

**West of England Local Enterprise Partnership  
Board meeting – 30 March 2022**

**UK Shared Prosperity Fund**

**Purpose of the report**

1. This report provides the LEP Board with an overview of the forthcoming UK Shared Prosperity Fund (UKSPF).

**Recommendation**

It is recommended the LEP Board:

- Note the contents of the report
- Note that further information on UKSPF (including funding allocations) is due to be published prior to the LEP meeting (but was not available at the time of writing this report).
- Highlight priorities that could be factored into the development of an investment plan.

**Background**

2. UKSPF is positioned as the UK Government's successor to EU structural funds. This £2.6bn, three-year fund (2022/23 – 2024/25) will be targeted in building pride in place, supporting high quality skills training and supporting pay, employment and productivity growth.
3. The Levelling Up White Paper confirmed that in areas with a Mayoral Combined Authority (MCA), UKSPF will operate across the MCA footprint and that MCAs will be the nominated lead authorities responsible for development of an investment plan, management of funding allocations, approvals and monitoring of delivery.
4. Ministers and officials have been clear that there is an ambition for funding to be more flexible than EU structural funds, enabling greater integration or alignment with other funding streams.
5. Funding allocations will be determined by funding formula rather than competition. The West of England will therefore have clarity on a funding profile and be able to plan accordingly. At the time of writing, the formula for determining allocations has not been published – and Government has noted that allocations in some areas may not be equivalent to previous EU structural funds.
6. Funding over the three-year programme will be backloaded and the national priorities we will need to deliver against will shift over time. Figure 1 provides an overview of the

national funding profile. UKSPF will make available a mixture of both revenue and capital funding for places to invest in local priority projects.

**Figure 1: National UKSPF funding profile**

Funding year	2022/23	2023/24	2024/25
<b>National funding allocation</b>	£400m	£700m	£1.5bn
<b>National funding priorities</b>	Boosting pride in place: <ul style="list-style-type: none"> <li>• Communities and place</li> <li>• Local business interventions</li> </ul>		Increased focus on investment to support people and skills

- Further information on investment priorities, local allocations and the process required to develop investment plans is expected to be published alongside the Spring Statement (23<sup>rd</sup> March). It is anticipated a regional investment plan will need to be submitted to Government over the Summer (timing TBC).
- £560m of UKSPF has been topsliced to fund the DfE-led Multiply programme, which is focused on boosting adult numeracy. This will be focused on adults without level 2 maths and routes to addressing this position. Again, funding will be allocated to places and an investment plan will need to be submitted to Government. MCAs are also the nominated lead authorities for Multiply.

### Next Steps

- Once local allocations and full guidance have been published, work will progress to undertake engagement with a wide range of regional partners to ensure our investment plan reflects the needs of local people, communities and businesses. Further engagement with the LEP Board will form part of this process.

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