

UK Shared Prosperity Fund (UKSPF) 2025-26 Transition Year Funding

<p>Executive Summary</p>	<p>The UK Government announced the UK Shared Prosperity Fund (UKSPF) funding allocations to local authorities in December 2024 for a 'transition' year of funding, with anticipated new models of funding from 26/27. This transition funding follows the preceding 2022-25 UKSPF programme which has been successfully delivered by NNDC (~£1.2 million) and the Rural England Prosperity Fund (REPF) capital grant programme (~£1.4 million).</p> <p>NNDC will receive a total allocation for the next financial year (2025-26) of £405,095, composed of £330,302 of revenue and £74,793 of capital funding. All areas of the UK will receive an allocation from the Fund via a funding formula rather than a competitive bidding process.</p> <p>There are three UKSPF investment priorities: Communities and Place; Supporting Local Business; and People & Skills.</p> <p>The one-year allocation of UKSPF funding will continue to support businesses and communities in North Norfolk to address identified local challenges. This will be achieved through the development of business and community support schemes and will seek to complement existing business and community support.</p>
<p>Options considered</p>	<p>NNDC is the nominated lead authority for the delivery of this funding and, as such, is obliged to develop appropriate vehicles to disseminate this funding accordingly. However, It is within the Council's gift to determine the priorities as to how this is committed to achieve local objectives address local needs.</p>
<p>Consultation(s)</p>	<p>An internal review of the current three-year UKSPF programme has taken place to gauge success, consider impact and realign existing projects (if appropriate) to the new guidance and significantly reduced budget, with workstreams mapped against the new Government missions and limited timeframe available. New projects that can support the Government missions, fit within the allocated interventions and align with the NNDC Corporate Plan have been considered in this process. A Local Partnership Group was established as a means of consulting on the UKSPF and REPF programme and to support the implementation of the original UKSPF Investment Plan. It will be continued into the transitional year and will meet to consider the proposals for 2025-26.</p>
<p>Recommendations</p>	<p>Recommendations</p> <ol style="list-style-type: none"> 1. To confirm Cabinet's support for the approach to the UKSPF programme (transitional year 2025/26) outlined in this report 2. To delegate to the Assistant Director for Sustainable Growth, in consultation with the Portfolio Holder for Sustainable Growth, the detailed definition of the projects to be delivered within the overall programme

	headings and the commissioning of specific projects and the procurement and/or appointment of any project delivery partners or contractors, as appropriate.
Reasons for recommendations	This recommendation is being made in order to deliver the UKSPF transition programme within the one-year timescale
Background papers	UKSPF Technical Note: UK Shared Prosperity Fund 2025-26: Technical note - GOV.UK (www.gov.uk) UKSPF Prospectus: UK Shared Prosperity Fund: prospectus - GOV.UK (www.gov.uk)

Wards affected	All North Norfolk wards
Cabinet member(s)	Councillor John Toye, Portfolio Holder Sustainable Growth
Contact Officer	Jenni Jordan, Economic Programmes and Funding Manager jenni.jordan@north-norfolk.gov.uk Stuart Quick, Economic Growth Manager stuart.quick@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	Proposals for the transition year funding align with the following Corporate Plan priorities: <ul style="list-style-type: none"> • Boosting business sustainability and growth • Quality of life • Financial sustainability and growth
Medium Term Financial Strategy (MTFS)	The programme is externally funded by the UK Government.
Council Policies & Strategies	Proposals are linked with the Council's Economic Growth Strategy & Action Plan 2023-2027

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

- 1.1 This report summarises the key elements of the UKSPF 2025-26 transition funding guidance and provides an outline of the proposals to deliver against

the Government's identified Missions, in alignment with the Council's own Corporate Plan and the North Norfolk Economic Strategy and Action Plan 2023 – 2025. A further report providing an evaluation of the outcomes of the 2022-25 programme is intended to be brought to the Council's Overview and Scrutiny Committee by April 2025. Presently no allocation or advice has been provided by Government in respect of the Rural England Prosperity Fund (REPF), although this is anticipated and will be similarly reported once arrangements are known.

2. