



CORPORATE AND REGENERATION SCRUTINY COMMITTEE – 26TH SEPTEMBER 2023

**SUBJECT: UK SHARED PROSPERITY FUND - 6 MONTHLY
MONITORING UPDATE REPORT**

**REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND
ENVIRONMENT**

1. PURPOSE OF REPORT

- 1.1 To provide an update to Scrutiny Committee on the delivery of the UK Government Shared Prosperity Fund (UKSPF) within Caerphilly CBC as part of the UK Government's Levelling Up programme.

2. SUMMARY

- 2.1 The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government's ambitious Levelling Up agenda and a significant component of its support for places across the UK. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula.
- 2.2 The UKSPF is intended to support the UK Government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives. The primary goal of the UKSPF is to build pride in place, and increase life chances, across the UK.
- 2.3 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; and People and Skills.**
- 2.4 Caerphilly County Borough has an allocation of £28,272,298, and an allocation of £5,901,499 for *Multiply (*UK Gov Adult Numeracy Programme).

3. RECOMMENDATIONS

- 3.1 That Scrutiny Committee:
- (i) Note the detail of the UK Shared Prosperity Fund update and six-monthly monitoring report and the opportunities for the programme to contribute to the Council's own Place Shaping, Transformation and Regeneration agendas.

- (ii) Recognise the progress officers and stakeholders have made in mobilising a significant investment programme within the time constraints afforded by the funding programme.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To enable the Scrutiny Committee to have effective oversight of the SPF Programme as part of the effective management, administration, and delivery of the UKSPF Programme for Caerphilly CBC.
- 4.2 To ensure that the Authority is fully prepared to maximise funding opportunities from the UK Shared Prosperity Fund for the benefits of CCBC citizens and communities.

5. THE REPORT

- 5.1 The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government's ambitious Levelling Up agenda and a significant component of its support for places across the UK. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.
- 5.2 The UKSPF is intended to support the UK Government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives 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.

The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. It aligns with the Levelling Up fund proposals which were considered in a previous report to Cabinet.

- 5.3 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**; and **People and Skills**.
- The **communities and place** investment priority will enable places to invest to restore their community spaces and relationships and create the foundations for economic development at the neighbourhood-level. The intention of this is to strengthen the social fabric of communities, supporting and building pride in place.
 - The **supporting local business** investment priority will enable places to fund interventions that support local businesses to thrive, innovate and grow.

- The **people and skills** investment priority can provide funding to help reduce the barriers people face to employment and support them to move towards employment and education. This theme can also target funding into skills for local areas to support employment and local growth.
- 5.4 Within the context of the fund's aims, each place will have the flexibility to invest across a range of activities that represent the right solutions to improve local pride in place, increase life chances, to help spread and create opportunity, and a sense of community and belonging. The balance of priorities should reflect local need and opportunity. This flexible approach represents a key shift from the previous EU system.
- 5.5 To enable access to the UKSPF funding, regional Lead Local Authorities (in Wales) needed to complete an Investment Plan, setting out, how they intend to use and deliver the funding. From the Council's perspective, Rhondda Cynon Taf (RCT), as Lead Local Authority for the Cardiff Capital Region (CCR), submitted a Regional Investment Plan on behalf of the ten local authorities that comprise the Cardiff Capital Region in August 2022 to the UK Government with Cabinet endorsing the Local Investment Plan for Caerphilly County Borough, on 26 September 2023.
- 5.6 The UK Government announced the acceptance of investment plans across the UK in December 2022, delayed from October 2022. Draft funding agreements, based on the UK Government's Memorandum of Understanding, were subsequently circulated by Rhondda Cynon Taf Council in January 2023 and a final agreement signed in April 2023.
- 5.7 In January 2023, CCBC established a Shared Prosperity Programme Board (the Board), to provide executive leadership and oversight of the delivery of the projects within the Local Investment Plan. As part of the boards Terms of Reference, it was determined that the Board will provide regular progress updates on the delivery of the Local Investment Plan to Scrutiny Committee.
- 5.8 Subsequently, good developments and progress has occurred in terms of mobilising a number of the projects as identified in the Local Investment Plan, and further to Cabinet approving in June 2022, that identified projects schemes that could proceed at risk, in advance of the UK Government's formal endorsement of the Regional Investment Plan.
- 5.9 Consequently, officers were able to submit a claim at the end of the first year of the programme for the period 2022-23 of £2.041M against an effective allocated 2022-23 budget of £5,131M, allowing for contributions to RCT for their administrative role as lead authority.

Table 1 – First Year Claim (**Appendix 1**)

| Investment Pillar | Spend | Budget |
|-----------------------------|----------------------|----------------------|
| Communities & Place | £625,511.86 | £1,514,083.39 |
| Local Business | £1,201,722.80 | £1,397,760.00 |
| People & Skills | £128,330.83 | £382,016.79 |
| Multiply | £82,827.16 | £1,712,807.31 |
| Management & Administration | £3,345.84 | £125,166.69 |
| Total | £2,041,738.49 | £5,131,834.18 |

