

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2681

Title: UK Shared Prosperity Fund: People and Skills' direct awards to sub-regional partnerships

Executive Summary:

The GLA has received £144 million from the UK Shared Prosperity Fund (UKSPF) for 2022-25. Following the Mayor's endorsement of the overall UKSPF Investment Strategy, London's four sub-regional partnerships will receive direct funding of up to £25 million under the People and Skills investment priority. The GLA received their delivery plans in June 2023 in line with allocations set by London Councils.

The Mayor delegated authority (under cover of [MD3058](#)) to grant approvals for the award and payment of UKSPF funding to the Executive Directors for Good Growth, and Communities and Skills, and the Assistant Directors for Economic Development and Programmes, and Skills and Employment. This decision seeks approval for the award of funding under the People and Skills Investment Priority.

Decision:

That the Interim Assistant Director, Skills and Employment (Delivery), approves the direct award of up to £25 million in total of UKSPF People and Skills funding, to: the London Boroughs of Croydon, Ealing, Redbridge and the City of London Corporation (each acting as lead authorities for London's four sub-regional partnerships (SRPs)). Each Sub Regional Partnerships individual allocation is as follows:

- Central London Forward, £8,280,000
- Local London, £7,930,000
- South London Partnership, £2,920,000
- West London Alliance, £5,870,000

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Ayodeji Akande

Position: Interim Assistant Director,
Skills and Employment (Delivery)

Signature:



Date:

17/11/2023

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The UK Shared Prosperity Fund (UKSPF) is a £2.6 billion three-year programme that is devolved to UK local authorities, as part of the government's 'Levelling Up' agenda led by the Department for Levelling Up, Housing and Communities (DLUHC). All areas of the UK have received a UKSPF allocation. London has a three-year allocation of £144,444,970¹. This has been split between three 'investment priorities' of Community and Place (£40,126,812), Supporting Local Businesses (£62,198,004) and People and Skills (£38,119,027), and day to day administration of the Fund (£4,001,127).
- 1.2. The GLA submitted London's UKSPF Investment Plan, co-designed with London Councils, to DLUHC in July 2022, which approved it in December 2022.
- 1.3. In January 2023, in MD3058 the Mayor noted GLA's role as Lead Authority for managing the UKSPF programme in London and approved receipt of the £144,444,970 grant for the three financial years 2022-2025.
- 1.4. Originally, the People and Skills priority for London, worth £38.1 million, included two indicative activities under which all support would be delivered:
 - [Intervention E33](#): "employment support for economically inactive people," worth £25 million
 - "Support for Young Londoners," a bespoke intervention worth £13.1 million, which will deliver careers education to young Londoners and support young Londoners not in education, employment or training (NEET). Activity here will be led by the GLA and will support around 6,500 young people.
- 1.5. However, in September 2023, DWP informed the GLA that they had reviewed London Investment Plan and were unable to support some of its provision under E33: specifically, the expansion of the Work and Health programme, and support for unemployed people. Following discussion with government it was agreed to remove the Work and Health programme from the investment plan and to open intervention E34 to fund employment support for unemployed people.
- 1.6. The £25 million funding will now be directly allocated to London's four SRPs² to deliver the following activities:
 - Support for economically inactive people (E33) will target residents who do not qualify for, or whose needs may not best be met by existing DWP support, including Work and Health Programme Pioneer Support. This provision will help join-up local services and mainstream provision, helping economically inactive to move towards and into employment
 - Additional activities complementing the delivery of 'No Wrong Door' (NWD)(E33). Integration hubs provide join-up between skills and employment services across London to meet the needs of different groups of Londoners

¹ The £144 million is paid in three instalments of different amounts to the GLA. The first (paid in December 2022) on approval of the investment plan. The second and third are based on DLUHC's judgment of London's UKSPF performance.

² London's four SRPs: CLF: Central London Forward (City of London Corporation) , LL: Local London (London Borough of Redbridge), SLP: South London Partnership (London Borough of Croydon), WLA: West London Alliance (London Borough of Ealing)

- Support for disadvantaged groups (E34) will offer a range of opportunities for unemployed participants to engage in learning and development, to upskill, and to move towards and into employment.
- 1.7. The SRPs' allocations were agreed by the London Councils Leaders' Committee in 2022 and the split is as follows:
- Central London Forward, £8,280,000
 - Local London, £7,930,000
 - South London Partnership, £2,920,000
 - West London Alliance, £5,870,000.
- 1.8. Once an agreement with government was reached in October 2023, the SRPs were invited to set out how they intended to apportion funding across the three strands, the high-level activities to be funded, the delivery mechanisms, programme management and governance arrangements and the outputs and outcomes they expected to achieve.
- 1.9. All proposals were reviewed to ensure they align with the London investment plan, that the proposals represent value for money and include equality, diversity, and inclusion goals, and that SRPs have the management and governance systems in place to deliver the activities.
- 1.10. This decision seeks approval of the awards to each SRP lead authority. Each SRP will be required to comply fully with UKSPF requirements and the GLA will carry out performance monitoring and reporting of the SRPs' collective activity to the DLUHC.

Previous Mayoral Decisions

- 1.11. The Mayor (in January 2023 under the cover of MD3058) delegated authority to approve the award and payment of UKSPF funding in accordance with the approved UKSPF investment plan to the Executive Directors for Good Growth, and Communities and Skills, and the Assistant Directors for Economic Development and Programmes, and Skills and Employment (including the approval of entry into contracts, awarding grants and making payments to delivery providers).
- 1.12. The Executive Director – Good Growth (in July 2023 - [DD2638](#)) approved the commitment and award of up to £30.9 million UKSPF to the applicants of the Supporting Local Business call for proposals. In addition, approval was granted for the direct award of up to £53.2 million UKSPF to London's 32 boroughs and to the City of London Corporation for activities under the 'Communities and Place' and 'Supporting Local Business' investment priorities.

2. Objectives and expected outcomes

- 2.1. The UKSPF in London is required to meet the objectives of the government's vision for UKSPF as set out in its [prospectus](#). The UKSPF investment plan explains how London's allocation will be committed, and the outputs and outcomes achieved, by the closure of the fund in March 2025.
- 2.2. This decision confirms the commitment of funding from the People and Skills investment priority under Interventions E33 'employment support for economically inactive people' and E34 'basic skills, life skills and career skills provision for people who are unable to access training through the adult education budget' to support the activity described in the investment plan. The four proposals will contribute to achieving targets including supporting circa 7,000 people who are either economically inactive or unemployed, to be supported to engage in job-searching or to gain employment.
- 2.3. As part of the London Recovery Programme, the Mayor, London's boroughs and key stakeholders have committed to support Londoners disproportionately impacted by the pandemic to get the

support that they need to progress into good jobs in key sectors. SRPs were invited to set their own target for 'Good Work' job outcomes as part of their delivery proposals.

3. Equality comments

- 3.1. Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities including the GLA must have due regard to the need to:
- eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - foster good relations between persons who share a relevant protected characteristic and persons who not share it.
- 3.2. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 3.3. Due regard must be had at the time a decision is being considered. The duty is non-delegable and must be exercised with an open mind.
- 3.4. In addition to the formal agreed UKSPF targets set out in London's Investment Plan, the SRPs will be required to capture and report equality data on participants. London baselines have been provided, and SRPs will be required to report performance against these and justify any variances in their quarterly claim submission.
- 3.5. The UKSPF will specifically target and support groups of people who are most disadvantaged or furthest away from the labour market. An Equality Impact Assessment is being prepared and is scheduled to be completed in the next couple of months.
- 3.6. To ensure the programme's success, the SRPs are required to embed equality, diversity, and inclusion (EDI) objectives into their proposals. The SRPs have set out how they will ensure to comply with the legal obligations under the Public Sector Equality Duty as well as considering how their policies or decisions affect people who are protected under the Equality Act. Certain groups such as women, ethnic minorities, disabled individuals, and other marginalised communities, may face additional barriers to economic inclusion and employment. SRPs proposals include specific support for these groups of people. SRPs will monitor and evaluate their plan regularly, so they can identify any disparities and, take corrective actions to improve inclusiveness.
- 3.7. The GLA will monitor the progress against all aspects of the proposals and in particular the achievement of expected outputs and outcomes on a regular basis, during review meetings and quarterly claim submissions.

