

WEST NORTHAMPTONSHIRE COUNCIL CABINET

14th June 2022

**Cabinet Member Responsible for Economic Development, Town Centre
Regeneration and Growth: Councillor Daniel Lister**

Report Title	UK Shared Prosperity Fund (UKSPF) and Multiply Funding
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List of Appendices

None.

1. Purpose of Report

- 1.1. To inform Cabinet Members of West Northamptonshire Council's allocation of £5.4m from the UK Shared Prosperity Fund and the approach required to secure this funding; and
- 1.2. To inform Cabinet Members of the opportunity to draw down £1.9m of Multiply funding to support Adult Numeracy in West Northamptonshire and the required methodology to secure the fund.

2. Executive Summary

- 2.1 The UK Shared Prosperity Fund (UKSPF or the Fund) 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 and replaces ESIF funding.
- 2.2 Places will be 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 Fund to complement funding such as the Levelling Up Fund, and mainstream employment and skills provision to maximise impact and simplify delivery.
- 2.3 The deadline for all lead authorities to submit their UKSPF Investment Plan to Government to secure the funding allocation is 01/08/2022.
- 2.4 Multiply is part of the UK Shared Prosperity Fund, which replaces the European Social Fund and is one of the first programme areas under the UKSPF People and Skills Pillar. Multiply requires WNC to develop a separate Investment Plan for bespoke adult numeracy programmes, against a national menu of interventions.
- 2.5 UK Government expect 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).
- 2.6 The deadline for all lead authorities to submit their Investment Plan to Government to secure the funding allocation is 30/06/2022.

3. Recommendations

- 3.1 It is recommended that the Cabinet:
 - a) Note UK Government has advised WNC as the Lead Authority for UKSPF (£5,426,224.00) and Multiply (£1,901,176.15) for a three-year provisional maximum allocation of £7,327,400.15 and the requirement to develop both a UKSPF Investment Plan and a Multiply Investment Plan
 - b) Endorse the approach to develop both Investment Plans by sourcing evidence and liaising with internal and external stakeholders

- c) Note that under existing delegated powers, officers will submit a WNC Multiply Investment Plan by 30th June 2022 to the DfE and update Cabinet in July
- d) A further report be submitted to Cabinet in July to address the submission of the UKSPF Investment Plan by the deadline of August 2022

4. Reason for Recommendations

4.1 Reasons for recommendations:

- a) To ensure West Northamptonshire benefits from this grant funding to enhance the community, boost the economy and support local residents and businesses.
- b) To maintain ongoing economic growth within the area, particular with the impending loss of EU funding and the need to utilise UKSPF to deliver positive economic development within the community.
- c) To enable the Council to submit the Multiply Investment Plan by 30th June 2022.
- d) To secure the maximum level of investment to enhance local skill levels, benefiting the community and economy.

5. Report Background

5.1 UK Shared Prosperity Fund

5.2 The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. This aligns with Levelling Up White Paper missions, particularly: 'By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.'

5.3 Alongside economic pull and push factors, people's lives are shaped by the social and physical fabric of their communities. The local mix of social and physical capital gives local areas their unique character and shapes where people choose to live, work and invest. Recognising the acute challenges town centres and communities have faced during the pandemic, this Fund will improve the places people live in, and support individuals and businesses. It will drive noticeable improvements that matter to local communities, foster local pride in place and increase life chances including health outcomes.

5.4 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. There are detailed objectives associated with each of these priorities which are aligned to the relevant Levelling Up White Paper mission.

5.5 The UKSPF will support the UK government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives:

- 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
- 5.6 The UKSPF forms part of a suite of complementary levelling up funding. It builds on the competitive Levelling Up Fund and Community Ownership Fund through long term, stable funding, allocated to all places. 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. These can complement Levelling Up Fund capital projects, strategic Freeport investments or community-level Community Ownership Fund projects, as well as existing employment and skills provision.
- 5.7 Every place in the UK has been allocated a share of the UKSPF, with even the smallest places receiving at least £1 million. This recognises that even the most affluent parts of the UK contain pockets of deprivation and need support. It will help people access opportunity in places in need, such as ex-industrial areas, deprived towns and rural and coastal communities, and support people who are economically inactive or have skills needs that cannot be met through mainstream provision.
- 5.8 As set out at Spending Review 2021, the Fund is worth £2.6 billion over the period to 2024-25. The Fund will ramp up to £1.5 billion in 2024-25, including Multiply.
- 5.9 Funding is confirmed for three financial years – £400 million for 2022-23, £700 million for 2023-24 and £1.5 billion for 2024-25, providing predictable baseline local growth funding.
- 5.10 Each place's allocation will comprise both revenue and capital funding. Lead local authorities should set out their preferred mix of funding in their investment plan. Note - each place must identify a minimum percentage of capital funding, each year in line with the overall split of revenue and capital at UKSPF level set out in the above tables.
- 5.11 Match funding will not be required to unlock an area's allocation. This provides flexibility, reduces bureaucracy and empowers lead local authorities to tailor their approach to local circumstances.
- 5.12 To access the funding allocation, each place will be asked to set out measurable outcomes that reflect local needs and opportunities. These should inform the interventions they wish to deliver. Places will be able to choose from investment across three investment priorities of communities and place, local business and people and skills.
- 5.13 Within the context of the Fund's aims, each place will have 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. It should build on existing national provision to create the optimal mix of support for each place.
- 5.14 Working to a UK-wide framework published by the UK government, local partners will influence the Fund through development and delivery of an investment plan for each place. This represents a fundamental shift in responsibility compared with the European structural funds that the Fund succeeds.

- 5.15 In the plans, places will select outputs and outcomes relevant to each UKSPF investment priority. This will allow lead local authorities, local partners, the UK government, and the devolved administrations to monitor progress.
- 5.16 Government have provided forty-one example interventions which align with the three themes of the UKSPF for lead authorities to consider when developing the required Investment Plan. Interventions which deviate from this list (see Appendix A) require evidential justification as to what the need is.
- 5.17 Lead local authorities can determine, with partners, the most appropriate scale for each intervention – for example, regional, local or through collaboration with other places or bodies to deliver specific interventions. This can include working with places in different parts of the UK. This should consider value for money, effectiveness and current arrangements.
- 5.18 Lead local authorities for each area will have flexibility over how they deliver the Fund. They may wish to use a mix of competitions for grant funding (which is the default approach set out in Cabinet Office Grants Standards), procurement, commissioning or deliver some activity through in-house teams. For example, some community level interventions may require a commissioning or in-house approach, recognising that competitions for grant may create barriers to participation in left behind communities.
- 5.19 Working with other places is strongly encouraged in the delivery of Fund interventions where it meets the needs of their place, and achieves value for money or better outcomes for local people or businesses. This could take the form of national or regional interventions, or projects that deliver across places either side of national boundaries in the UK with strong economic and social ties.
- 5.20 In particular, Government strongly encourage lead local authorities to work with other authorities (district, county or unitary councils where relevant) to agree and commission people and skills activity, or business support activity over a larger scale representative of the full local labour market or business base. Lead local authorities will be asked to set out their approach in their investment plan.
- 5.21 Each district or unitary council is expected to produce and deliver a standalone investment plan for its place. As noted above, working with other places is strongly encouraged in the delivery of Fund interventions where it meets the needs of their place, and achieves value for money or better outcomes for local people or businesses. This can include working across wider county or other geographies. Any such plans should be identified in the place's local investment plan.
- 5.22 Lead local authorities are tasked with working with a diverse range of local and regional stakeholders, civil society organisations, employer bodies responsible for identifying local skills plans, and businesses or business representative groups to achieve Fund outcomes in their areas.
- 5.23 Members of the UK Parliament play an important role in representing the views of their constituents, working collaboratively with local authorities and other local partners to work for the good of local places. They should be closely engaged in the design and delivery of the Fund. In most cases, all MPs in the area should be invited to join the local partnership group.

