



Report To:	Leader of the Council
Date:	24/02/2025
Subject:	Investment Plan for the UK Shared Prosperity Fund 2025-6
Purpose:	To adopt and submit the draft Investment Plan for the UK Shared Prosperity Fund in 2025-6, in line with the deadlines set by the Mayoral County Combined Authority.
Key Decision:	Yes
Portfolio Holder:	Paul Redgate – Deputy Leader and Portfolio Holder for Finance
Report Of:	Matthew Hogan, Assistant Director – Strategic Growth and Development
Report Author:	Saul Farrell – Senior Programme Manager (Local Growth and Grant Funding)
Ward(s) Affected:	All
Exempt Report:	No

Summary

This report details the high-level principles within the Investment Plan for the UK Shared Prosperity Fund in 2025-6 and the requirement to submit this to the new Mayoral Combined County Authority by the set deadline (28/2/25).

Recommendations

To adopt and submit the draft Investment Plan for the UK Shared Prosperity Fund in Financial Year 2025-6, the funding priorities within this Investment Plan and the proposed approach to the distribution of funding. Specifically, to renew the UK Shared Prosperity Fund Programme on the basis of supporting successful interventions to continue through a continuation fund, an open grant funding scheme in Communities and Place for new projects and continuing the delegated model for grant awards to local businesses, Parish Councils and community projects through the two delegated Schemes (LCF GRASSroots and Grants4Growth II).

Reasons for Recommendations

To meet the two-week deadline set forward by the new Mayoral County Combined Authority for the production, agreement and adoption of an Investment Plan for the renewed 2025-6 UK Shared Prosperity Fund Programme. To set out the UK Shared Prosperity Fund Investment Plan for 2025-6 and to support the mobilisation of that plan in the new Financial year.

Other Options Considered

1. To submit the proposed Investment Plan for 2025-6 in order to meet the deadline
2. Do Nothing – This would result in the deadline being missed. This is likely to carry financial and operational risk to the Council and to communities, as a later start to the constituent grant funding Programmes will reduce the available time for delivering projects and risk underspend or return of funds due to the District. The reputational risk arising from this option would likely be significant.

1. Background

- 1.1 On 30th October 2024, HM Treasury and MHCLG announced the renewal of the UK Shared Prosperity Fund for a 'transitional year' (2025-6) on a reduced national budget.
- 1.2 In December 2024, it was announced that the new Greater Lincolnshire Mayoral Combined Authority (MCCA) would assume Lead Local Authority status (previously held at District level) but that Districts would still continue to deliver the majority of the reduced fund, less a further topslice of funds held by Lincolnshire County Council to substitute for the cancellation of Multiply (previously co-administered with UKSPF).
- 1.3 For the transitional year, the MCCA has determined that North-East Lincolnshire will assume Lead Local Authority status responsibilities for all authorities in the County and in so doing, will also assume a topslice (0.75% of revenue funding) to pay for this. The District Council will receive a reduced allowance of 3.25% to administer the Programme.
- 1.4 The cumulative effect of these changes is to create a 2025-6 UKSPF Programme to be delivered over a transitional one-year period, with a reduced budget. The allocation of funding to South Holland District is £837,677 (£700,014 Revenue, £137,662).
- 1.5 On 14th February 2025, the MCCA invited Districts to produce, adopt and submit Investment Plans by 28th February 2025. On account of this, it is proposed to take an urgent decision to adopt and submit the attached Investment Plan.

2. Report

- 2.1. The national guidance on the use of the UK Shared Prosperity Fund requires the funding to address and achieve outcomes within three core themes: Communities

and Place, Supporting Local Business and People and Skills. Within the 2025-6 Investment Plan, it is proposed that the funding shall be divided (as within the 2023-5 Programme) by a ratio of 40%:40%:20% across these three themes respectively. This will enable the Council to set a balanced Investment Plan that will best enable the Authority to meet the requirements set by Central Government.

2.2. The 2025-6 Investment Plan is based on the following key principles:

- A. South and East Lincolnshire continuing with the delegated grant funding offer to enable individual grants below £25,000 to be made directly. This will be through both the Lincolnshire Community Foundation (LCF) GRASSroots Scheme for Parish Councils, community projects and village halls and Grants 4 Growth for grants to local businesses.
- B. South and East Lincolnshire supporting the continuation of successful projects delivered under the 2023-5 UKSPF Programme through a Continuation Fund across all three themes.
- C. South and East Lincolnshire delivering a small open grant fund in the Communities and Place theme for larger proposals that do not meet the criteria of the GRASSroots Scheme, to support innovative project proposals.

