

# GWYNEDD COUNCIL CABINET



## Report to a meeting of Gwynedd Council Cabinet

<b>Date of meeting:</b>	19 July 2022
<b>Cabinet Member:</b>	Councillor Dyfrig Siencyn, Council Leader
<b>Contact Officer:</b>	Sioned Williams, Head of Economy and Community
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<b>Title of Item:</b>	UK SHARED PROSPERITY FUND

### 1. THE DECISION SOUGHT

- 1.1. To allow Gwynedd Council to undertake the 'lead authority' role for the UK Shared Prosperity Fund in relation to the submission of the 'Regional Investment Plan' which is a UK Government requirement on behalf of the six North Wales counties.
- 1.2. To authorise the Head of Economy and Community - in consultation with the Head of Finance and the Head of Legal Services and the Chief Executive – to agree with the other North Wales counties on appropriate administrative and operational arrangements to safeguard the Council's interests.
- 1.3. To authorise the Head of Economy and Community–in consultation with the Leader, the Head of Finance and the Chief Executive – to agree on the content of the 'Regional Investment Plan'.
- 1.4. To authorise the Head of Economy and Community - in consultation with the Head of Finance and the Chief Executive – to establish appropriate arrangements for delivering the programme in Gwynedd.

### 2. THE REASON FOR THE NEED FOR A DECISION

- 2.1. The UK Shared Prosperity Fund (UKSPF) is one of the alternative funds established by the UK Government after leaving the European Union.

- 2.2. A financial allocation for Gwynedd has been announced as part of an allocation for North Wales. In order to ensure access to the funding, a 'Regional Investment Plan' must be submitted by 01 August 2022, outlining the priorities for use of the funds and the proposals for its administration.

### 3. INTRODUCTION

#### Background

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- 3.1. When the UK left the European Union the Westminster Government pledged to provide funding to compensate communities that would no longer receive European funding.
- 3.2. The UK Government intends to administer the funding directly by using the powers established by means of the [UK Internal Market Act 2020](#). The Welsh Government opposes the UK Government's intention, and the Welsh Government's stance was confirmed by the Minister for Economy in [a written statement](#) on 07 June 2022.
- 3.3. The funding is part of the UK Government's wider levelling up agenda as outlined in its [Levelling Up White Paper](#) and, more recently, in the [Levelling Up Bill](#) that has been submitted to the Westminster Parliament.
- 3.4. To date, UK Government has announced four investment programmes:
- Levelling Up Fund (LUF);
  - Community Ownership Fund;
  - Community Renewal Fund (CRF - *now closed*); and
  - **UK Shared Prosperity Fund** (UKSPF).
- 3.5. An overview of all the funds can be found on the Council's website and further information is available on [the UK Government's website](#).

#### Overview of the UK's Shared Prosperity Fund

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- 3.6. The [UK Shared Prosperity Fund's prospectus \(UKSPF\)](#) was published on 13 April 2022. The Fund will distribute £2.6 billion across the UK by March 2025.
- 3.7. All parts of the UK will receive some of the funding, which will be allocated to individual areas based on a formula.
- 3.8. Gwynedd's allocation for the period up to March 2025 is £24.4 million. £4.2 million of the total has been ringfenced to support adults to improve their numeracy skills.

- 3.9. The allocation has been profiled to increase throughout the period with a minimum of capital funding specified annually (the capital sum can be increased if desired).
- 3.10. The Fund's stated main aim is *building pride in place and increasing life chances throughout the UK*. The Fund has three 'Investment Priorities', with individual objectives:
- a) Communities and place
  - b) Support for Local Businesses
  - c) People and Skills
- 3.11. 53 individual interventions have been selected from the Investment Priorities and a selection of outputs and indicators within the [supplementary documents](#) on the UK Government's website.
- 3.12. The Prospectus suggests that the Fund can be administered through one, or a combination of, competitive grants (the favoured approach), procurement / commissioning or directly delivered through teams within public organisations.
- 3.13. Schemes can also be delivered across more than one local area and regional activities, where appropriate, are encouraged in Wales (see below).

### Regional Collaboration

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- 3.14. In England, funding will go directly to individual counties to be used or distributed based on the 'Local Investment Plan' approved by the UK Government.
- 3.15. In Wales (and Scotland) it is a requirement for local areas to collaborate with others within their region (North Wales in Gwynedd's case).
- 3.16. The allocation of £24.42 million for Gwynedd is part of £126.46 million that has been allocated to the North Wales counties.
- 3.17. In order to ensure access to the allocation, it is necessary to produce and submit a 'Regional Investment Plan' to be approved by the UK Government. The Regional Investment Plan is required to be submitted before 01 August 2022.
- 3.18. The Plan is in the format of a standard form that will bring together the aspirations of the individual counties and the region in its entirety. The form must include an outline of:
- the challenges / opportunities associated with each investment priority

- selection / quantification of outcomes and results
  - selection of interventions
  - provide evidence of engagement
  - confirmation of the governance / administration arrangements
  - propose a method of selecting projects / delivery
  - distribution / profiling of the expenditure
- 3.19. One 'Lead Authority' will be accountable for the region's funding, allocating the funding to the other counties or directly to schemes if there is an agreement to deliver them across the region (a proportion of the financial allocation can be used to secure the appropriate resources to deliver the work).
- 3.20. The North Wales Chief Executives have asked Gwynedd Council - with the support of the Programme Management Office, North Wales Ambition - to deliver the role of 'Lead Authority' during the phase of developing and submitting the Regional Investment Plan.

### **Local delivery**

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- 3.21. Although the context of the UKSPF has an emphasis on regional collaboration, the task is to make a difference to the lives of local residents, and every county in North Wales is agreed:
- that areas need to benefit in line with the value of their individual allocation;
  - it is a matter for local authorities to decide on the use of their funding; and,
  - supporting projects operating across counties is a matter of choice for local areas.
- 3.22. The Fund's prospectus also notes the important role of partners in supporting local authorities to ensure the success of the UKSPF within an area, including advising on individual plans that will bid for funding.

## **4. THE RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION**

- 4.1. Gwynedd Council is the host body for North Wales Ambition. The Council is therefore already undertaking the role of 'lead authority' for the region within the field of economic development.
- 4.2. Extending this role for the initial step of the UKSFP - namely producing and submitting the regional Investment Plan - is a

natural evolution of the existing function and allows sufficient time for the six North Wales counties to agree on their wishes for the future.

- 4.3. In light of the timetable for producing the Regional Investment Plan and agreeing the arrangements for administrating and implementing the Fund and the need to address the aspirations of all the North Wales counties; the work will continue until the end of July.
- 4.4. There are clear structures and arrangements in place for delivering the work, including a working group of Senior Officers to lead and a coordination group to deliver the operational aspects.
- 4.5. Work detailing the delivery arrangements and the creation of suitable structures / procedures locally and regionally will continue over the summer period after submitting the Regional Investment Plan.

## **5. NEXT STEPS AND TIMETABLE**

- 5.1. The North Wales region Regional Investment Plan is required to be submitted to UK Government before 1 August 2022.
- 5.2. Subject to receiving the UK Government's response, it is anticipated that the UK Shared Prosperity Fund will begin to be implemented during the autumn.

## **6. ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION**

- 6.1. Seeking the views and feedback of stakeholders and residents is an important part of the arrangements to establish the Regional Investment Plan and deliver the UKSPF locally.
- 6.2. In Gwynedd there is an extensive process underway to seek views on the fields that require attention, the balance between fields and the best methods of delivery. The work includes:
  - establishing a specific page on [the Council's website](#)
  - a series of public workshops for local organisations and residents
  - briefing sessions for Members and Council Departments
  - individual consultation with the main local stakeholders in the public, private and third sector
  - Engagement with Members of the Senedd and Members of Parliament

6.3. The local consultation undertaken by each individual county is echoed on a regional basis, especially within the fields of People and Skills and Supporting Local Businesses.

6.4. Monitoring Officer's Observations:

*'It is critical that the arrangements with the other Councils create a process which facilitates the spending. However, it needs to be recognised that acting as a lead body on a project of this nature creates responsibilities and accountability which need to be addressed through the contractual arrangements and passed onto recipients of the money.'*

6.5. Head of Finance Department's Observations:

*'I am satisfied that the report is a fair reflection of the current situation in relation to the Shared Prosperity Fund. The implementation of the decisions sought will allow the Council to move forward to put appropriate arrangements in place to act as lead authority, in collaboration with Ambition North Wales, as well as enabling Gwynedd Council to access its allocation from the fund.'*

*Significant work is ongoing ahead in developing the appropriate plans, and to reach early agreement with our partners in the other local authorities on an appropriate mechanism that will protect the interests of Gwynedd Council while acting as lead authority.'*