

SHARED PROSPERITY FUND UPDATE

LEADER (COUNCILLOR HUW THOMAS)

AGENDA ITEM: 3

Appendix 2 of the Cabinet Report is not for publication as it contains exempt information of the description contained in paragraphs 14 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To update Cabinet on the delivery of the Shared Prosperity Fund in Cardiff and to outline and approve a revised delivery programme and process for dealing with any underspends for 2024/25.
2. To note the successful applicants to the Council's Shared Prosperity Fund Open Call process.

Background

3. The Cabinet report of 17th November 2022 outlined the Council's initial response in preparing for any announcement relating to the Shared Prosperity Fund. The report outlined governance arrangements for the oversight of the programme in Cardiff, the regional arrangements that had been established to manage the fund, an initial programme of activity as well as a wider programme to cover the period of the Shared Prosperity Fund.
4. The report also approved an initial spend profile against a number of key projects. As outlined in the report, a pragmatic approach was undertaken that ensured that, in anticipation of confirmation of the funding, spend could begin relatively quickly, given that the Shared Prosperity Fund works on an annual budgeting basis. This approach sought to allocate funding to Council service areas to work with partners and to establish grant schemes to deliver the key outputs and outcomes of the Shared Prosperity Fund. The approach also enabled key projects and programmes to continue where other external funding was ending putting a number of key projects at risk. This impacted the Into Work services team and, as such, the Shared Prosperity Fund has enabled the continuation of some vital services for communities in the city.

5. The UK Government confirmed the regional allocation of the Shared Prosperity Fund in December 2022, and subsequently the Lead Authority worked with the UK Government to conclude funding arrangements and requirements. In addition, work has been completed to establish the necessary governance arrangements including establishing a Service Level Agreement between Rhondda Cynon Taf County Borough Council, who act as the Lead Authority for the South-east Wales region, and Cardiff Council.
6. The 'year one' profile agreed in anticipation of funding has meant that some projects have been able to continue or progress as a result. As noted in the November 2022 Cabinet report, a pragmatic approach led by either direct delivery or procurement has been undertaken in order to ensure that the Cardiff allocation can be used within the annual budget framework established for the Shared Prosperity Fund.
7. A further report was taken to Cabinet in September 2023 to provide additional detail for the programme for the 2023/24 and 2024/25 financial years. This included the establishment of additional or expansion of existing grant schemes, namely the following schemes:
 - Open Call Scheme
 - Neighbourhood Regeneration Scheme
 - Community Building Grant Programme
 - Cardiff Growth Fund
 - Cardiff Market
 - Grassroots Fund Scheme
 - C3SC Revenue Fund
 - Community Cohesion Fund
8. The largest of these schemes was the Open Call scheme. This provided over £5m to be allocated to any constituted organisation that was able to deliver projects that met both the criteria of the Shared Prosperity Fund, the aims of the Council's Stronger, Fairer, Greener strategy and the objectives of the Public Service Board's Local Well-being plan.

Issues

Update on Progress

9. The Council has successfully delivered a programme of activity for year one of the Shared Prosperity Fund and for the first half of the 2023/24 financial year. Examples of projects supported include:
 - Cycle way improvements in Old St Mellons and Llanishen Park;
 - A new 3G pitch developed in Splott;
 - The refurbishment of Rhiwbina Hub;
 - Improvements to shelter and lighting in St Mellons Park;
 - Support to campaigns such as Crimestoppers and Youth Bus;
 - Support given to events for Operation BANG and Gabalfafest;
 - 200 events and activities supported for young people;

- Education and training for young people across the city, with targeted support being given to some of the most vulnerable young people in Cardiff;
- Partnership working to support children and young people to increase skills;
- Digital developments in Hub with 17 new PC screens installed;
- Over 140 activities in arts supported at Llanover Hall;
- Support with running activities around well-being such as walking sports and mindfulness hours;
- Over 200 socially excluded individuals accessing support;
- Support centred around developing skills and self-confidence for individuals with learning disabilities;
- Learning essential skills and qualifications that each industry needs;
- Support to VEST to provide transport for residents of Cardiff;
- Direct support to music venues in Cardiff;
- Supported over 3,000 litter picks;
- Set up 9 community recycling zones saving over 4 tonnes of CO2;
- Supported attendance at international business events conference with Meet in Wales;
- Provided assistance to conferences in the city;
- City Centre Management team wide Naloxone training allowing them to provide vital emergency assistance to those who need it most;
- Public realm improvements;
- Supporting job club activities to help people with employment, benefits and housing;
- Over 600 people participating in Multiply funded courses;
- Support to a wide range of citizens to budget effectively, apply for grants, benefits and discounts, and provide practical solutions to help them out of debt; and
- A dedicated Multiply team established focused on non-accredited life skills.