- 5.10 Due to the programme start delay incurred in 2022-23, across all Welsh Authorities, there was a recognition and identification, that certain outputs and outcomes for Multiply, were not likely to be achieved in Year 1. It was therefore, originally agreed to reduce the Year 1 funding allocation by £906,360. It has been subsequently agreed by UK Government, that this allocation could be carried forward to 2023-24 (Year 2 of the programme) along with other 2022-23 Multiply underspends, and it could either be kept within the 2023-24 Multiply allocation or transferred to People and Skills interventions.
- 5.11 A small monitoring and evaluation team have been employed since April 2023 as part of the administration of the programme, and along with finance officers, they have been undertaking extensive engagement with the various Project Lead Officers across the authority to support the delivery and monitoring of the Local Investment Plan and suite of projects. See **Appendix 2** Outline list of projects currently funded from SPF.
- 5.12 Projects that delivered in the first year of the programme include:
- Caerphilly Enterprise Fund provided financial support to seventy-eight (78) businesses, contributing to the creation of 149 jobs and helping to safeguard 426 jobs, leveraging £2.47m of private sector match funding against a spend of £918,466 of SPF grant.
 - 350 sq. m. of public realm and general improvements in town centres and green spaces.
 - Enhanced the Council's Cost of Living Scheme: activity included identifying 1,500 properties with an EPC rating of F and G to offer targeted support, Energy Crisis Grant launched, 331 household visits undertaken to provide energy efficiency advice. Energy efficient lightbulbs installed in forty-eight (48) newly let CCBC properties, 1,250 landlords contacted reinforcing Minimum Energy Efficiency Standards requirements.
 - Support to the initiation stage of the new Ffos Caerphilly Market.
 - Engagement with 754 community members through a community safety initiative that delivered funding to various community groups aimed at intervention and prevention work.
 - Enhanced events programme delivering increased footfall to town centres including new events for Blackwood and Ystrad Mynach.
 - Working with Anuerin Bevan Health Board to run sixteen workshops to support mental health through the creative arts.
 - Rural Development training delivered in partnership with GAVO to volunteers and voluntary organisations across the county borough.
 - Placemaking Plans for Blackwood and Bargoed town centres initiated.
 - Meanwhile Use specialist appointed to develop a Meanwhile Use Strategy, targeting town centres.
 - New Vzta App launched to support businesses across our principal town centres.
 - Free Wifi operational in five of our town centres: Blackwood, Risca, Ystrad Mynach, Bargoed, and Rhymney.
 - Six Support Officers in post across six schools, to help pupils with attendance, attainment, and behaviour in Key Stage 3 (KS3).
 - Tender notices now posted on Sell2Wales, to procure external delivery for the following lots:
 - Lot 1 – Essential Skills Numeracy Provision.
 - Lot 2 – Essential Skills Numeracy Provision through the medium of Welsh.
 - Lot 3 – GCSE Maths.

- Lot 4 – GCSE Maths through the medium of Welsh.
- Lot 5 – Online numeracy Provision Bilingual (English/Welsh).

Conclusion

- 5.13 The 2022-23 spend has been less than the budget allocated due to delays by the UK Government in approving and notifying Lead Authorities in respect of their Investment Plans. Despite this however, for the projects which form the basis of the Local Investment Plan, most have now gathered good momentum, and are gearing up towards delivery within the planned programme.

6. ASSUMPTIONS

- 6.1 Delivery of the programme is challenging with funding at risk if it is not committed in accordance with the in-year allocations.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 Refer to the Integrated Impact Assessment link – [Link to IIA](#)

8. FINANCIAL IMPLICATIONS

- 8.1 The UK Government has recently agreed to RCT's request for underspends from 2022-23 to be carried-forward into 2023-24, including all unallocated, and unspent Multiply funding.
- 8.2 Including the 2022/23 carried forward underspend, CCBC's allocation for 2023//24 is £11,714,951 across all four pillars.

9. PERSONNEL IMPLICATIONS

- 9.1 This programme is significant and challenging in terms of delivery and will place additional pressure on those service areas engaged in the programme, to provide the necessary staff support, in particular, Regeneration and Finance. A small team is already in place to support the administration and monitoring requirements of the programme, with further fixed term appointments needed, to cover engagement, evaluation, and financial administration, to support the extensive compliance requirements of this programme. These posts will be funded from the UKSPF programme accordingly.

10. CONSULTATIONS

- 10.1 Consultation responses have been included in this report.

11. STATUTORY POWER

- 11.1 Local Government Acts 1972 and 2000, Local Government (Wales) Measure 2011 and the Local Government and Elections Act 2021.

Author: Paul Hudson, Business Enterprise Renewal Team Leader

Consultees: Cllr Sean Morgan, Leader of Council.
Cllr. J Pritchard, Deputy Leader and Cabinet Member for Prosperity, Regeneration and Climate Change.
Cllr. E Stenner, Cabinet Member for Finance and Performance.
Christina Harrhy, Chief Executive.
Dave Street, Deputy Chief Executive.
Mark S. Williams, Corporate Director for Economy and Environment.
Richard Edmunds, Corporate Director of Education and Corporate Services.
Stephen Harris, Head of Financial Services and Section 151 Officer.
Rob Hartshorn, Head of Public Protection, Community and Leisure Services.
Rhian Kyte, Head of Regeneration and Planning.
Liz Lucas, Head of Customer and Digital Services.
Marcus Lloyd, Head of Infrastructure.
Nick Taylor Williams, Head of Housing.
Allan Dallimore, Regeneration Services Manager.
Robert Tranter, Head of Legal Services/Monitoring Officer.
Sue Richards, Head of Education Planning and Strategy.
Lynne Donovan, Head of People Services.
Anwen Cullinane, Senior Policy Officer, Equalities and Welsh Language.
Ian Raymond, Principal Project Officer.
Dave Roberts, Principal Group Accountant.

Appendix 1: 2022-23 Claim Submitted.

Appendix 2: Outline list of projects funded by UKSPF (26-09-23).