



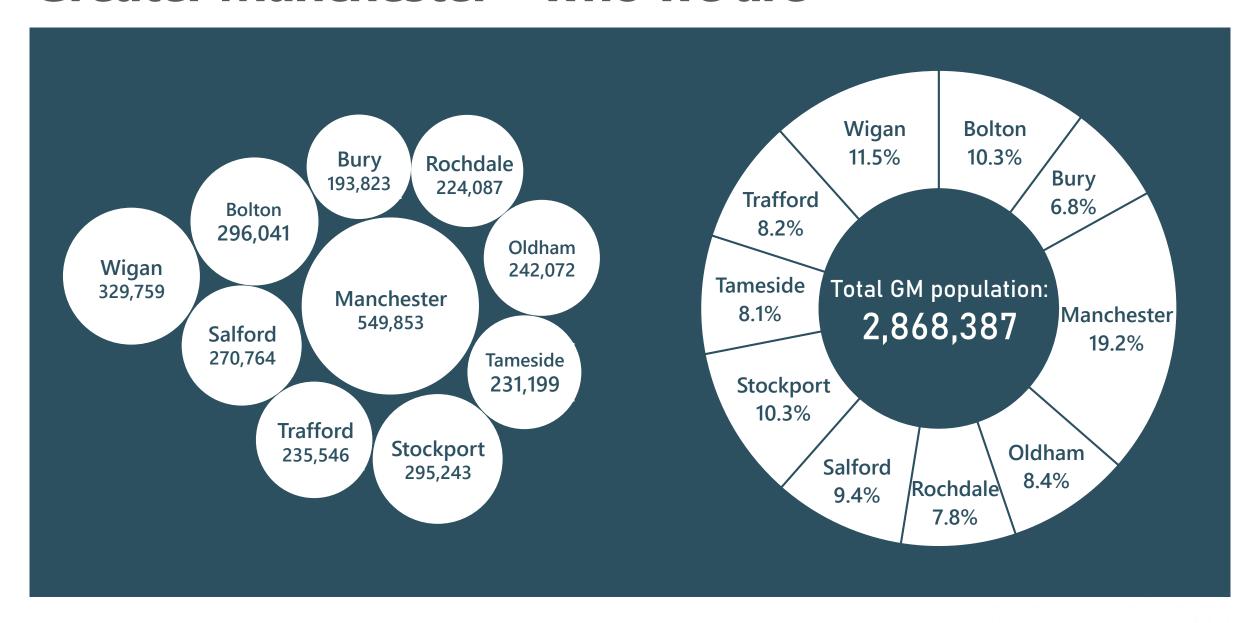
UK Shared Prosperity Fund in Greater Manchester

Alison Gordon – Assistant Director, Place and GM UKSPF Lead

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Greater Manchester – who we are



ECONOMY

2.87 million residents in 2021

+**183,000** (7%) since 2011





1.3 million in employment in 2022

+129,000 (11%) since 2012

126,000 businesses in 2022

+33,000 (35%) since 2012





Over **116,000** enrolments at GM Higher Education institutions in 2020/21

Gross Value Added

GREATER
MANCHESTER
ECONOMY

£78.7bn

SIGGER THAN

wales economy £69.5bn

NORTH EAST ECONOMY £56.5bn

NORTHERN
IRELAND
ECONOMY
£45.7bn

SLOVAKIA - £76.9bn

BULGARIA - £53.2bn

LITHUANIA - £43.1bn

Sources: Mid-year population estimates, ONS; Annual Population Survey, ONS; UK Business Counts, ONS; Higher Education Statistics Agency; Regional gross value added (balanced) by industry, 2021, ONS; Gross Value Added, Eurostat, 2021

INEQUALITIES

- The transition from an industrial past to a modern knowledge economy has left a legacy of inequalities.
- The 2008 recession and austerity compounded this; COVID-19 and Brexit have added further pressures.
- The GM employment rate (72.4% in 2022) is consistently below England (75.8%). The employment rate gap between the best and worst-performing GM localities in 2022 was 12 percentage points.
- In 2022, 23.8% of those aged 16-64 were economically inactive (21.3% for England).
- The employment rate for working-age people from racially minoritised communities in 2022 was 12 percentage points below the overall GM average.
- Just 52.2% of GM working-age residents with a disability were in employment in 2022, lagging the England average by 5 percentage points, and 20 points below the average employment rate for all GM residents.

