

## EXECUTIVE

### 16<sup>th</sup> June 2022

<b>Report Title</b>	<b>Core UK Shared Prosperity Fund (UKSPF) and Multiply Initiative</b>
<b>Report Author</b>	George Candler, Executive Director of Place and Economy
<b>Lead Member</b>	Cllr David Brackenbury, Executive Member for Growth & Regeneration

<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	

#### List of Appendices

None

#### **1. Purpose of Report**

---

- 1.1. This report sets out details of the Core UK Shared Prosperity Fund (UKSPF) and Multiply initiative and what these mean for North Northamptonshire. It also explains what the Council needs to do to secure this additional funding for the area via the submission of Investment Plans to UK government. The report also seeks approval to delegate the submission of these Investment Plans to the respective lead Executive Members.

#### **2. Executive Summary**

---

- 2.1. The UK Shared Prosperity Fund (UKSPF) is a new Government Fund, providing £2.6 billion of new funding for local investment by March 2025 in support of the Levelling Up Agenda. All areas of the UK will receive an allocation, subject to the submission of an Investment Plan.

2.2. There are two elements to this fund – the Core SPF which is targeted at investment in Communities & Place, support for local business and people & skills, and the Multiply element which is a targeted adult numeracy programme complementing existing provision.

2.3. Each area must submit an Investment Plan to access its allocation in both funds.

### **3. Recommendations**

---

3.1. It is recommended that the Executive:

- a) Welcome the opportunity to submit Investment Plans to secure funding for North Northamptonshire via the Core UKSPF and Multiply initiative
- b) Delegate authority for final submission of the Core UKSPF Investment Plan to the Executive Member for Growth & Regeneration in consultation with the Executive Members for Adults, Health & Well-Being; Housing, Communities & Levelling Up; and Children, Families, Education & Skills, the Executive Director for Place & Economy and the Section 151 Officer
- c) Delegate authority for final submission of the Multiply Investment Plan to be agreed by the Executive Member for Adults, Health & Well-Being in consultation with the Executive Member for Children, Families, Education and Skills, the Executive Director for Adults, Communities & Well-Being, the Executive Director of Children’s Services and the Section 151 Officer

3.2. Reason for Recommendations:

- To secure additional investment into North Northamptonshire through the submission of Investment Plans for Core UKSPF and Multiply to address local challenges and deliver improved outcomes

3.3 Alternative Options Considered: The submission of these Investment Plans is not mandatory, but failure to submit a plan would involve the area missing out on Core UKSPF and Multiply financial support

### **4. Report Background**

---

4.1. The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK government’s 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 UKSPF via a funding formula rather than a competitive process with other local authorities. The formula used is based on that used previously for distributing European funding with 70% allocated on a per capita basis, and 30% on a needs-based index which includes productivity, household income and skills. UKSPF is intended to help places deliver enhanced outcomes and

recognises that even the more affluent parts of the UK contain pockets of deprivation and need support. Each area of the UK has also received a separate allocation for the Multiply initiative – a nationwide programme to support adult numeracy.

- 4.2. UK government has produced initial guidance to help areas develop investment plans for both the Core UKSPF and Multiply, with further guidance expected.
- 4.3. Areas like North Northamptonshire are being empowered to identify and build on their own strengths and needs at a local level, focused on pride in place and increasing life chances. Local places will be able to use the Core UKSPF to complement funding such as the Levelling Up Fund, and mainstream employment and skills provision to maximise impact and simplify delivery. Similarly, the Multiply initiative is designed to complement existing provision funded through the adult education budget and align with wider plans.

North Northamptonshire 3 Year Allocation 2022/23-2024/25:

Core UKSPF	£4,835,332
Multiply	£1,909,635
Total	£6,744,967

- 4.4. The UKSPF represents a much more localised approach to the previous European Union structural funding, which was co-ordinated at a regional level through Local Enterprise Partnerships and managed by government departments and agencies. An advantage of this new approach is that there is much more discretion for targeting local issues and opportunities; there is also more scope for supporting bespoke local delivery. Monitoring and evaluation will be led locally so it will be possible to measure the impact of interventions at a more granular level than previously. This also makes it much easier to generate learning, continue to improve efficiency and effectiveness, and secure local support. A further benefit is that local management of UKSPF should reduce bureaucracy and enable more flexibility where it is needed.
- 4.5. Core UKSPF funding is a mix of mainly revenue funding, but with an increasing proportion of capital spend across the three-year programme (starting at 10% (minimum) in year 1, increasing to 20% (minimum in year 3). Any underspend at the end of each financial year must be returned to Government.
- 4.6. The guidance indicates that as Government simplifies the funding landscape it will consider further opportunities to integrate funding with UKSPF, including additional rural funding from the Department for the Environment, Food and Rural Affairs in England.

