



UK Government



# UK Shared Prosperity Fund

Engagement workshop – voluntary and community sector  
19 August 2022

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## What is the UK Shared Prosperity Fund?

- UKSPF is a central pillar of the government's levelling up agenda. For Northern Ireland, it represents around £127m over three years, comprised of: £19m this year, £33m 2023-24 and rising to £74m in 2024-25.



- This includes £105m of core UKSPF funding (a mix of capital and revenue) and £22m revenue for adult numeracy, earmarked for Multiply.



- Beyond Multiply, there are no predetermined allocations of funding across the three investment priorities:

- Communities and Place; Supporting Local Business; People and Skills.



- Through Multiply, we want to see investment in meaningful participation that boosts people's ability to use maths in their daily life, at home and work. Target learners are adults 19+ who have not previously attained a Level 2.



- Overall, this broad flexibility allows us to work together to build a targeted package of linked interventions, drawing on other programmes such as the Levelling Up Fund, Northern Ireland-specific activity or employment and skills support to maximise impact and address NI needs and opportunities.

- This workshop forms a key part of that process.



**UKSPF can be invested across three investment priorities according to need and opportunity:**

<b>Investment Priority</b>	<b>Summary of objectives</b>
<b>Communities and Place</b>	<ul style="list-style-type: none"><li>• Strengthening our social fabric and fostering a sense of local pride and belonging.</li><li>• To build resilient and safe neighbourhoods.</li></ul>
<b>Supporting Local Business</b>	<ul style="list-style-type: none"><li>• Creating jobs and boosting communities by supporting local businesses.</li><li>• Promoting networking and collaboration and stimulating innovation and growth.</li><li>• Targeted support to help businesses grow - e.g. innovation, productivity, energy efficiency, low carbon.</li></ul>
<b>People and Skills</b>	<ul style="list-style-type: none"><li>• Boosting core skills and support adults to progress in work.</li><li>• Supporting disadvantaged people to access the skills they need.</li><li>• Funding local skills needs and supplementing local adult skills provision.</li><li>• Reducing levels of economic inactivity and supporting those furthest from the labour market.</li></ul>



## UKSPF and the wider funding landscape

UKSPF sits as part of a much wider funding landscape, which we need to consider when deciding on the most appropriate mix of interventions, their timing and routes to market. These include DLUHC 'levelling up' funds, including the Levelling Up Fund, Community Ownership Fund and Community Renewal Fund. This also shows funds such as Peace Plus and the New Deal for Northern Ireland, which must be taken into account when considering the wider funding landscape.

Communities and Place

Supporting Local Business

People and Skills

£12m UKCRF projects to end 2022

£144m LUF target for NI

£49m allocated to date to 2025 LUF Round 2 underway

£4.3m COF target for NI  
£781k allocated to date

Peace Plus c€1bn across six themes for the 21-27 programme period, with c£730m in UK funding and match.

New Deal for Northern Ireland £400m of UKG funding to help boost economic growth, increase Northern Ireland's competitiveness invest in infrastructure, and support social cohesion.

UKG has also committed £70m for access to finance provision in Northern Ireland – which the British Business Bank are leading with NI partners.



## UKSPF and the wider funding landscape

Alongside DLUHC funds, there are a range of other programmes deploying new funding we should actively consider, including:

### **Peace Plus**

c€1bn across six themes for the 21-27 programme period, with c£730m in UK funding and match. While Peace Plus has a specific cross-community and cross-border focus and a longer time horizon, there are some notable economic and environmental development activities that we should take account of, including:

- Reimagining communities – which can transform existing spaces, including for arts and culture, sports and recreation, tourism and heritage and social enterprise use (€60m)
- SME development and transition, focused on cross-border collaboration, innovation and digitisation and low carbon economy (€20m),
- innovation challenge fund to promote R,D&I between businesses and the knowledge base, focused on key sectors (€58m),
- regional skills development to support skills gaps linked to key sectors (€35m)
- smart towns and villages – digital hubs to enable clustering and networking (€30m)

### **New Deal for Northern Ireland**

£400m of UKG funding to help boost economic growth, increase Northern Ireland's competitiveness, invest in infrastructure, and support social cohesion. It operates over a similar time period to UKSPF, and around half of its funding is already allocated.

Notably the fund is already supporting Skill Up – a NIO/NIE initiative to provide over 7,000 people by June 2023 with new skills in growth sectors (entry to PG level).

Further plans will be announced in due course, but may include funding relevant to UKSPF including investment in skills, business and growth areas such as cybersecurity, fintech and green/clean technology

**Plus a number of capital and revenue programmes funded through NIE Departments and Arms-Length Bodies, Lottery, private and other public funds.**



## UKSPF Design Considerations – Indicative Funding Allocations

We need to make choices about the right mix of funding taking account of:

- the purpose of the fund
- need and opportunity in all parts of Northern Ireland
- the funding profile, and minimum capital spend requirements
- other available funding or provision

We will talk through the three investment priorities in more depth and come back to allocations, but as a primer, there are a number of options we could consider:

Option	Benefits	Disadvantages
Equal split between each priority. (33:33:33)	Simple. Strong focus on pride in place.	Creates gaps in provision – especially for economic inactivity support and business support.
Supporting Local Business and People and Skills only. (50:50 or 60:40)	Direct replacement for ERDF and ESF. Limits gaps in provision of economic inactivity and business support.	Limited focus on pride in place. Less direct impact on local places.
Revenue focus on Supporting Local Business (35-45%) and People and Skills (35-45%), Capital/limited revenue funding for Communities and Place (10-20%)	Reflects funding mix. Reflects broad need. New focus on pride in place. New opportunity to support arts, culture and tourism, town centres. Limits gaps in provision.	Still requires difficult choices within each priority. New interventions which may take more time to develop.



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## Stakeholder Engagement

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Engagement to date

Local Government	Business/ Innovation	Special Interest Organisations	Complementary Funders	NICS
<ul style="list-style-type: none"><li>•NILGA</li><li>•The 11 local councils</li></ul>	<ul style="list-style-type: none"><li>•Business in the Community</li><li>•CATALYST</li><li>•Centre for Competitiveness</li><li>•Construction Employers Federation</li><li>•Enterprise NI</li><li>•FSB</li><li>•HIRANI</li><li>•Institute of Directors</li><li>• Invest NI</li><li>•Makers Alliance</li><li>•Manufacturing NI</li><li>•Matrix NI</li><li>•NI CBI</li><li>•NI Tourism Alliance</li><li>•Now Group</li><li>•Queen’s University</li><li>•Social Enterprise NI</li><li>•Ulster University</li><li>•Women in Business</li><li>•Young Enterprise</li><li>•Royal Academy of Engineering</li></ul>	<ul style="list-style-type: none"><li>•Rural Communities Network</li><li>•Disability Action</li><li>•Skills roundtable- Queen’s, Ulster, FE colleges</li><li>•NIUSE</li></ul>	<ul style="list-style-type: none"><li>•Northern Ireland Office- New Deal for Northern Ireland</li><li>•National Lottery Community Fund</li><li>•SEUPB</li></ul>	<ul style="list-style-type: none"><li>•Department of Finance- Future Funding Team</li><li>•Department of Finance- PEACEPLUS team</li><li>•Department for Economy- ESF and ERDF Managing Authority</li><li>•Department for Economy – Skills Team</li><li>•Department for Economy – FE Team (Multiply-focused)</li><li>•Department for Communities – Work and Wellbeing Team</li></ul>



Upcoming Engagement

Enterprise support/ Skills

- Enterprise NI

Voluntary and community sector

- Social Enterprise NI- Zoom at Noon

Special Interest Groups

- NI Youth Forum
- Rural Communities Network
- Equalities Commission

Alongside this, we will also undertake political engagement (MPs and elected members) to test support for the plan once it has been developed. We will agree the timing and format of this with our ministerial team in September.



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## Investment Priorities and Interventions

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### Local Regeneration

- NI1: Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs.
- NI3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.
- NI5: Design and management of the built and landscaped environment to 'design out crime'.
- NI12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.

### Arts, Culture, Heritage and Tourism

- NI4: Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural and heritage offer
- NI6: Support for local arts, cultural, heritage and creative activities.
- NI8: Funding for the development and promotion of wider campaigns which encourage people to visit and explore the local area.

### Active Travel

- NI7: Support for active travel enhancements and measures to improve connectivity in the local area, including undertaking active travel needs assessments at the local level.

### Community

- NI2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects, including those that increase communities' resilience to natural hazards, such as flooding. This could cover capital spend and running costs.
- NI9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places, for example addressing climate change.
- NI10: Funding for local sports facilities, tournaments, teams and leagues; to bring people together, including the preparation of strategies promoting sport and physical activity at the local level.
- NI13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.
- NI15: Investment and support for digital infrastructure for local community facilities.
- NI11: Investment in capacity building and infrastructure support for local civil society and community groups.



### R&D, Innovation, Adoption and Diffusion

- NI18: Supporting Made Smarter Adoption: Providing tailored expert advice, matched grants and leadership training to enable manufacturing SMEs to adopt industrial digital technology solutions. The support is proven to leverage high levels of private investment into technologies that drive growth, productivity, efficiency and resilience in manufacturing.
- NI19: Increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities, in both economically important and emerging areas. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices.
- NI20: Research and development grants supporting the development of innovative products and services, with a particular focus on low carbon goods and environmental services, and climate resilience.

### Start up and growth

- NI23: Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks
- NI24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local enterprise (including social enterprise) which can support entrepreneurs and start-ups/high growth potential firms through the early stages of development and growth by offering a combination of services.
- NI25: Grants to build strategic partnerships with key entrepreneurial ecosystems in other countries, and to help places bid for and host international business events and conferences that support wider local growth sectors.
- NI30: Business support measures to drive employment growth, particularly in areas of higher unemployment.
- NI28: Export Grants to support businesses to grow their overseas trading
- NI27: Funding to develop angel investor networks.
- NI26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises.

### Green Growth

- NI29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target. Maximising existing or emerging local strengths in low carbon technologies, goods and services to take advantage of the growing global opportunity.

### Town Centre

- NI16: Investment in open markets and improvements to town centre retail and service sector infrastructure, with wrap around support for small businesses.

### Visitor Economy

- NI17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.

### Infrastructure

- NI21: Funding for the development and support of appropriate innovation infrastructure at the local level.
- NI22: Investing in enterprise infrastructure and employment/innovation site development projects. This can help to unlock site development projects which will support growth in places.
- NI32: Investment in resilience infrastructure and nature based solutions that protect local businesses and community areas from natural hazards including flooding and coastal erosion.



### Economic Inactivity

- NI33: Employment support for economically inactive people. Intensive and wrap-around one-to-one support to move people closer to mainstream provision and to gain and retain employment, including wraparound support to people undertaking apprenticeships, supplemented by additional and/or specialist life and basic skills (digital, English, maths and ESOL) support where there are local provision gaps

### Basic and Life Skills

- NI34: Courses including basic skills (digital, English, maths and ESOL), and life skills provision for people who are not economically inactive, including the most vulnerable in society and who are unable to access other training or wrap around support detailed above. Supplemented by financial support for learners to enrol onto courses and complete qualifications.
- NI35: Funding for work experience, including internships and activities such as enrichment and volunteering to improve opportunities and promote wellbeing.
- NI36: Interventions to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online.

### Skills for in work progression and local skills gaps

- NI37: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses. This includes supporting the retention of groups who are likely to leave the labour market early.
- NI38: Support for local areas to address local skills needs. This includes technical and vocational qualifications and courses up to level 2 and training for vocational licences relevant to local area needs and high-value qualifications where there is a need for additional skills capacity that is not met through other provision.
- NI39: Green skills courses targeted around ensuring we have the skilled workforce to achieve the government's net zero and wider environmental ambitions, with a particular focus on vulnerable or low-income groups who will be disproportionately affected by climate change.
- NI40: Retraining support to those in employment to address skills shortages, including those in high carbon sectors.
- NI41: Funding to support local digital skills.
- NI42: Promotion of STEM subjects for women/girls and provision of ongoing support to increase uptake of STEM subjects for women/girls.

### Adult Numeracy

- NI43: Courses designed to increase confidence with numbers for those needing the first steps towards formal qualifications.
- NI44: Courses for parents wanting to increase their numeracy skills in order to help their children, and help with their own progression.
- NI45: Courses aimed at prisoners, those recently released from prison or on temporary licence.
- NI46: 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 order to access a certain job/career.
- NI47: Additional relevant maths modules embedded into other vocational courses.
- NI48: Innovative programmes delivered together with employers – including courses designed to cover specific numeracy skills required in the workplace.
- NI49: New Intensive and flexible courses targeted at people without Level 2 maths in Northern Ireland, leading to an equivalent qualification (for more information on equivalent qualifications).
- NI50: Courses designed to help people use numeracy to manage their money.
- NI51: Courses aimed at those 19 or over that are leaving, or have just left, the care system
- NI52: 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.



- Increased active or sustained participants of UKSPF beneficiaries in community groups and/or increased employability through development of interpersonal skills.
- Increased proportion of participants with basic skills (English, maths, digital and ESOL).
- Number of people in employment, including self-employment.
- Number of people sustaining employment for 6 months.
- Number of people gaining a qualification following support.
- Increased number of people in education and training.
- Number of economically active individuals engaged in mainstream skills education and training.

### Multiply

- Increased number of adults achieving maths qualification up to and including Level 2.
- Increased number of adults participating in maths qualification and courses up to & including Level 2.
- Improved labour market outcomes.
- Increased adult numeracy (by supporting learners to improve their understanding and use of maths in their daily lives at home and at work).



UKSPF will focus solely on revenue interventions here, and there is a judgement as to whether to focus solely on economic inactivity, basic and digital skills or a wider range of interventions, including skills for growth. Our initial prioritisation of potential interventions – for discussion - is:

### Higher Priority

- NI33 – Employment support for economically inactive people
- NI34 – Courses including basic skills and life skills for people who are not economically inactive
- NI36 – Interventions to increase levels of digital inclusion
- NI41 – Funding to support local digital skills
- Multiply courses
- Innovative Multiply provision

### Medium Priority

- NI35 – Funding for work experience
- NI37 – Tailored support to help people in employment to address barriers to accessing education and training courses
- NI38 – Support for local areas to address local skills needs
- NI39 – Green skills courses
- NI40 – Retraining support to those in employment to address skills shortages
- NI42 – Promotion of STEM subjects for women/girls



## UKSPF Design Considerations – Indicative Funding Allocations

Drawing on the above consideration of investment priorities, need and demand, our initial assessment is that we could allocate to each investment priority within these ranges (excluding Multiply’s £21.9m ringfenced allocation):

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### Communities and Place

**10-20% allocation**  
**£10.5m to £21m – capital focused**

#### Why?

Primary vehicle for capital activity – which must hit £16.4m (but could be shared with local business)  
Promotes pride in place

#### What could this fund?

Town centre activity  
Community or neighbourhood facilities  
Arts, culture, heritage, tourism activities  
Active travel  
Green spaces  
Sports facilities and events

#### What may not be funded?

Standalone digital infrastructure  
Standalone community engagement  
Standalone designing out crime  
Visitor economy campaigns  
Civil society capacity building

### Supporting Local Business

**35-45% allocation**  
**£36.7m to £47.2m – revenue focused**

#### Why?

Taken alongside C&P, reflects broad % of funding allocated to ERDF and ESF (60:40)  
Ongoing need for business growth and innovation support  
Promotes pride in place and increasing life chances

#### What could this fund?

Entrepreneurship support service (including support for under-represented groups, social economy support, high value starts)  
Local innovation support (advice/small grants)  
Incubation and networking  
Specialist support for key sectors

#### What may not be funded?

Significant capital projects  
Large volume R&D grants  
Business finance (BBB funding this)

### People and Skills

**35-45% allocation**  
**£36.7m to £47.2m – revenue only**

#### Why?

Promotes increased life chances  
Reflects broad % of funding currently allocated for ESF (40:60 ESF:ERDF)  
Ongoing need for economic inactivity delivery for hard-to-reach groups  
Cannot deploy capital funding - acts as a ceiling  
Multiply funding at £21.9m = significant P&S investment.

#### What could this fund?

Economic inactivity support  
Targeted skills support for growth sectors  
Digital skills

#### What may not be funded?

Apprenticeships at scale



In breakout groups, we would like to hear your feedback on what you have heard.

We will explore your views on the right mix of interventions and outcomes for People and Skills.

Alongside this, we would also like to explore:

- Noting the quantum of the funding, and the time available, which interventions within ‘People and Skills’ should we prioritise, and why?
- What are the appropriate routes to market for the “People and Skills” interventions?
- How can we maximise impact?
  - Should we focus on fewer, bigger projects?
  - Encourage consortia applications?