4. Other considerations

Links to mayoral strategies & priorities

- 4.1. The priorities for how UKSPF is delivered in London are based on the shared priorities of the London Recovery Board's (now London Partnership Board) Economic Recovery Framework. This framework, agreed in 2021, identified the need to restore confidence in the city, provide targeted support to London's most vulnerable communities, and rebuild the city's economy and society. The framework set out action for dealing with the structural changes to London's economy, and fostering economic recovery, via five pillars: Jobs, Business, Thriving Neighbourhoods, Connected City, and Global London. The framework articulates roles and responsibilities for the constituent parts of London's government. To achieve a 'full system response', it also identified key opportunities for government,

major institutions, and business, to support recovery activities and levelling up. The broad activities permitted under UKSPF investment priorities support the framework and pillars.

- 4.2. [The UKSPF Investment Plan for London](#), highlights that the London's Recovery Programme has focused on supporting Londoners most impacted by the pandemic to access good-quality jobs in key sectors. As part of a post-Covid-19 recovery, it has been important to explore the diversity picture in London's growth sectors and identify future opportunities for under-represented groups.
- 4.3. The UKSPF will also help to continue the No Wrong Door initiative that was established to strengthen coordination and multi-agency partnership working across London's skills and employment services, including the UKSPF.

Key risks & issues

- 4.4. Key risks and issues are set out in the table below:

Risks	Mitigation
Programme performance: the SRPs may not achieve their expenditure and output/outcome target	regular meetings will be scheduled, and quarterly claims reviewed to monitor SRPs performance and ensure corrective actions are implemented
Grant changes: SRPs may seek a grant variation during their lifetime (for example, revising expenditure and output profiles)	Officers will manage this process in accordance with the process set out in their funding agreements and in line with any guidance the GLA may issue during the programme; and by ensuring a GLA officer with appropriate delegated authority approves any variation

- 4.5. Officers have investigated the funded activity proposed, and the capacity in which the lead authorities for the SRPs will be acting in that regard and confirm that they will not be engaging in economic activity as defined by subsidy control regulations. The SRPs are not considered therefore, to be acting as "enterprises" and accordingly the proposed funding is not considered to be a "subsidy" for the purposes of the Subsidy Control Act 2022.

Conflicts of interest

- 4.6. No officers involved in drafting and clearing this document have identified any conflict of interest.

5. Financial comments

- 5.1. The GLA has received £144 million from the UK Shared Prosperity Fund (UKSPF) for 2022-23 to 2024-25. Following Corporate Investment Board's (CIB's) endorsement of the overall UKSPF Investment Strategy, London's four sub-regional partnerships will be awarded the funding of up to £25m under the People and Skills investment priority.
- 5.2. MD3058 delegated authority to grant approvals for the award and payment of UKSPF funding to the Assistant Director, Skills and Employment.
- 5.3. This decision seeks approval for the direct award of up to £25 million UKSPF People and Skills, to London's four sub-regional partnerships (SRPs), as set out in paragraph 1.7.
- 5.4. The UKSPF People and Skills investment priority was originally due to start in April 2024. However, the government announced in March 2023 it was removing this restriction and delivery could commence from April 2023. SRPs have indicated they want to start delivering activity from Q3 2023

-24. The GLA will be paying the SRPs in arrears, based on actual costs, with first payments likely to occur in Q4 2023-24 or Q1 2024-25.

5.5. If additional funding becomes available to the GLA for these activities at any point, or if the government extends the end date of UKSPF, the GLA may be minded to (and reserves the right to) do all or any of the following:

- extend the end date of the SRPs' agreements to enable them to continue delivery for up to a maximum of 3.5 further years to September 2028.
- offer additional funding to the SRPs, up to a maximum value of 1.5 times the original award per additional year.

5.6. Although the GLA is designated a 'lead authority' for the management and administration of UKSPF on behalf of the DLUHC, no GLA funds will be used for this programme. However, the Authority will still uphold its financial responsibility by performance management and compliance monitoring.

6. Planned delivery approach and next steps

6.1. Upcoming milestones are:

Activity	Timeline
Grant negotiations between GLA and the SRPs	From November 2023
SRPs activities commence	Autumn 2023
SRPs activities end	31 March 2025

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (ü)

Drafting officer:

Natalie Ferguson has drafted this report in accordance with GLA procedures and confirms the following:

ü

Corporate Investment Board

A summary of this decision was reviewed by the Corporate Investment Board on 13 November 2023.

ASSISTANT DIRECTOR, FINANCIAL SERVICES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Anna Eastcott

Date:

21/11/2023