Source: Annual Population Survey, Office for National Statistics

GM UKSPF Key Principles and Governance agreed early

- The fund should be focused on the delivery of the *Greater Manchester Strategy (GMS):* the 15 commitments in the GMS should be used to help shape Greater Manchester Investment Priorities and further define the principles of how we use this funding.
- This funding replaces previous EU strategic funding and will focus on programmes of activity that lead to outcomes for people or places, rather than stand-alone/individual projects.
- Need to ensure we maximise the opportunity that comes with having *flexibility* in how we use this funding to ensure the best impact and outcomes for our residents.
- Ensure it will fund programmes that complement, provide added value and do not duplicate other activity.
- Ensure it complements other funding and activity (where possible)
 e.g. Towns Fund, LUP etc.

GM UKSPF Partnership Board

This GM Partnership Board will include relevant GMCA Portfolio Leaders alongside representatives from the private, civic, voluntary and academic sectors as well as from lead Government departments. In parallel, GMCA has established a GM MP Engagement Group for GM's 27 MPs.

The Board will support GMCA in the development of the GM UKSPF Investment Plan, **recommend** it for approval to GMCA it prior to submission and will support GMCA on:

- . GM's UKSPF routes to market including open calls, allocations, mini-competitions
- Suitability of calls, proposals/applications in terms of strategic fit, VfM and deliverability

And

· Will offer advice on the management and performance of the UKSPF in Greater Manchester

The Partnership Board's recommendations will require the approval of GMCA as the UKSPF Lead Authority for Greater Manchester

GMCA UKSPF Officer Team - responsible for

- draπing calls
- Technical appraisal of project proposals/applications in terms of strategic fit, value for money and deliverability
- Performance and contract management in accordance with the G UKSPF Investment Plan

GM Chief Executives Investment Group-responsible for:

 Appraising GM UKSPF calls, proposals/applications and performance for accountable body risk



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GM UKSPF Investment Plan development

- Clear and strategically focussed
- Deliberately high level with limited number (11) of broad interventions
- Outputs and outcomes were not over-ambitious as there was much to learn and short delivery timescale – aiming to underpromise and overdeliver
- Extensive consultation with partners and stakeholders, particularly LAs on strategic ambitions for the fund
- Agreed programme level allocation by investment priority and intervention, but not route to market prior to submission
- Intensive comms plan to ensure all relevant partners were sighted and involved in Investment Plan development

Overview of Spend Profile by Investment Priority

	Year One 2022/23	Year Two 2023/24	Year Three 2024/5	Total	As % of total
Communities and Place	£7,269,019	£10,038,086	£9,689,466	£26,996,571	32.2%
Local Business	£2,500,000	£9,500,000	£19,500,000	£31,500,000	37.6%
People and Skills	£0	£0	£22,000,000	£22,000,000	26.2%
Admin Fee 4% (Flat rate applied)	£407,020	£814,071	£2,132,934	£3,354,024	4%
Total by Year	£10,176,043	£20,352,086	£53,322,466	£83,850,595	100.00%



Implementation

- Agreed routes to market August/September 2022
 - Majority of Communities and Place activity to be delivered by LAs, funding distribution based on DLUHC allocation formula but subject to business plan validation and approval by GMCA
 - Supporting Local Business to be delivered via procured providers but key elements requiring local knowledge and expertise (SME workspace and early stage pre-start up) delivered by LAs
 - People and Skills to be delivered by LAs (NEETS), VCSE and procured providers
- UKSPF administration fee shared with LAs recognising additional administrative burden on LAs
- LAs invited to develop and submit proposals for Communities and Place agreed by Partnership Board/GMCA
 October 2022
- Development of evidence base and outline calls for Supporting Local Business October 2022 onwards
- Comprehensive analysis of evidence base for People and Skills calls developed up to Summer 2023, local funding secured and calls issued late summer onwards.
- Development of reporting and monitoring framework complete February 2023
- Business case for GMCA UKSPF Team agreed and ready to go when Investment Plan approved
- Recruitment to UKSPF team only began in January 2023



What went well?

