

Update on the Shared Prosperity Fund noted etc.

7 In terms of Standing Order No 7(c), as a matter of urgency, there was submitted a report by the Director of Regional Economic Growth updating Cabinet on the recent publication of the Shared Prosperity Fund (SPF) pre-launch guidance from the UK Government (UKG) and seeking Cabinet approval, in principle, to adopt a city region approach to management of the SPF, in line with Government guidance, advising

- (1) that the SPF was the successor to EU Structural funding and had long been considered as an opportunity for greater revenue investment across the city region, and of the key elements of the SPF, as detailed in the report;
- (2) of the proposed funding allocation methodology, that would see all areas receive funding based on an allocation and a robust Investment Plan, as detailed in the report;
- (3) that local government would be given responsibility for developing the Investment Plan and managing, processing and monitoring the funds and the guidance from the UKG had made clear the desire to promote regional working, as detailed in the report;
- (4) of the next steps for local authorities and the UKG, as detailed in the report;
- (5) that the preferred position from both the UK and Scottish Governments was that there be a regional oversight and accountability over SPF, and the UKG had considered Glasgow City Region (GCR) to be best placed through its existing partnership structure and ability to manage City Deal funding effectively;
- (6) that the UKG had appointed a GCR lead for Levelling Up/SPF and a regional approach would enable a joined up approach to delivery, and a single point of contact to manage the funds at a GCR level would generate significant efficiencies, allowing local authorities the opportunity to focus more on delivery of projects;
- (7) that governance structures were already in place in GCR, which would require to be adapted rather than created, giving GCR the opportunity to move more quickly than other parts of Scotland and thereby maximise investment in the region;
- (8) that managing the funds at a GCR level would not preclude individual authorities from seeking additional UKG funding through any challenge funds that may be launched;
- (9) of the outcome of a meeting between the Director of Regional Economic Growth and the UKG on 4th February 2022, as detailed in the report; and
- (10) of the proposed next steps, including a proposal to recruit a Head of Shared Prosperity Fund post, as well as the establishment of a working group of

ERF/ERDF leads from each local authority to develop the detailed Investment Fund, ensuring an appropriate geographical spread of investment based on need and opportunity, all as detailed in the report.

After consideration, the Cabinet

- (a) noted the direction from the UKG to pursue a regional approach, and further noted that this was also the preferred position of the Scottish Government; and
- (b) agreed
 - (i) in principle to pursue a regional approach to management of SPF and to authorise the Director of Regional Economic Growth to formally notify the UKG of this approach; and
 - (ii) that the Investment Plan be developed in conjunction with all 8 Member Authorities, with all necessary approvals at both regional and local level prior to final submission in Summer 2022.