

**Item 7**

5 November 2024



**Glasgow City Region Cabinet**

**Report by: Director for Regional Economic Growth**

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**GCR UK Shared Prosperity Fund Quarter 2 Report**

**Purpose of Report:**

This report provides the Glasgow City Region Cabinet with an update on GCR UK Shared Prosperity Fund (UKSPF) spend to the end of Quarter 2 2024/2025 and proposes options for a potential programme extension.

**Recommendation:**

The Glasgow City Region Cabinet is asked to:

- Note the content of the report; and,
- Approve the 6-monthly report

## 1 Purpose of the Report

- 1.1 This report provides the Glasgow City Region Cabinet with an update on GCR UK Shared Prosperity Fund (UKSPF) spend to the end of Quarter 2 2024/2025 and proposes options for a potential programme extension.

## 2 Background

- 2.1 UKSPF guidance confirms Lead Local Authorities (GCR) are due to submit update reports to the UKG on a six-monthly basis. This report is therefore used to make the Finance Strategy Group and the Chief Executives' Group aware of GCR UKSPF cumulative spend-to-date.
- 2.2 UKSPF guidance states that any budget underspend by programme conclusion (31 March 2025) must be returned to HM Treasury. This was confirmed by UKG in September 2025:

*“Funding paid to third parties, or retained by lead local authorities to meet costs associated with activities that take place after the 31 March 2025 is not eligible for UKSPF or Multiply.*

*Any UKSPF or Multiply underspends at the end of 2024/25 must be repaid to MHCLG. Regardless of the outcome of the Budget on 30 October, there will be no mechanism to carry forward any UKSPF underspends into future years.”*

## 3 2024 / 2025 Quarter 1 & 2 Summary Information

- 3.1 Noted below in Table 1 is the reported UKSPF expenditure broken down by MA to end of Quarter 2 2024/2025.

Member Authority	Spend to Date Q2 24/25	Total UKSPF Allocation	% of Allocation
EDC	£1,896,209	£3,495,854	54%
ERC	£1,705,607	£3,254,078	52%
GCC	£16,499,979	£26,815,094	62%
IC	£1,498,684	£3,528,501	42%
NLC	£7,056,172	£13,788,052	51%
RC	£3,460,250	£6,205,605	56%
SLC	£6,124,602	£12,101,369	50%
WDC	£1,514,104	£3,864,075	39%
GCR	£362,371*	£821,640	44%
<b>Total</b>	<b>£40,117,978</b>	<b>£73,874,268</b>	<b>54%</b>

Table 1. MA reported expenditure Q2 2024/2025 \*figure TBC

## 4 UKSPF Programme Conclusion / Extension

- 4.1 As noted in section 2.2, UKG have confirmed there will be no opportunity to carry-forward any UKSPF budget into the new financial year.
- 4.2 The UKG Autumn Budget Statement was presented to Parliament Thursday 30 October 2024. The Chancellor confirmed that UKSPF will continue for a Year 4,

however with a budget reduction to £900m for the 12 month-period. This is a reduction of around 40% for the Year 3 allocation of £1.5Bn.

- 4.3 While some details have still to be confirmed by UKG, the GCR PMO understand there will be no dedicated budget for Multiply in Yr4. Table 2 below provides an indication of the potential budgets for individual Member Authorities, based on the 40% reduction from the Yr3 allocation.

	Yr 3 Total (inc. Multiply)	Total following 40% reduction
<b>Member Authority</b>		
E. Dunbartonshire	£2,072,697	£1,243,618
E. Renfrewshire	£1,929,328	£1,157,597
Glasgow City	£15,951,695	£9,571,017
Inverclyde	£2,089,711	£1,253,827
N. Lanarkshire	£8,133,224	£4,879,934
Renfrewshire	£3,688,691	£2,213,215
S. Lanarkshire	£7,166,203	£4,299,722
W. Dunbartonshire	£2,284,294	£1,370,576
<b>TOTAL</b>	<b>£43,315,843</b>	<b>£25,989,506</b>

Table 2. Potential Year 4 UKSPF Member Authority budget allocation

- 4.4 The indicative budget allocation outlined above equates to around 67% of the Yr3 allocation, minus the Multiply grant and around 35% of the overall previous three-year allocation.
- 4.5 It is not expected that UKG will require a 'full' Investment Plan for the one-year extension to the current programme. More likely it will be a version of the 'credible plan' that was submitted to UKG at the end of Year 1, detailing any significant changes from current activity.
- 4.6 Following the established GCR Cabinet governance process, approval of a UKSPF extension is on the basis of the principles and thematic priorities of the previous approved GCR UKSPF Investment Plan. MAs will be remitted to seek their own committee approval and a combined regional plan will then be submitted to UKG for approval.
- 4.7 There are three GCR wide projects funded by UKSPF;
- Regional Marketing of Multiply
  - ExtendPlus Carbon Baseline Reporting
  - Clyde Climate Forrest

While there may be no dedicated Multiply budget in the UKSPF extension, MAs may choose to continue Multiply activity by mainstreaming this activity via their People and Skills budget line. Feedback will be sought from UKSPF Lead Officers as to appetite for ongoing funding of regional marketing activity.

To the end of Quarter 2, 120 of the 500 planned Carbon Based Reports had been completed by Strathclyde University through the ExtendPlus programme, with a further 116 in progress. An evaluation will be undertaken with MAs on the effectiveness of the ExtendPlus programme before any recommendation is made for future funding or delivery.

Clyde Climate Forrest continues to make good progress, having planted 3.5m trees, against their long-term target of 18m by 2032. This figure includes the planting of 10,000 trees in target neighbourhood across 27 community planting events. The current annual GCR contribution to CCF is £137,290, it is proposed that with a 12-month extension to UKSPF, a commitment is made to fund CCF to the same level, with a 5% uplift for wage inflation; £144,155.

## **5 UKSPF Place-Based Evaluation**

- 5.1 Ipsos have been commissioned by UKG to carry out a place-based evaluation of UKSPF. GCR has been selected as one of the four Scottish locations to be evaluated, along with North Ayrshire, Highland and Edinburgh City. There are 36 place-based evaluations taking place across the UK – Liverpool and West Midlands are the other two regions in addition to Glasgow City Region.
- 5.2 The evaluation will focus on two main areas: process and impact. The **process** evaluation will take a broader lens, to answer questions on the relevance, efficiency and effectiveness of fund design as well as the efficiency and effectiveness of processes used to manage and deliver the fund. For this, Ipsos are interested in the UKSPF programme as a whole, so not limited to just the interventions which are evaluated in the impact component. This will largely be achieved by doing in-depth interviews with the relevant stakeholders from each MA, and from GCR. The **impact** evaluation will look to get a flavour of the interventions which have been funded by UKSPF and understand what the impact has been on people, communities, and businesses in the region.
- 5.3 MA UKSPF Lead Officers will work with GCR PMO staff, UKG representatives and Ipsos to provide the relevant detail required to support the place-based evaluation.
- 5.4 Initial feedback from the Ipsos place-based evaluation can be used by MAs to support the planning for any UKSPF extension. In addition, the expertise of the Regional Intelligence Hub will be available to MAs to support prioritisation as required.

## **6 Recommendation**

- 6.1 The Glasgow City Region Cabinet is asked to:
  - Note the content of the report; and,
  - Approve the 6-monthly report