- Development of Investment and Implementation Plan to a tight timescale
- Agreement that Investment Plan would be very high level with few but broad interventions, allowed flexibility
- GM agreement to "park" difficult decisions until required so didn't hold up development
- Early establishment of governance and extensive comms and engagement
- Working with corporate partners in the GMCA (legal, IG, procurement, finance) on forward plan to ensure resources were available when needed.
- All activity commissioned or live by end of 2023 as planned.
- 56% of GM's UKSPF programme is delivered by GM's LAs LAs ability to have strong investment proposals ready for agreement.
- Existing expertise in CA (ERDF/ESF/AEB) allowed internal resource to be "redeployed" to development before UKSPF funding was available
- Comprehensive local reporting and monitoring framework (GMIT) in place in early 2023
- Ability to put in place local funds in 2023/4 to allow more realistic delivery of People and Skills activity over 18 month period

Opportunities

- A greater degree of flexibility than offered through ERDF/ESF
- Ability to "line up" activity across three UKSPF pillars e.g. SME workspace/ Build a Business programme/Community Grants
- Ability to fund a broader range of local priorities e.g. high street improvements and animation and sub-regional programmes
- Ability to determine most appropriate route to market for delivery sub-regional vs hyper local, allocation vs open procurement
- Ability to build in extensive local evaluation to inform future investment
- Ability to experiment
- As GMCA has led end to end, there is comprehensive and rolling "lessons learned" internal evaluation in place.



Challenges

- Three years is too short to develop a truly strategic and very complex programme when:
 - Late decisions on Investment Plan meant very limited time for delivery in 2022/3
 - Late approval of end of year report/credible plan meant funding not certain until August 2023, indicative funding only for 2023/4 and 2024/5 was a real risk issue for some partners
 - Significant pressure to achieve spend, outputs and outcomes by March 2025 after such a late start distorts programme priorities however majority of our contracts are 1 plus 1, just in case ...
 - No certainty of funding post March 2025
- Reporting issues with DLUHC systems/ churn within the national UKSPF Team meant inconsistent advice
- Real challenge on capital delivery with such short timescales and scale of people and skills activity would not have been possible in 1 year (2024/5) without local funding in 2023/4.
- Establishing an evidence base, also difficult to identify best practice as no benchmarks in place across UK, so events like this are very welcome
- Recruitment difficult when contracts are tied to end date of UKSPF funding with post 2024/5 unknown.

Additional information

- GMCA UKSPF Interventions
- Communities and Place programmes
- Supporting Local Business programmes
- People and Skills Programmes



Limited number of interventions

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Communities and Place (Funding from 2022/3 to 2024/5)	Local Business (Funding from 2022/3 to 2024/5)	People and Skills (Funding from 2024/5 only)	
E1 – Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs. (capital and revenue)	E19 – Investment in research and development at the local level	E33 – Employment support for economically inactive people	
E3 – Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces	E22 – Enterprise infrastructure and employment/innovation sites	E34 – Courses including basic, life and career skills	
E6 – Support for local arts, cultural, heritage and creative activities	E23 – Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks	E37 – Tailored support for the employed to access courses	
E11 – Investment in capacity building and infrastructure support for local civil society and community groups	E26 – Growing the social economy		