- 5.24 Government will pay each lead local authority annually in advance. In 2022-23, funding will be paid once the local investment plan has been signed off. In 2023-24 and 2024-25, payment will be made at the start of the financial year. Lead local authorities will receive a grant determination letter and Memorandum of Understanding setting out Fund requirements and obligations. Lead local authorities will be asked to return any underspends at the end of each financial year.
- 5.25 Government expect Fund investment and outputs to be achieved in line with each place's investment plan, on time and in-year. Government reserve the right to withhold or delay payment and alter payment cycles from 2023-24 onwards where there are performance or other issues with delivery.
- 5.26 Lead local authorities will be asked to report data to ensure that allocations are being spent to agreed timescales and milestones, including achievement of outputs and outcomes at the project level. Local authorities will also need to report individual project outputs and outcomes at UK Parliament constituency level.
- 5.27 The milestones, expectations and timescales will be set out in a Memorandum of Understanding with each lead local authority. There will be a formal reporting request every six months, with qualitative updates on a more frequent basis also required.
- 5.28 Prior to each annual payment, lead local authorities will also be asked to complete a report. Depending on timings of the first payment, for the second annual payment, lead local authorities may be asked to submit a report earlier than six months after the first report is submitted.
- 5.29 In terms of monitoring and evaluation, Government are developing a national approach to evaluation, including a scoping study in partnership with the What Works Centre for Local Economic Growth. The evaluation methodology cannot be fully specified until they have received investment plans and understand the range of activities to be funded. This may include pooling or synthesising data from several different areas.
- 5.30 **Multiply Funding**
- 5.31 The overall objective of Multiply is to increase the levels of functional numeracy in the adult population across the UK. DfE have identified the following success measures for the whole programme at a national level:
- More adults achieving maths qualifications courses (up to, and including, Level 2 – with GCSEs and FSQs as the qualifications of choice in England – or equivalent) and an increase in participation in numeracy courses. We expect local areas to evidence improvements in functional numeracy, rather than solely participation in Multiply interventions.
 - Improved labour market outcomes e.g. fewer numeracy skills gaps reported by employers, and an increase in the proportion of adults that progress into sustained employment and / or education.
 - Increased adult numeracy across the population – this overall impact, which goes beyond achieving certificates or qualifications, will track both the perceived and actual difference taking part in the programme makes in supporting learners to improve their understanding

and use of maths in their daily lives, at home and at work - and to feel more confident when doing so.

- 5.32 DfE will evaluate Multiply nationally against these and other success measures and local areas will be asked to collect data in order to inform this evaluation. In their investment plans, local areas may wish to identify local measures of success against their stated ambitions for the programme in order to understand the impact and benefits at a local level.
- 5.33 Target learners are adults 19+ who have not previously attained a GCSE Grade 4/C or higher maths qualification. They can either be working towards a maths GCSE or Functional Skills Qualification, need specific numeracy skills for their work or progression, or just want to brush up on the skills to help them get on in life and work.
- 5.34 DfE want local authorities to 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.
- 5.35 To support local areas to identify the right provision, DfE have designed a menu of ten interventions which they can draw down from – choosing a mix of interventions that best suits each area. These interventions should be for adults aged 19 and over.
- 5.36 This menu 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.
- 5.37 Please note that 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.
- 5.38 The provided interventions provided by DfE to address using the Multiply Fund are as follows:
- Courses designed to increase confidence with numbers for those needing the first steps towards formal numeracy qualifications
 - Courses designed to help people use numeracy to manage their money
 - Innovative numeracy programmes delivered together with employers – including courses designed to cover specific numeracy skills required in the workplace,
 - Courses aimed at people who can't apply for certain jobs because of lack of numeracy skills and/or to encourage people to upskill in numeracy order to access a certain job/career
 - New intensive and flexible numeracy courses targeted at people without Level 2 maths, leading to a Functional Skills Qualification.
 - Courses for parents wanting to increase their numeracy skills in order to help their children, and help with their own progression
 - Numeracy courses aimed at prisoners, those recently released from prison or on temporary licence
 - Numeracy courses aimed at those 19 or over that are leaving, or have just left, the care system

- Numeracy activities, courses or provision developed in partnership with community organisations and other partners aimed at engaging the hardest to reach learners – for example, those not in the labour market or other groups identified locally as in need.
- Additional relevant maths modules embedded into other vocational courses.

