



Date: 13 July 2022

Councillor Thomas
Leader
Cardiff Council
County Hall
Cardiff
CF10 4UW

Public Letter

Dear Councillor Thomas,

SHARED PROSPERITY FUND (SPF)

Thank you for attending the Economy & Culture Scrutiny Committee on 11 July 2022, along with Paul Orders and Jon Day, for pre-decision scrutiny of the report to Cabinet titled Shared Prosperity Fund. Our scrutiny built on last month's policy development review, where we explored the type, focus, and flexibility of funding, constraints, and governance arrangements. This time, we focused on how to ensure SPF funding tackled deep inequalities, how to maximise synergies and avoid duplication, whether Cardiff would receive its nominal allocation in full, and governance structures. This letter captures our comments and observations in relation to these issues.

Tackling Inequalities

Members highlighted that the rising cost of living on top of the effects of the covid pandemic leads to a risk of entrenching deep-seated inequalities in society, including in Cardiff, and wondered how SPF will address these. Members note your response that SPF on its own is not a game-changer but, coupled with other work promoted by the Council with partners, such as making Cardiff a Living Wage City and targeting Into Work schemes, Cardiff Council is seeking to address inequalities.

Members suggested embedding appropriate targets and monitoring compliance on these, for example targets for employment. Members note officer's responses that this is possible, that they are working with the Inclusive Growth Network to understand best practice in this area, and that they will feedback to the lead authority the need to ensure this is built into monitoring and evaluation frameworks. Members

are pleased to hear this as it is essential to embed targets into what we want to do, to set out the intention and direction of where we want to go.

Maximising synergies and avoiding duplication

Members are aware that the previous Structural Fund system enabled regional and national coordination of schemes. We sought assurance that, despite the SPF framework not requiring this, partners are working regionally and nationally, to maximise synergies and avoid duplication. Members were pleased to hear the Cardiff Capital Region City Deal is liaising with other regions on skills, training and business support, and that Welsh Government is interested to ensure a national overview of schemes.

Cardiff allocation of SPF

Members note that Cardiff has a notional allocation of £41,807,334, of which £7,219,740 is ring-fenced for the adult numeracy Multiply programme. Members sought clarification on how funding is allocated across the proposed programmes under each of the three investment priorities. Members note an initial line allocation has taken place, but more work is required over the summer to test deliverability and whether schemes proposed are the best use of monies. Members note a key priority of spend will be those areas that previously utilised Structural Funds, such as Into Work services, to ensure continuity of provision.

Members **seek assurance** that Cardiff will receive its notional allocation in full and **seek assurance** that systems will be put in place to monitor spend in Cardiff.

Governance structures

Members note that the report to Cabinet is clear further work is required on governance and monitoring systems and that further guidance and clarification from UK Government is needed before these can be finalised. In particular, Members note that clarity is needed on:

- Whether funds will be received upfront or following spend
- Whether funding will be for programmes or for individual projects
- Details to enable a Service Level Agreement between the Council and Lead Authority to be drafted.

Members note the intention is to use the Cardiff Capital Region City Deal and successor Corporate Joint Committee as the governance structure for regional programmes and projects. Members note Cardiff Council will establish local systems for monitoring, evaluation and compliance, for local programmes and projects.

Finally, Members wish to highlight that, as well as the Wales Coastal Path mentioned in the proposed programmes, many areas of Cardiff host walking routes that could be used to promote these areas to visitors, such as the Penrhys Pilgrimage route, which starts/ends in Llandaff, walks in Penylan, Creigiau, St Fagans and Pentyrch.

Thank you again for attending our committee. Members note that the report to Cabinet sets out a broad framework based on the Recovery Strategy and that a more detailed delivery plan is being prepared, which will need to be a dynamic, evolving plan due to the nature of the SPF. We look forward to receiving more details on successful bids and delivery plans, in the future.

This letter requires a response, please, to the following point:

- Members **seek assurance** that Cardiff will receive its notional allocation in full and **seek assurance** that systems will be put in place to monitor spend in Cardiff.

Yours sincerely,



COUNCILLOR PETER WONG
CHAIR, ECONOMY & CULTURE SCRUTINY COMMITTEE

cc Members of the Economy & Culture Scrutiny Committee
Group Leaders - Cllr Robson, Cllr Taylor
David Hugh Thomas – Chair, Governance & Audit Committee
Paul Orders Jon Day
Rhian Jones Cabinet Support Office
Chris Pyke Tim Gordon Jeremy Rhys