## **5 Core UKSPF and North Northamptonshire**

---

- 5.1 To access the Core SPF allocation for this area, the Council must develop an Investment Plan for approval by the UK government which sets out measurable outcomes that reflect local needs and opportunities. The Council is responsible for developing its Investment Plan, and for delivery of the Fund thereafter. The Investment Plan should outline the interventions the Council wishes to deliver

and must be submitted to UK government by 1 August 2022. The guidance lists 41 potential interventions. [UK Shared Prosperity Fund: interventions, outputs and indicators - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/uk-shared-prosperity-fund-interventions-outputs-and-indicators)

- 5.2 There are three investment priorities for the UKSPF:
- communities and place,
  - support for local business,
  - people and skills.
- 5.3 The communities and place theme includes public realm projects, community-led initiatives, and cultural and heritage projects.
- 5.4 The supporting local businesses theme also covers a wide range of potential activities, including support for starting businesses, promoting networking and collaboration within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth, and enhancing activities through targeted assistance to undertake new-to-firm innovation, adopt productivity-enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.
- 5.5 Through the people and skills investment priority, places can use their funding to help reduce the barriers some people face to employment and support them to move towards employment and education.
- 5.6 The expectation of UK government is that UKSPF will be targeted on the first two investment priorities for years one and two with spend on the people and skills priority starting in 2024/25. The main reason for this is that initiatives supporting people and skills will continue to be funded via European Funding until the end of 2023.
- 5.7 The Fund can support investment in interventions that start from 1<sup>st</sup> April 2022 where they fit with the relevant interventions toolkit and all Fund requirements set out in the UKSPF Prospectus. [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/uk-shared-prosperity-fund-prospectus) Any such interventions will be at risk prior to sign-off of local investment plans. All interventions should end by March 2025, or have a break clause allowing for closure by March 2025 if required.
- 5.8 The UKSPF guidance indicates that the Council has flexibility over how the Fund is delivered locally. This can include competitions for grant funding, procurement, commissioning or delivering activity through in-house teams. The flexibility this provides is very welcome and should help to improve efficiency and effectiveness of delivery. This is important as, whilst the fund covers three years, each year is a discrete allocation.
- 5.9 The Core UKSPF Investment Plan must feature three broad stages:
1. Local context: an opportunity for the area to set out the local evidence of opportunities and challenges against the three investment priorities for UKSPF.

2. Selection of outcomes and interventions: where the Council will identify the outcomes it wishes to target based on local context, and the interventions it wishes to prioritise, under each investment priority, from the menu of options. These should be clearly linked to local opportunities and challenges.

3. Delivery: this will represent the most detailed stage of the Investment Plan and is broken down into the following:

- a) Approach to delivery and governance: where places outline the structures and processes that will support the delivery of their chosen interventions. The Council will need to set out the engagement it has undertaken as part of the development of the Investment Plan, including engagement with MPs, and the involvement of wider stakeholders.
- b) Expenditure and deliverables: detailing what the Council wants to deliver with the Investment Plan, including the spend profile for the three years of the fund as well as outputs and outcomes, and specific projects already identified by the Council that it wishes to fund under each of the investment priorities.
- c) Capability and resource: to outline the resource the Council must manage and work on UKSPF, as well as local capability and previous experience of delivering similar funds

5.10 Stakeholder engagement is an important part of developing the Investment Plan. This is well advanced encompassing each of the three priorities identified in paragraph 5.2 via direct conversations with key stakeholders and wider groupings and networks where these are already established. These conversations span national delivery bodies, such as the Department of Work & Pensions and Job Centre Plus, umbrella business bodies including the Northamptonshire Chamber of Commerce, Federation of Small Businesses and North Northants Business Network; higher and further education providers; the South-East Midlands Local Enterprise Partnership and local delivery bodies providing support for local businesses. Discussions have also included the lead bodies for current Community Renewal Fund projects in the area.

5.11 The Council also launched UKSPF survey hosted on *Citizen Space* in May to target a wider audience including all town and parish councils in the area. This asked for views on the top three challenges and how these should be tackled. The survey closes on the 22<sup>nd</sup> June 2022 and the responses will be analysed to help inform the Investment Plan. The survey was promoted by a press release, social media and partner networks.

- 5.12 Alongside this, discussions have taken place with the team developing the Investment Plan for West Northamptonshire to identify potential synergies and areas of co-operation and/or joint working and delivery.
- 5.13 The Council has also been working to develop a strong evidence base to support the Investment Plan. This included the commissioning of North Northamptonshire-specific content in the SEMLEP Business Survey.

