not sufficiently costed leading to mis-alignment of expectations and – in some cases - challenges resolving issues
Opportunities	**Threats**
• Stronger horizon scanning processes may facilitate earlier engagement and decision-making, even when funding deadlines are tight (as they always are)	• Continued negative media coverage of DCC projects if better engagement / collaboration with communities is not achieved • Unrealistic expectations on the local authority given projected financial outlook

• Potential to map all community projects delivered through post-Brexit funding to show huge scope of what is being delivered across the county e.g. example from Ynys Mon https://publicmap.org/en
• Build stronger relationships with communities, third sector partners and city, town and community councils through strengthened engagement e.g. building on placemaking plans etc.

Analysis and themes to consider to position the Council well for future funding:
Denbighshire community engagement and governance standards were met through delivery of both funds. However, the tight funding deadlines meant decision-making processes were accelerated and community engagement split between project development and project delivery stages. Actions described above will support improvements in this area, but it should be recognised that funding timelines will always be short from communication to application deadlines.

Funding award, inception and delivery

Current processes: This section covers a great many processes captured in detail in the DCC Project Management Framework.

SWOT analysis

Strengths	Weaknesses
• We have complied with funding requirements to date in project delivery and not triggered any grant clawback, although most projects were delayed against planned timelines	• Project management resources for delivery are not always identified/well costed, which risks undermining delivery quality and project funding having to be returned or creates delays leading to an increase in delivery costs
• Matrix approach to grant funding delivery has worked well (finance, fund managers, comms, legal)	• Lack of knowledge about the SPF/Levelling Up grant funding requirements in some services.
• Collaborative working between projects and programmes has ensured maximisation of spend, outputs and outcomes	• Lack of capacity in services/ teams to ensure compliance with regards to evidence and completing programme paperwork
• We have been adaptable to changing guidance, pauses etc. from UK government	• We've not done well at sharing our successes, promoting what has been delivered enough, need for more Comms support
• We have a good track record for establishing internal processes for grant application, scoring and approval	• Not all projects being delivered across the Council are on Verto
• We have worked well on projects with neighbouring Local Authorities	• Stakeholder management is critical, time-consuming and often not costed leading to mis-alignment of expectations and – in some cases - challenges resolving issues collaboratively as they arise
Opportunities	Threats

• Forge better relationships with the Third Sector through collaborative working, on project delivery or creating beneficiary pathways • Work with other partners (external to Local Authority) to strengthen applications	• Continued negative media coverage of DCC projects if better engagement / collaboration with communities is not achieved • Internal processes causing delays in project delivery could make projects not viable due to escalation of costs and/or timing of outputs within funding envelope, risking clawback of funds

Analysis and themes to consider to position the Council well for future funding: With a successful matrix approach to grant funding delivery, we have been able to gain approval for applications, comply with funding regulations, maximise impact and adapt to change. However, particularly with decreasing internal capacity, the council faces increasing risk that projects can't be delivered, project benefits will not be achieved and project funding may have to be returned. To avoid this:

- Robust feasibility studies conducted very early on in the process followed by thorough project design and scoping could help to mitigate this risk. However, we need to recognise this takes time and money, requires early engagement from all services and an understanding of the resource implications and delivery approach for all stages of the project before committing to delivery.
- Requirement for all projects to be recorded and updated regularly in the Verto system.

Monitoring, evaluation and learning

Current processes: The DCC Project Management Framework and Lessons Learned policy sets out organisational processes for monitoring, evaluation and learning.

SWOT analysis

Strengths	Weaknesses
• Reporting to donors has been completed to the standard required but project overruns have meant extended monitoring and reporting. • Sharing best practices and lessons learnt with colleagues (internal & external)	• Little community / stakeholder engagement *after* project delivery to understand project achievements and learnings once project has 'settled down' e.g. satisfaction surveys • Lessons learned and project closure processes in the DCC project management platform Verto are not always followed in a timely manner, risking missed learning • Not sharing our successes, promoting what has been delivered enough, need for more Comms support
Opportunities	**Threats**
• Verto champions group established; project management training plan in place • New offer to council of enhanced lessons learned process for complex projects	• Reducing capacity within Council through redundancies risks undermining existing compliance with donor reporting expectations, risking DCC reputation

	• Internal processes causing delays in project delivery, threatening clawback of funds

Analysis and themes to consider to position the Council well for future funding:

As an organisation we successfully share best practices and lessons learnt with colleagues. However, there is room for improvement around:

- Engage external stakeholder perspective in lessons learned processes
- Consider how to effectively promote success stories to the public recognising the difficulties of sharing good news. This will help the council to be seen in a positive light and foster confidence at a time when the tough economic climate is having a negative impact on public perception.
- Services must ensure they have adequate resourcing to comply with reporting expectations, evidence provision and the completion of funders paperwork.
- Project Closure reports must be completed in Verto by all projects to ensure that benefits are being recorded, lessons learnt documented, and any environmentally enhanced mitigation actions have been implemented as part of the project implementation.