10. Since September additional examples of progress in delivering the Shared Prosperity Fund Programme include:

- VEST has acquired a community bus tailored to facilitate the day-to-day activities of Cardiff residents;
- Hundreds of children and young individuals have been actively engaged, participating in or gaining access to 25 child-friendly events, both within and outside the school environment;
- Youth services referrals actively engaging with SPF-funded youth mentors;
- The City Centre Management team is now equipped with immediate access to defibrillators and first aid bleed kits for emergency situations;
- A proactive initiative has been launched to guide and prepare potential enterprises through comprehensive training and support;
- Community recycling zones have seen further development, contributing to a notable reduction in waste;

- Funding has been allocated to Pedal Power, supporting adults with learning difficulties and facilitating the purchase of adaptive bikes, resulting in a heightened level of user engagement;
- 400 events and activities have been supported for young people;
- Accessibility to toilets in community hubs has been improved;
- Over 400 individuals have actively engaged in well-being support programs. Continuing support has been extended to employment initiatives, with over 180 individuals, including those pursuing self-employment, receiving substantial assistance;
- Plans established for a promoter scheme aimed at showcasing music across various genres;
- Ten Community Building Grants have been awarded, with three projects successfully completed;
- Nine Neighbourhood Renewal Schemes are in progress, and community engagement has begun for five schemes, including Llanrumney Park, Splott Park, Clare Gardens, Maria Street, and Insole Shops, with design work underway; and
- Master planning for the regeneration of Cowbridge Road East Shopping Centre is underway following community engagement in the Spring under the District Centre Regeneration initiative.

Open Call

11. The Open Call Fund launched in the summer of 2023 with the aim of providing support to organisations operating in Cardiff to deliver schemes that align with the Shared Prosperity Fund requirements, as well as the needs of the city. The scheme provided up to £250,000 per project and attracted over 100 applicants with a total value of applications of over £17m.
12. An assessment process was undertaken that scored projects according to:
 - Alignment with the ‘Stronger, Fairer, Greener’ strategy
 - Alignment with the Local Wellbeing Strategy
 - Alignment with UK Government SPF criteria
 - Funding Detail and Value for Money
 - Alignment with Local Focus Areas and UK Government aims of the Fund
 - Project Deliverability and Community Capacity Building
 - Demonstration of additionality relative to Existing provision
13. Following this process, over £5m worth of funding was awarded to schemes across the city. Initially 7 organisations were awarded funding to begin from November 2023 with the remaining being funded from the 2024/25 financial year. The initial bids with funding available from November 2023 were awarded to:
 - Action for Children
 - Public Services Board
 - The Prince’s Trust
 - Business in Focus

- Cardiff Metropolitan University
 - National Theatre
 - Wales Millennium Centre
14. These bids have received award letters and will be progressing with their projects. A summary of these schemes is attached as Appendix 1. All bids also require an Equality Impact Assessment before funding is awarded.
15. The remaining schemes that were successful in securing funding will be finalising grant agreements in due course. Details on the schemes will be published once these agreements are in place. Confidential Appendix 2 notes the organisations that have been successful in accessing funding.

Unallocated Funding for 24/25

Capital Scheme

16. Whilst the September 2023 Report outlined the proposals for the majority of spend for the Cardiff Shared Prosperity Fund Programme an amount of circa £4m unallocated funding for 2024/25. This funding will need to be allocated to areas that comply with the Regional Investment Plan, which includes a minimum spend for capital projects. Whilst the overall capital requirement is a regional one, given the relative population size of Cardiff it does mean that decision made in Cardiff will have a sizable influence on the overall plan.
17. It is therefore proposed that a £3m allocation is made for a capital programme to be progressed. This will require schemes that can be delivered within the timescale and support the overall themes of the Shared Prosperity Fund. Furthermore, there are some areas within the Shared Prosperity Fund Programme where there is gap in overall spend, which covers areas such as:
- Sports and leisure facilities;
 - Investment in facilities for young people;
 - Community safety improvements in local areas (including lighting and CCTV); and
 - Tourism and visitor facilities.
18. To deliver this capital programme it is proposed that the funds in the table below are established, to be managed by the relevant directors for each service area in consultation with the Council's Senior Management Team.

Fund Name	Fund Description	(£m)
Sports, Leisure & Culture Fund	Provision for Pentwyn Leisure Centre capital spend and delegation for fund to be managed by Director of Economic Development in consultation with SMT	£1.5m
Youth Facilities Fund	Provision for support for capital spend for youth services to be managed by Director of Education in consultation with SMT	£0.4m
Community Facilities Fund	Funding to focus on safety interventions and community facilities to be managed by Assistant Director of Development & Regeneration in consultation with SMT	£0.6m
Public Realm Improvement Fund	Funding to focus on investment to support public realm improvements, to be managed by Director of Planning, Transport & Environment in consultation with SMT	£0.5m

Capacity Building Revenue Schemes

19. It is also proposed that an addition £1m is allocated to projects that will support community capacity building across the city in all three priorities of the Shared Prosperity Fund. These projects will be delivered by Cardiff Council and focus on delivering the outputs and outcomes of the Shared Prosperity Fund whilst also investing in activity that can reduce future demand for services and support the development of new models of delivery that helps with a transition from grant funding support.