## **6 Multiply and North Northamptonshire**

---

- 6.1 As with the Core SPF, the Multiply allocation for North Northamptonshire is dependent on the submission of an Investment Plan to UK government by 30<sup>th</sup> June 2022 and its approval.
- 6.2 The Multiply Prospectus was also issued by Government in April 2022 and invites areas to develop Investment Plans for bespoke adult numeracy programmes, against the national menu of interventions. [Multiply Investment Prospectus \(publishing.service.gov.uk\)](https://publishing.service.gov.uk) These programmes should be delivered across the Spending Review period (2022-23 to 2024-25), with the aim that provision starts for the 2022-23 academic year.
- 6.3 Funding will be awarded to local areas to measurably improve adult functional numeracy levels locally. That includes through increasing the number of adults participating in, and achieving, adult numeracy qualifications up to and including Level 2 (both GCSE Grade C/4 or above, and Functional Skills Qualifications).
- 6.4 Local areas have the flexibility to determine what provision is needed to deliver high quality, innovative numeracy interventions that meet the needs of local people and the national aims for Multiply. Some of these interventions will lead to attainment of a qualification, but non-qualification provision should also be developed where more appropriate.
- 6.5 To support local areas to identify the right provision, the Multiply Prospectus sets out a menu of interventions which the Council can draw down from – choosing a mix of interventions that best suit the local area. These interventions should be for adults aged 19 and over.
- 6.6 The list of interventions is based on the growing evidence base on the barriers that hold people back from addressing their numeracy skills and what works in tackling poor adult numeracy, as well as engagement with local areas, providers and other numeracy organisations. Interventions delivered with Multiply funding need to be additional and differentiated from that which is already fully funded through the Adult Education Budget (AEB) legal entitlement and should not displace that provision.

## **7 Issues and Choices**

---

- 7.1 Through direct engagement with local stakeholders, and the wider survey hosted on *Citizen Space*, the Council will be able to identify the issues and challenges across the three themes of the Core UKSPF, and also supporting evidence where this is available. The engagement should also help to identify the types of interventions and projects which could tackle these challenges and realise opportunities to support the aims of the fund and deliver better outcomes in the area. This is important as the development of the Investment Plan should include a clear logic chain and evidence to support all the proposed interventions in the Investment Plan, setting out what the issues are and how the interventions proposed will address those issues. A comprehensive list of potential Core UKSPF interventions is set out in the Governments Prospectus.<sup>1</sup>
- 7.2 A specific challenge which could be tackled through the UKSPF and outlined the Investment Plan for 2022/23 is capacity building to develop a strategy and evidence base for targeting investment and support to benefit the three 'Left Behind Communities' in the North Northamptonshire (Kingswood in Corby, Avondale in Kettering and Queensway in Wellingborough) and others with similar issues.
- 7.3 With both the Core UKSPF and Multiply initiative the Council has a choice not to respond, but this course of action would mean that the area misses out on over £6.7m of investment over the next three financial years.

## **8 Next Steps**

---

- 8.1 Discussions with key stakeholders and networks are continuing to shape the development of the Investment Plans for Core SPF and the Multiply initiative. This has also included contact with the local MPs. Officers are also analysing the responses to the UKSPF survey as they come in. This will also help to inform the investment plan.
- 8.2 Meetings will then be held with the Executive Members for Growth & Regeneration, for Adults, Health & Well-Being, Housing, for Communities & Levelling Up and for Children, Families, Education & Skills to agree priorities and interventions and approve the respective Investment Plans so that these can be submitted by the required dates.
- 8.3 In 2022-23, Core SPF funding will be paid once the local investment plan has been signed-off. In 2023-24 and 2024-25, funding will be paid at the start of the financial year. The Council will receive a grant determination letter and Memorandum of Understanding setting out Fund requirements and obligations.

---

• <sup>1</sup> [Interventions list for England - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

- 8.4 For the Multiply initiative, confirmation of maximum allocations, a grant agreement and Year 1 payment is expected in September 2022 subject to the Department for Education being satisfied with the investment plan.

## 9 Implications (including financial implications)

### 9.1 Resources and Financial

- 9.1.1 The Council will receive an additional £20k in 2022/23 to undertake initial preparatory work for the Core SPF, including developing the local investment plan for submission in the summer. In addition, the Council will be able to claim up to 4% of the total amount awarded to manage the Core SPF programme (and up to 10% for the Multiply element), including assessing and approving applications, contracting with delivery partners, processing payments, day-to-day monitoring and reporting. The guidance recognises that setting up the Fund may need a larger management budget in the first year. This is acceptable as long as the percentage is not exceeded overall.

