

UK Shared Prosperity Fund

Regional engagement event

Thursday 19 May 2022, St James Park, Newcastle

Hosted by:



Welcome

Thank you for taking part in the regional engagement session on 19 May.

The purpose of the session is to consider where it might make sense to work collectively at regional level on certain interventions and to engage with people who want to engage once at regional level rather than several times more locally.

A summary of the discussions at the event will be published and shared to support lead authorities as they develop their investment plans.

Agenda

Time	Activity
10am - 10.10am	Welcome and introduction Rob Hamilton, Chief Economist, North of Tyne Combined Authority
10.10am - 10.15am	North East Evidence Base – Levelling Up Richard Baker, Policy and Strategy Director, North East Local Enterprise Partnership
UK Shared Prosperity Fund – Objectives	
10.15am - 10.20am	Communities and place Sarah McMillan, Assistant Director of Policy, Northumberland County Council
10.20am - 10.25am	Supporting local business Sue Parkinson, Vice Chair, County Durham Economic Partnership
10.25am - 10.30am	People and skills Catherine Auld, Assistant Director Economic Regeneration, Sunderland City Council
10.30am – 12 noon	Table discussions
12 noon	Close

The UK Shared Prosperity Fund

The UK Shared Prosperity Fund (SPF) is a central pillar of the UK Government's Levelling Up agenda and a significant component of its support for places across the UK.

The Levelling Up White Paper identifies 12 cross-cutting missions which provide a focus for the UKSPF and for wider government action. It will legislate to create a responsibility to report on progress annually on an associated set of indicators. As is illustrated below, these missions are the focus for the UKSPF and its Investment priorities.



Ambitions of the Fund

To build pride in place and increase life chances across the UK, aligned with the missions set out in the Levelling Up White Paper – you can read the Paper at: gov.uk/government/publications/levelling-up-the-united-kingdom

Prioritise interventions to strengthen pride in place in 2022-23 and 2023-24, alongside the Multiply programme

From 2024-25, further emphasis on investment to support life chances and skills for those furthest from the labour market

Government published its prospectus and supporting documents on April 22 which is available here: gov.uk/government/publications/uk-shared-prosperity-fund-prospectus

The structure of the Fund

£2.6 billion is available for the UKSPF over the Spending Review period, with a mix of revenue and capital funding, to be spent by March 2025.

UK Shared Prosperity Fund

£ billion	Plans 2022-23	Plans 2023-24	Plans 2024-25
Total DEL	0.4	0.7	1.5
of which: Resource DEL	0.4	0.6	1.3
of which: Capital DEL	0.0	0.1	0.2

Every area has received a conditional allocation according to a funding formula. Lead authorities will be asked to develop an Investment Plan, and submit for government approval in the summer.

Investment Plans should include measurable outcomes, and priorities for intervention under three investment priorities: Communities and place, Local business, People and skills.

In the North East, the North of Tyne Combined Authority will be responsible for the fund in Newcastle, North Tyneside, and Northumberland. Durham, Gateshead, South Tyneside, and Sunderland local authorities will be lead authorities for their areas.

In England, the Fund will focus on communities and place and local business interventions in 2022-23 and 2023-24, further investment to support people and skills will follow from 2024-25.

Each lead local authority is required to identify local partners and stakeholders who can provide advice and insight on local needs for developing Investment Plans. Lead authorities should involve MPs "in every stage of UKSPF planning and delivery".

Each area will be required to invest a ring-fenced amount of the Fund in local Multiply interventions to support adult numeracy. This will be managed by the Department for Education and will total up to £430m across the UK by March 2025.

Regional allocations

UKSPF allocations			
	UKSPF core	Multiply	Total
North of Tyne	£47,085,061	£4,128,607	£51,213,668
County Durham	£30,830,618	£2,803,077	£33,633,695
Gateshead	£11,634,466	£1,169,621	£12,804,087
South Tyneside	£8,868,632	£810,389	£9,679,020
Sunderland	£14,936,161	£1,641,730	£16,577,891
North East total	£113,354,938	£10,553,424	£123,908,361

Timeline

When	Activity
2 February 2022	Pre-launch guidance.
13 April 2022	Fund launch.
22 April 2022	Investment plan platform launch. Contacts for each lead local authority sign up to access the investment plan portal. Investment plan log-ins issued.
April – May 2022	Engagement sessions with local authorities and other local partners to support the investment plan process.
April – June/ July 2022	Lead local authorities (and UK government in Northern Ireland) work with stakeholders to develop local investment plans.
Summer 2022	Further guidance published including guidance on monitoring benefits and evaluation, assurance, subsidy control, branding and publicity. Application processes and templates for Northern Ireland will be published – these may be used by lead local authorities in England, Scotland and Wales where desired.
30 June 2022	Investment plan window opens.
1 August 2022	Investment plan window closes.
July – September 2022	Indicative investment plan assessment period for UK government.
October 2022 onwards	Anticipated date for first investment plans to be approved.
October 2022 onwards	Anticipated first payment to be made to lead local authorities.
March 2025	Three year funding period ends.

Discussion session: Communities and place

The following pages provide background information and evidence about the discussions you will have at the regional engagement session on 19 May 2022.

Investment programme objectives

Strengthening our social fabric and fostering a sense of local pride and belonging, through investment in activities that enhance physical, cultural and social ties and amenities, such as community infrastructure and local green space, and community-led projects.

Building resilient, safe and healthy neighbourhoods, through investment in quality places that people want to live, work, play and learn in, through targeted improvements to the built environment and innovative approaches to crime prevention.

