

## **UK Shared Prosperity Fund 2025/26 and Local Growth Fund – Update noted.**

**3** There was submitted a report by the Director of Regional Economic Growth regarding an update on the UK Shared Prosperity Fund (UKSPF) 2025/26 and the Local Growth Fund (LGF), advising

- (1) that the UKSPF was launched by the UK Government in 2022 as the successor to the European Structural Funds (ESF), with the funding allocated directly to local authorities and that the UK Government had committed to matching ESF levels by 2024/25;
- (2) that the administration and management of the UKSPF programme was carried out at city region level and overseen by the Glasgow City Region Cabinet and the initial UKSPF 3-year programme budget had ran until 31st March 2025, with Glasgow having received a total of £27.2m of funding and the programme was extended by 12 months into 2025/26, with a 25% reduction in the annual allocation;
- (3) that the UKSPF would end on 31st March 2026 and the UK Government had indicated that the overall funding for Scotland would remain the same as the 2025/26 allocation and had announced 4 new funding streams, namely the LGF, the Pride in Place Programme, the Pride in Place Impact Fund and the Growth Mission Fund and with the exception of the LGF which was awaiting finalisation, the 3 remaining funds had had a significant reduction in their 3 year funding allocation for 2026/27 to 2028/29;
- (4) of the achievements of the UKSPF programme over the period from April 2023 to March 2025;
- (5) of the allocation of funding from the LGF for Glasgow City Region for a 3-year period from 2026/27;
- (6) that the value of the UKSPF to Glasgow over the previous 3 years of the programme was just under £35m and whilst guidance on how the regional allocation would operate was still awaited from the UK Government, a total of £18.4m of revenue funding was available for allocation, which was over £10m less than Glasgow alone had received under the previous programme, therefore it was evident that there would be a significant reduction in revenue funding and substantial cuts would have to be made in core employability, business support and Third Sector support; and
- (7) of the next steps.

After consideration, the committee noted

- (a) the report; and
- (b) that further updates would be submitted to this committee on the UK Shared Prosperity Fund 2025/26 and the Local Growth Fund.