- 9.1.2 North Northamptonshire Allocation:

	<b>Allocation</b>	<b>Management</b>
Core SPF	£4,835,332	£193,413
Multiply	£1,909,635	£190,964
Total	£6,744,967	£384,377

<b>Multiply</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/15</b>
Total	£577,331.62	£666,151.86	£666,151.86
Management	£57,733.16	£66,615.19	£66,615.19
Remaining	£519,598.46	£599,536.67	£599,536.67

<b>SPF</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/15</b>
TOTAL	£586,812.00	£1,173,624.00	£3,074,896.00
Management	£23,472.48	£46,944.96	£122,995.84
Remaining	£563,339.52	£1,126,679.04	£2,951,900.16
Capital (min)	£56,333.95	£146,468.28	£590,380.03
Revenue	£507,005.57	£980,210.76	£2,361,520.13

- 9.1.3 The Core UKSPF allocation includes a minimum element of capital spend (which increases in each of the three years), so the Investment Plan will need to set out the rationale for any increases from this minimum amount that are proposed.
- 9.1.4 Match funding will not be required to unlock the area's allocation. This provides flexibility, reduces bureaucracy and empowers NNC to tailor our approach to local circumstances.



9.1.5 Although match funding is not required and will not form part of the investment plan assessment criteria for Core SPF, lead local authorities are strongly encouraged to consider match funding from the private, public and third sector and leverage options when selecting interventions to fund under the communities and place and supporting local business themes. This will maximise the value for money and impact of the Fund.

9.1.6 Lead local authorities will be paid annually in advance.

## 9.2 Legal and Governance

9.2.1 The decision proposes to delegate authority to the Executive Member for Growth & Regeneration to agree the North Northamptonshire Core SPF Investment Plan and the Executive Member for Adults, Health & Well-Being to agree the Multiply Investment Plan, both in consultation with the respective Executive Director and Section 151 Officer. In the case of the Core SPF Investment Plan the consultation will also include the Executive Members for Children, Families, Education & Skills, and Adults, Health & Well-Being. The consultation on the Multiply Investment Plan will also include the Executive Member for Children, Families, Education & Skills.

## 9.3 Relevant Policies and Plans

9.3.1 Investment through the UKSPF will support the delivery against the following priorities in the Council Corporate Plan: Active Fulfilled Lives, Better Brighter Futures, Safe and Thriving Places and Greener Sustainable Environment.

## 9.4 Risk

<b>Risk</b>	<b>Impact/Mitigation</b>	<b>RAG</b>
NNC does not submit an Investment Plan	(I)-Significant funding opportunity which could benefit several organisations, projects and the local community will be lost. (M)-Interim arrangements created for developing Investment Plans	
Lack of a robust and transparent process undermines the bid	(I)-That the Investment Plan is not supported by Government. (M)-An open process was followed, including publicising the opportunity widely through a survey, and direct engagement with key stakeholders	
NNC lacks capacity and expertise to develop the	(I)-Undermines ability to deliver programme and outputs and harms reputation	

Investment Plans and manage the programme	(M)-Dedication of experienced resource to manage programme, funding available to manage the programme and secure required resource	
Projects / interventions unable to deliver in timeframe	(I)-Risk to delivery of outputs and reputation (M)-Assessment process of each of the interventions proposed in the Investment Plan include deliverability and review of risk register.	
Potential duplication of project activity	(I)-Could impact on delivery (M)-Close working with project leads to ensure activity is co-ordinated and messaging is clear	

## 9.5 Consultation

9.5.1 Direct engagement with key stakeholders has commenced and will continue as the Investment Plans are developed. Wider engagement has also been undertaken through a Core SPF survey hosted on *Citizen Space*, promoted via a press release and social media, inviting all interested organisations, groups and networks to submit their views.

## 9.6 Consideration by Executive Advisory Panel

9.6.1 The report and topic has not been considered by any Executive Advisory Panel yet but can form part of their Forward Plan if required.

## 9.7 Consideration by Scrutiny

9.7.1 The report and topic has not been considered by Scrutiny but can be considered as part of the Forward Plan.

## 9.8 Equality Implications

9.8.1 The UKSPF is designed to support all sections of the community through the Investment Plan. An EQIA will be undertaken on both of the Investment Plans before being submitted.

## 9.9 Climate Impact

9.9.1 Addressing the climate change emergency, the Core SPF Investment Plan has the potential to support projects and initiatives which have a positive impact on reducing climate impact.

## 9.10 **Community Impact**

9.10.1 A key priority of this funding is to support communities and develop pride in place. The Investment Plan can support projects and initiatives which have a positive impact on local communities.

## 9.11 **Crime and Disorder Impact**

9.11.1 The Investment Plan has the potential to support projects and initiatives to support crime reduction measures in areas. The police were a key consultee.

## **10 Background Papers**

---

- [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/422222/UK_Shared_Prosperty_Fund_prospectus.pdf)
- [Interventions list for England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/422222/Interventions_list_for_England.pdf)
- [Interventions, Objectives, Outcomes and Outputs – England \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/422222/Interventions_Objectives_Outcomes_and_Outputs_-_England.pdf)
- [UK Shared Prosperity Fund - North Northamptonshire Council - Citizen Space](#)