5.39 In order to qualify for Government funding, investment plans must address and meet the criteria below. Plans will be reviewed against these criteria over the summer, with the Department for Education and local areas agreeing success measures to be met before memorandums of understanding are issued.

- **Deliverability** - Reaching those most in need of improved numeracy skills may be challenging and will require strong coordination in local areas
- **Evidence of Need and Demand** – Clear understanding of current provision and the areas that need to be addressed through Multiply Funding
- **Interventions** – The interventions that the lead authority will address with the funding and explanation how these will not displace or duplicate the maths entitlement funded through the Adult Education Budget
- **Strategic Fit** - Investment plans should demonstrate how interventions fit with the Government’s wider ambitions set out in the Levelling Up White Paper and Skills For Jobs White Paper
- **Engaging and Motivating Learners** - Local areas should set out how they intend to engage and motivate learners to achieve their proposed interventions

5.40 DfE expect areas to submit plans for the full three-year funding allocation. However, more tentative plans for years 2 and 3 will be accepted, to enable local areas to build on the growing evidence base from year 1 of the programme on what works to improve adult numeracy. DfE will revisit investment plans, and allocations before each year of Multiply in order to approve any amendments.

5.41 Once investment plans are assessed and approved, provisional allocations will be signed off, grant agreements will be put in place and first payments made in September 2022.

6. Issues and Choices

6.1 To note the requirement to develop and submit an Investment Plan for the UK Shared Prosperity Fund to the Department for Levelling Up, Housing and Communities to develop pride in place and deliver specific interventions within West Northamptonshire, identified based on detailed analysis and engagement with stakeholders within the community.

6.2 To not develop and submit an Investment Plan for the UK Shared Prosperity Fund would result in a loss of major potential investment into the area, which would be used to support the community and place, business support and people and skills.

6.3 To approve the development and submission of an Investment Plan for Multiply Funding to the Department for Education to increase skill levels, employability and support residents and the community. Also, to note that given the strict deadlines, the Investment Plan would need to be developed and submitted by officers by 30 June 2022.

6.4 To not develop and submit an Investment Plan for Multiply Funding by the deadline would result in a loss of major potential investment into local skill levels, addressing existing and potential anti-poverty, impacting the local quality of life, local employment and future of West Northamptonshire residents.

7. Implications (including financial implications)

7.1 Resources and Financial

7.1.1 There are no resource or financial implications arising from this proposal.

7.1.2 The UK Shared Prosperity Fund and Multiply Fund are 100% grant funding, meaning there is no financial risk to West Northamptonshire Council.

7.2 Legal

7.2.1 There are no legal implications arising from this proposal.

7.3 Risk

7.3.1 There are no significant risks arising from the proposed recommendations in this report.

7.3.2 There is a risk to West Northamptonshire Council's reputation and the economic recovery/growth to not submit the Investment Plans to secure this funding.

7.4 Consultation

7.4.1 In order to successfully assess impact, deliverability and strategic fit when analysing the interventions to address using the UK Shared Prosperity Fund, WNC has procured a consultant to support the development of the Investment Plan. Consultation will include with stakeholders, partners and internal/external services.

7.4.2 In order to successfully assess impact, deliverability and strategic fit when considering the interventions to address using Multiply Funding, WNC has engaged with numerous partners in the early stages of development of the Investment Plan.

7.5 Consideration by Overview and Scrutiny

7.5.1 None.

7.6 Climate Impact

7.6.1 Where proposals for projects which align with the interventions set out in the UKSPF Investment Plan have a climate impact, the council will ensure the provider will undertake the relevant Environmental Impact Assessments.

7.7 **Community Impact**

7.7.1 This proposal will result in a positive impact on the whole West Northamptonshire community, including the quality of the place, resulting in economic growth and delivery of priorities set out within WNC's vision.

7.8 **Communications**

7.8.1 Communications will be developed to inform and engage stakeholders to raise wider awareness of the opportunities the UKSPF & Multiply funds create for partners, employers and residents once the Investment Plans have been approved by Government.

8. **Background Papers**

[UK Shared Prosperity Fund Interventions, Objectives, Outcomes and Outputs](#)

[Multiply Investment Prospectus](#)

[Multiply Technical Guidance](#)