Communities and Place

Communities and Place							
Project Name	E1,3 and 6 - Local Authority Community & Place	E11 - Supporting VCSE Infrastructure					
Project Overview	Improve town centres and high streets, including better accessibility for disabled people. The project will create and improve local green spaces, community gardens, watercourses and embankments, as well as incorporate natural features into wider public spaces. It will also support local arts, cultural, heritage and creative activities	Work will be led by 10GM, a joint venture created to support the VSCE sector in the city-region. 10GM are coordinating a partnership of local voluntary, community and social enterprise infrastructure organisations and specialist partners. Activity will take place with delivery partners in each borough					
Delivered By	Local Authorities	10GM					
Key outputs/outcomes	Improving/creating public realm space Supporting local events and activities Creating Jobs	Increase in engagement levels (membership, training, capacity building etc.)					
Status	Live Running	Live Running					

AUTHORITY

Local Business

Local Business								
Project Name	E23 - Cost of Living Support for Businesses	E23 - Core Business Support	E22 - SME Workspace	E23 - Build a Business	E19 - Innovation Ecosystem Navigation	E26 -Inclusive Ownership Platform	E26 - Support Service for Social Economy	E23 - Reducing Inequalities
Project Overview	Provided support for Greater Manchester businesses dealing with the increased cost of doing business over winter 2022-23	A core programme of business support for GM's diverse business base	Funding will be used to support the development of workspaces for SMEs. This project will develop infrastructure and employment/innovation sites.	Hyper-local micro- business start-up and development support. Build A Business provides support to SMEs in the very early stages of operation as well as existing businesses and individuals wishing to start a business.	The aim of this programme is to provide access to highly specialist innovation support that accelerates the commercialisation of innovations where GM has the technological and sector strengths to create innovation-focussed clusters	A 'Inclusive Ownership Platform' which will support community wealth building by facilitating the growth of locally owned and socially minded businesses with models of enterprise ownership	available in the GM ecosystem for the social economy	Experimental business support, enabling a test and learn approach around reducing inequalities in Greater Manchester's businesses.
Delivered By	The Growth Company	The Growth Company	Local Authorities	Local Authorities, led by MCC	ТВС	TBC	TBC	TBC
Key outputs/outcomes	Businesses supported Jobs Safeguarded Improving productivity	Businesses Supported Jobs safeguarded Jobs created Productivity increased	Creating new SME workspaces Supporting job creation Supporting SMEs to adopt new technology	Supporting entrepreneurs to be enterprise ready New enterprises created	Supporting businesses Improving productivity New to market products	Improved support arrangements and diversity in funding options for organisations with inclusive ownership	Increasing the ability of the social economy to create and report social, environmental and economic impact	TBC
Status	Completed in 22/23	Mobilising	In progress	In progress	Out to tender	Out to tender	Spec Development	Spec Development

People and Skills

Project Name	E33/4 - NEET provision	E33/4 - Inclusive Employment & Skills	E33/4 - Community Grants	E37 - Support for Employed Residents	Multiply
Project Overview	This programme is about proactively connecting with vulnerable young people aged 15-18 years (to 25 with young people with SEN, and 21 if care experienced) who are disengaged from mainstream education, work and skills services.	market, with complex needs. It will also have a dedicated offer for	up to £100k to carry out projects	This service will offer skills support for employed resident	Aimed at adults who do not have a Level 2 or equivalent in maths to improve adult functional numeracy levels. In Greater Manchester, we are linking this to all essential life skills (English & Digital) where possible, so residents have a full rounded offer. Multiply also offers support to targeted groups (care leavers/offenders) as well as enhanced level 2.
Delivered By	Local Authorities	ТВС	WEA	ТВС	The Growth Company
Key outputs/outcomes	Support to gain employment Support to access life skills Reducing barriers to skills and employment	Support to access basic and life skills Support to gain employment Reducing barriers to employment	£5m in community grants administered by March 2025 Removing barriers to employment and skills	TBC	Supporting residents to engage in numeracy courses: Numeracy Confident Healthy / Independent Living Reducing cost-of-living Finance and Debt Numeracy for Employability
Status	Grant Agreements being finalised	Awarded	Awarded	Spec Development	Live Running