

Cabinet Meeting
Date: 25th July 2022

Subject: UK Shared Prosperity Fund (UKSPF)

Purpose:

To provide an overview of the new UK Shared Prosperity Fund (UKSPF) and to seek Members' endorsement of the Regional Investment Plan for South West Wales.

Recommendations / key decisions required:

That Members:

- 1) Endorse steps taken to date that will enable the County to benefit from the UKSPF
- 2) To approve the Regional Investment Plan for South West Wales which sets out how the UK Shared Prosperity Fund (UK SPF) will be used in the region between 2022/23 and 2024/25, prior to its submission to UK Government

Reasons:

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government's Levelling Up agenda. An allocation of funding has been confirmed for Carmarthenshire which will enable us to deliver against some of the County's strategic objectives.

Relevant scrutiny committee to be consulted NO

Cabinet Decision Required YES

Council Decision Required NO

CABINET MEMBER PORTFOLIO HOLDER:-

Cllr Gareth John, Cabinet Member for Regeneration, Leisure, Culture and Tourism

Directorate:
Name of Head of Service:
Jason Jones

Designations:
Head of Regeneration

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Report Author:
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EXECUTIVE SUMMARY

Cabinet Meeting

DATE: 25th July 2022

UK Shared Prosperity Fund (UKSPF)

Purpose

The purpose of this report is to provide an overview of the UK Shared Prosperity Fund (UKSPF) and to seek Members' endorsement of the Regional Investment Plan for South West Wales, attached as Appendix A, which sets out how the UK Shared Prosperity Fund (UK SPF) will be used in the region between 2022/23 and 2024/25.

Background

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government's Levelling Up agenda and will provide funding over the next 3 years up until March 2025. All areas of the UK will receive an allocation from the Fund via a funding formula rather than a competition. Its mix of revenue and capital funding can be used to support a wide range of interventions to build pride in place and improve life chances.

The UKSPF total for the region is made up of 'core' funding, which will fund most of the Fund's Priorities and the Multiply programme which focuses on supporting adult numeracy initiatives. The allocation for each of the local authorities across the region is as follows:

Total	Core UKSPF	Multiply	Total
South West Region	£113,985,415	£23,739,072	£137,778,487
Carmarthenshire	£32,002,918	£6,680,221	£38,683,139
Neath Port Talbot	£28,448,295	£5,938,236	£34,386,532
Pembrokeshire	£19,125,971	£3,992,314	£23,118,286
Swansea	£34,408,230	£7,182,300	£41,590,530

This funding will be invested in the three priorities of the UKSPF by March 2025:

1. Communities and place
2. Support for local businesses
3. People and skills

Delivery Approach.

In Wales, UK government supports delivery across the four regional strategic geographies. Local government is being given responsibility for developing a regional investment plan for approval by the UK government, and for delivery of the Fund thereafter. A 'lead local authority' for the region will receive the Region's allocation and have overall accountability for the funding and how the Fund operates. It has been agreed that Swansea Council will act as the lead Authority on behalf of the South West region.

Investment Plan

In order to access their allocation, lead local authorities are being asked to complete a Regional Investment Plan, setting out how they intend to use and deliver the funding at a very high level. The investment plan is due to be submitted to UK government by 1st August.

Due to the short timescales involved, each local authority has prepared a local investment plan which has fed into the wider Regional plan for South West Wales. The Investment Plan for Carmarthenshire has been drafted based on our existing strategies and plans including the Economic Recovery Plan, Local Innovation Strategy, Wellbeing Assessment, and the South West Wales Regional Economic Delivery Plan.

Members endorsement of the South West Wales Regional Investment Plan is sought prior to its submission to UK Government by the 1st August 2022. A copy of the South West Wales Investment Plan is appended to this report at Appendix A.

OTHER OPTIONS AVAILABLE AND THEIR PROS AND CONS

The UK Government has allocated funding over the next 3 years which will help address some of the challenges facing the County. With funding from EU programmes drawing to a close, the UKSPF presents an opportunity to draw down further investment into the County.

DETAILED REPORT ATTACHED?	YES
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: Jason Jones

Head of Regeneration

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	YES	NONE

1. Policy, Crime & Disorder and Equalities

The Shared Prosperity Fund provides an opportunity to draw down additional investment which will help deliver against some of the County's key strategic objectives.

In order to access the funding, lead local authorities are being asked to complete an investment plan, setting out how they intend to utilise the funding based on local needs and opportunities.

The Investment Plan for Carmarthenshire has been drafted based on our existing strategies and plans including the Economic Recovery Plan, Local Innovation Strategy, Wellbeing Assessment, and the South West Wales Regional Economic Delivery Plan. This local plan has fed into the wider Regional Investment Plan for the South West region.

2. Legal

Local government is being given responsibility for delivery of the UKSPF. Swansea Council will act as the 'lead local authority' for the South West region and will have overall accountability for the funding and how the Fund operates.

Delivery and management of the programme in Carmarthenshire will be the responsibility of the Authority. This will include assessing and approving local project applications, entering into funding agreements with third parties as well as processing payments and day-to-day monitoring.

Appropriate agreements will be put in place between the Regional lead and the Authority which will set out agreed roles and responsibilities.

At a project delivery level, the Authority will enter into a funding agreement with all delivery partners. These will be developed in conjunction with the Authority's legal team at the appropriate time.

3. Finance

Whilst Swansea Council will act as the accountable body for the region and receive the Region's allocation via UK Government, delivery and management of Carmarthenshire's £38.6m allocation will remain the responsibility of the Authority.

A dedicated local team will be established to undertake the necessary fund administration. Grant management processes and procedures will be established to ensure that the funding is managed in accordance with the fund requirements. This will involve the establishment of funding agreements with third parties as well as the establishment of procedures for processing payments, monitoring of financial spend, audit requirements etc. These will be developed in conjunction with Corporate services.

5. Risk Management Issues

A programme level risk management process will be developed to ensure that risk is assessed and managed at all levels.

Individual risk registers will be maintained at project level together with appropriate mitigation measures.

6. Staffing Implications

To manage the UKSPF at a local level, a dedicated team will need to be established to ensure that the necessary processes and procedures are put in place to administer the UKSPF. The Team will sit within the Bureau.

Each lead local authority will be able to use up to 4% of their allocation to undertake the necessary Fund administration, such as project assessment, contracting, monitoring and evaluation and ongoing stakeholder engagement. Carmarthenshire will receive a share of the regional amount. The exact level of funding is to be determined.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Jason Jones

Head of Regeneration

1. Scrutiny Committee

N/A

2. Local Member(s)

An online external consultation' which sought the views of key stakeholders' investment priorities (not projects) was launched on 31st May and closed on 13th June. The online consultation was shared with all Members, providing an opportunity for them to feed into the process.

3. Town/community Councils

Town and community councils have been given an opportunity to input via the online consultation.

4. Relevant Partners

As noted above, various stakeholders have been given an opportunity to input via an online consultation. The consultation was shared with over 50 organisations across the county. In addition, a Carmarthenshire Regeneration Partnership has been established which includes representatives from public, private and third sectors, whose role to date has been to assist in designing the investment plan.

5. Staff Side Representatives and other Organisations

N/A

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

YES

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Shared Prosperity Fund Prospectus		https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus