

APPENDIX ONE

Elected Members' Monthly Bulletin May 2022

Strategic Area: Housing and Employability

Subject: UK Shared Prosperity Fund

1. Category:

It is appropriate that the information in this briefing should be made available to the public.

2. Background:

The UK Shared Prosperity Fund (SPF) is a part of the UK government's 'Levelling Up' agenda and was established, in part, to replace funds available through the European Structural Funds. The prospectus for the fund was published in April 2022 alongside the announcement of funding allocations for local authorities for the period from 2022 to 2025.

Shared Prosperity Fund prospectus and further information can be found at:

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund>

Fund Investment Principles

The three year fund has the overarching aims to build pride in place and increase life chances and has three investment priorities that will guide the development of activities and how the funds should be allocated.

These core investment principles are:

- **communities and place** - to enable places to invest to restore their community spaces and relationships and create the foundations for economic development;
- **supporting local business** - enable places to fund interventions that support local businesses to thrive, innovate and grow; and
- **people and skills** – to reduce the barriers some people face to employment and support them to move towards employment.

There is no expectation placed on lead authorities to deliver activity against all of the core investment principle areas. Those chosen will be based on local priorities.

In addition to this, funding has been ring-fenced and allocated to '**Multiply**' and this aims to increase the levels of functional numeracy in the adult population.

Funded Activity

The UK Government has designed a menu of interventions within each principle investment area that local areas can choose to select from. Alternatively, new options that suit the local area can be designed with the condition that they are consistent with the SPF overarching aims. The funds will be made available on the basis of a local investment plan that sets out local priorities and proposals for action.

Approach and Funding

Lead authorities (West Dunbartonshire Council) are strongly encouraged to collaborate with their neighbouring authorities to develop regional investment plans. West Dunbartonshire is working in partnership with Glasgow City Region Partners.

The UK Government has allocated funds to the City Region with West Dunbartonshire share allocated by the UK Government in proportion to the population and level of need and West Dunbartonshire has been allocated up to £3,895,816.

It is expected that each area will allocate approximately 13% of the funding to capital investment over the three years of the programme. In West Dunbartonshire this equates to approximately £504,798 (13%) of the £3,895,816 allocation.

3. Main Issues:

Local Authorities in the Glasgow City Region area have agreed to develop a regional approach to managing the relationship with the UKSPF Team. This is predicated on a number of assumptions. These assumptions include, for example:

- agreeing a number of general principles for the management of the programme, including the requirement and scale of match funding;
- the development of a single Investment Plan for the region;
- managing underspend on a regional basis;
- exploring the potential for cross region and pan region initiatives in year two and three of the programme.

The Regional Investment Plan has to be finalised in August 2022 and is a pre-requisite for the release of UKSPF. While the commitment to a regional approach and single Investment Plan has been agreed, the identification of UKSPF priorities and therefore the targets for funding remains the preserve of each member local authority.

As such, each local authority will be required to provide input to the Regional Investment Plan development. The input will be managed by a lead officer group that will the Working4U manager will attend.

4. Resource Issues (if any):

Every place in the UK has been allocated a share of the SPF and funding is confirmed for three financial years: 2022-23, 2023-24 and 2024-25. Funding will be allocated for core SPF activity and multiply activity.

West Dunbartonshire is part of the Glasgow City Region and a regional investment plan will be developed for the City Region area for the use of £73,874,280 of core and Multiply funds:

West Dunbartonshire will command a share of these funds as follows:

	£
Core SPF	3,223,044
Multiply	672,771
West Dunbartonshire Total	3,895,816

In addition to revenue spend, the UK Government expects that a proportion of the funds will be allocated to capital expenditure. It is expected that this expenditure will be programmed over the three year delivery timescale, but will equate to approximately 13% of the core funding.

Guidelines suggest that local authorities should use up to 4% of the funding available to cover administrative actions.

With this in mind the funding in West Dunbartonshire will be divided as follows:

Total Fund (West Dunbartonshire)	3,895,044
Administrative and Management (4%)	155,802
Capital	504,798
Multiply	672,771
Core	2,561,674

5. What it means for WDC:

In order to develop our input to the regional development plan we will be required to:

- delegate authority to those that will undertake the work identifying priorities and methods;
- establish the case for the blend of funding for the SPF investment priorities (**communities and place; supporting local business; and people and skills**): and the preferred suite of interventions/activity for these priorities and **Multiply**;
- establish priorities and programme of spend for capital;
- clarify the preferred options for the delivery of the activity, for example, direct delivery or acquired services; where services will be acquired, determine the method for example, procured through tender and/or a competitive grant; and
- establish preferred approach to match funding;

In West Dunbartonshire we have established a sequential approach for identifying the appropriate mix of funding, an approach that prioritises existing commitments.

1. We will review existing activity where continuity beyond European Structural fund end dates is an issue and identify what can be supported through UKSPF. For example the current employability service is delivered with European Structural Funds that end in June 2023;
2. We will review existing plan priorities to identify activity that could be delivered.

Existing plan priorities we will draw from in West Dunbartonshire include:

- Community Planning Priorities;
 - Council Economic/Regeneration/Wealth Building Plans;
 - Local Plan 2;
 - Business Development Strategy;
 - Employability Partnership 3-year plan;
 - Community Learning and Development 3-year Plan;
 - Community Empowerment Plan.
3. We will identify any new activities that could be supported if resources remain after existing commitments and plan priorities are met.

We have established a team to develop our proposals for the SPF. The team consists of lead officers from:

- Working4U – overall lead and responsibility for **People and Skills** and **Multiply**;
- The Communities Team – **Communities and Place** and capital projects;
- Business Services – **Supporting Local Business** and capital projects;
- Regeneration Services - **Communities and Place** and capital projects.

In addition to establishing priorities and activity, the lead officers will manage stakeholder expectations through the various partnership and stakeholder groups they manage. Including, for example, the local employability partnership, local learning partnership, working for business and community empowerment groups.

The Working4U lead will liaise with the regional group and take responsibility for developing and managing a monitoring framework as we move into the delivery phase in October.

Further updates will be provided as clarification on the fund emerges.

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Background papers: Link to shared prosperity fund prospectus:
<https://www.gov.uk/government/publications/uk-shared-prosperity-fund>

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