Proposals for underspends for 23/24 and 24/25

20. Whilst the Shared Prosperity Fund has been predicated on an annual budget, recent discussions with the UK Government led by the Lead Authority have outlined that there is now some limited scope for underspends in the current financial year to be rolled over to 24/25. However, this will be subject to approvals and confirmation from the UK Government. It should also be noted that the funding availability for 24/25 will also be determined by the level of spend up until the end of 23/24. In practice this means for funding to be released at the beginning of 24/25 the region will need to spend a minimum of 80% of its total Shared Prosperity Fund allocation for the period up to the end of 23/24.
21. It is proposed therefore that authority is delegated to the Assistant Director Housing & Communities to re-allocate any underspends to existing schemes outlined in the November 2022 and September 2023 Shared Prosperity Fund Cabinet Reports. This can include providing additional funding for existing grant schemes, as well as the projects identified in the 'year one' spending profile from the November 2022 report.

22. Officials will also work with Rhondda Cynon Taf to agree any arrangements for dealing with regional underspends. This will need to consider the regional nature of the overall funding package and the need to reflect a fair system for each of the ten local authorities. This will also mean that it is incumbent on Cardiff to declare if it does not project to spend its full allocation by the end of March 2025 so that any underspends can be used regionally.

Reason for Recommendations

23. To update Cabinet on the delivery of the Shared Prosperity Fund in Cardiff and to outline and approve a revised delivery programme for 2024/25, including proposals for currently unallocated funding and any future underspend.
24. To note the successful applicants to the Council's Shared Prosperity Fund Open Call process.

Financial Implications

25. The financial matters are fully addressed in the cover report. It is incumbent on the Council to ensure that money allocated from the Shared Prosperity Fund is spent in the year provided and that any outputs associated with the grant approval are fully evidenced and demonstrated.
26. Any over and underspends incurred in the discharge of the grant funded initiatives will need to be managed in accordance with the terms and conditions of the Shared Prosperity Fund Grant.

Legal Implications (including Equality Impact Assessment where appropriate)

27. Legal Services understand from the body of the report that the Shared Prosperity Fund will provide grant funding to the Council to support specific projects. Accordingly, any expenditure will need to be in accordance with the terms and conditions of the grant and must be in compliance with Subsidy Law (formerly called State Aid) and the Councils Constitution.
28. Legal advice should be obtained on each scheme and initiative prior to being implemented to ensure the same can be achieved within legal constraints. To the extent that any proposed scheme and initiative involves the procurement of works, goods or services then the Council must comply with its Contract Standing Orders and Procurement Rules and procurement legislation.
29. In addition, to the extent that any of the proposed schemes and initiatives are dependent on the making of any orders or the obtaining of any consents or the like then it will be necessary to follow the appropriate statutory processes.

Equality Duty

30. In considering this matter, the Council must have regard to its public sector equality duties under the Equality Act 2010 (including specific Welsh public sector duties). This means the Council must give due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The protected characteristics are:

age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion, or belief – including lack of belief.
31. An Equalities Impact Assessment should be considered in relation to specific projects to identify the equalities implications of the proposed decision, including inequalities arising from socio-economic disadvantage, and due regard should be given to the outcomes of the Equalities Impact Assessment.
32. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers (WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 (gov.wales) and must be able to demonstrate how it has discharged its duty.

Well Being of Future Generations (Wales) Act 2015

33. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
34. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals. The well being objectives are set out in Cardiff's Corporate Plan 2023-26. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
35. The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take

account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look at the long-term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them.
36. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the line below:

<http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

General

37. The Council must be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council must consider the Well-being of Future Generations (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.
38. The decision makers must be satisfied that the proposals fall within the Council's approved policy and budget framework.

HR Implications

39. There are no HR implications directly arising from this report.

Property Implications

40. There are no property implications for this report.

RECOMMENDATIONS

Cabinet is recommended to

1. Delegate authority to Chief Executive and Section 151 Officer in consultation with the Leader of the Council to progress the proposed unallocated funding processes identified in this report in paragraphs 16 to 19.
2. Delegate authority to Assistant Director for Communities and Housing to allocate any underspend as outlined in paragraphs 20 to 21.

3. Delegate authority to Chief Executive and Section 151 Officer in consultation with the Leader of the Council to conclude any arrangements relating to overall regional underspend.

SENIOR RESPONSIBLE OFFICER	Neil Hanratty Director of Economic Development
	12 January 2024

The following appendices are attached:

- Appendix 1: Successful Open Call Projects - November 2023 – March 2025
- Confidential Appendix 2: Successful Open Call Projects - April 2024 – March 2025
- Appendix 3: Single Impact Assessment