2.3. We are proposing, subject to the submission and agreement of satisfactory proposals for grant aid, to continue to fund the following successful 2023-5 projects:

- Lincolnshire Community Foundation (LCF) GRASSroots (SELCP-wide)
- Active Lincolnshire Active Communities (SELCP-Wide)
- Grants4Growth (SELCP-wide)
- UK Fresh Produce Network Events (SELCP-Wide)
- LCVS Community Transport Initiative (SELCP-Wide)
- Boston College Restart, Reskill, Upskill (SELCP-Wide)
- Community-Based Digital Support (SELCP-Wide)
- Heritage Lincolnshire Heritage Skills (SELCP-Wide)
- Pride in Place Volunteering Initiative (SELCP-Wide)

2.4. It is anticipated that, subject to MCCA approval, the Programme will launch in April 2024.

Conclusion

- 2.5. The recommendation is to adopt and submit the draft Investment Plan for the UK Shared Prosperity Fund in Financial Year 2025-6, the funding priorities within this Investment Plan and the proposed approach to the distribution of funding. Subsequent to the adoption of this recommendation, the Local Growth and Grant Funding Team shall work with partners to mobilise the Programme, ensuring that businesses and residents can access this in the quickest possible order.

Implications

South and East Lincolnshire Councils Partnership

The proposal is that the Programme continues to be administered as a 'one Partnership' programme, served by a single Programme Team, hosted at South Holland District Council but shared across the South and East Lincolnshire Councils Partnership area.

Corporate Priorities

None Arising

Staffing

None Arising

Workforce Capacity Implications

There will be workforce capacity implications associated with the delivery of the additional contracts for grant funding and the operational oversight of the UK Shared Prosperity Fund Programme. It is proposed that these are entirely met through the current staffing resource within the Local Growth and Grant Funding team and that the administration budget is applied to that Service budget to support this.

Constitutional and Legal Implications

None Arising

Data Protection

None Arising

Financial

The successful agreement of a UKSPF Investment Plan will result in an award of £837,677 to South Holland District Council to continue activity under the three UKSPF themes (Supporting Local Business, Communities and Place and People and Skills) for the next Financial Year.

Risk Management

None Arising.

Stakeholder / Consultation / Timescales

Consultation has occurred with the following parties between 14/2/25 and today's date:

- Relevant members of the Senior Leadership Team
- The Leader of the Council
- The Deputy Leader of the Council (as Portfolio Holder).
- The Chair of PMP/Scrutiny (to support exemption for the required urgent decision).

Reputation

The adoption of a Programme predicated upon continuation for two of the three themes will require careful stakeholder management for those projects 2023-5 projects who have not been earmarked for continuation. Furthermore, the significant overall reduction in UKSPF by the Council received as a result of national funding reductions and the topslice taken at a Greater Lincolnshire level

Contracts

The adoption of the UK Shared Prosperity Fund Investment Plan for 2025-6 will lead to the Council entering into a series of grant funding contracts to support the distribution of these funds to the local community and local businesses. It is anticipated that there will be between 16 and 20 individual grant funding contracts let under the aegis of this Investment Plan, centrally managed by the Local Growth and Grant Funding Team

Crime and Disorder

None Arising.

Equality and Diversity / Human Rights / Safeguarding

None Arising.

Health and Wellbeing

None Arising.

Climate Change and Environmental Implications

None Arising.

Acronyms

UKSPF – UK Shared Prosperity Fund

MCCA – Mayoral County Combined Authority

Appendices

Appendices are listed below and attached to the back of the report:

Draft Investment Plan – UK Shared Prosperity Fund 2025-6

Background Papers

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

Chronological History of this Report

A report on this item has not been previously considered by a Council body.

Report Approval

Report author: Saul Farrell – Senior Programme Manager (Local Growth and Grant Funding)

Signed off by: Matthew Hogan – Assistant Director – Strategic Growth and Development)

Approved for publication: Paul Redgate – Deputy Leader and Portfolio Holder for Finance