Understanding our economy



In 2020, the population in the North East area was estimated to be about 2,003,600. The working age population was about 62.5% of the total. The North East has a higher percentage of older workers compared to England, and a higher percentage of youngest workers, partly due to the presence of the four universities.



The North East was closing the employment and economic inactivity rate gaps with England excluding London, but these gaps have widened due to the impact of Covid. The employment rate varies little across the North East LEP but the economic inactivity rate is highest in Sunderland.



The population of the North East LEP area has grown 4% over 10 years, a slightly slower rate than in England excluding London (6.7%).



County Durham is the most populous authority in the North East LEP area, while Newcastle has the highest proportion of working age residents. 25% of Northumberland's population are aged 65+ as it attracts the most people in retirement.



Productivity growth in the North East LEP area has yet to fully close the gap compared to England excluding London. GVA per hour worked in the North East LEP area was £7.5 lower in the North East LEP area in 2019 than in England excluding London. Within the North East LEP area productivity is highest in Sunderland due to the highly productive automotive cluster.



Real GDP growth has been slow in the North East LEP area compared to nationally, especially since the 2008 recession. Taking into account inflation GDP per head in the North East LEP area was larger in 2006 than in 2019 (£24,022 vs £23,645). GDP per head is highest in Newcastle partially due to the inflow of commuters to the city.



The North East LEP has a low number of business per head reflecting the small size of the private sector in the region. The North East has more sole proprietors.



The North East LEP is connected by commuting flows across the region, and Travel to Work areas across many local authority boundaries. Commuting flows redistribute income across the North East, with more rural areas benefiting from jobs in urban centres.

Understanding our communities and places

Deprivation



Small area deprivation is more common in the North East than nationally, particularly health and employment related deprivation. The North East has a higher percentage of children who live in relative low-income households, and this has increased since 2015.



Life satisfaction in the North East is at its lowest since 2012/13. 5 out of 7 local authority areas have below average levels of life satisfaction.



The rate of increase in the proportion of children living in low income households has accelerated since 2019.



In 2020, 129, 927 householders in the North East LEP were fuel poor. This is 14% of householders, which compares favourably to other regions such as Yorkshire and Humber (17.5%). All local authorities had a decrease in the percentage of fuel poor homes, apart from Newcastle which had a slight increase.



In 2020, 17% of householders experience worklessness in the North East. All local authorities experienced a decrease in the number of workless households compared to previous year.

Places



The North East LEP has generally strong access to employment centres via public transport due to its primarily urban geography.



Broadband access is good, but varies across the region. Properties with full-fibre connectivity and low speed broadband are pocketed in the same areas.



At the end of April, North East visits to workplaces were still 14% below pre-Covid levels, retail and recreation visits were still 7% lower. Retail and recreation visits were below early 2020 levels in all local authority areas except Northumberland.



Housing is relatively affordable in the North East compared to England, despite a slight decrease in affordability since Covid-19. The greater affordability of housing south of the Tyne is driven more by lower house prices than lower wages. There is some evidence of greater demand for housing north of the Tyne.



The North East experiences proportionately more crime than England excluding London, although less violent crime. Stalking and harassment are also proportionately higher in the North East. A recent consultation exercise by the Northumbria Police and Crime Commissioner on transport safety found that most transport users had experienced anti-social behaviour, alcohol related disorder and intimidating groups.



Participation in cultural activities in the North East is generally lower than nationally, but there is variation across the North East. Engagement is generally higher than average in Newcastle and North Tyneside and lower than average in Sunderland and County Durham.



The North East has fewer public outdoor spaces than elsewhere in England but has less distance to travel to access them. The Nexus Insights Panel recently explored the cost-of-living crisis and found that the increase in the cost of living is impacting upon participation in recreation and leisure activities.

Relationships between places



The North East LEP is connected by commuting flows across the region, especially flows into Newcastle.



Travel to Work areas in the region cross local authority boundaries.



Commuting flows redistribute income across the North East, with rural areas benefiting from higher incomes from jobs in urban centres.



Highly skilled workers commute further across the North East LEP than workers with lower qualification levels.



**North East
Evidence Hub**

A full evidence base for the UKSPF has been developed and will be published on the North East Evidence Hub on Friday 20 May.

Visit evidencehub.northeastlep.co.uk for more details.

Communities and people interventions

E1: Funding for improvements to town centres and high streets, including better accessibility for disabled people, including capital spend and running costs.

E2: 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.

E3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.

E4: Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural heritage offer.

E5: Design and management of the built and landscaped environment to 'design out crime'.

E6: Support for local arts, cultural, heritage and creative activities.

E7: Support for active travel enhancements in the local area.

E8: Funding for the development and promotion of wider campaigns which encourage people to visit and explore the local area.

E9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places.

E10: Funding for local sports facilities, tournaments, teams and leagues; to bring people together.

E11: Investment in capacity building and infrastructure support for local civil society and community groups.

E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.

E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

E14: Funding to support relevant feasibility studies.

E15: Investment and support for digital infrastructure for local community facilities.

Questions for discussion during the session

Which areas highlighted in the regional evidence base, if addressed, would have the biggest impact?

What UKSPF interventions would have the biggest impact on addressing these opportunities and issues. Where is the case strongest for collaboration at a cross-lead authority or regional level?

What could we do differently, what has worked in the past and what hasn't worked? Based on your experience, are there any other issues or comments that you think should be considered?



evidencehub.northeastlep.co.uk

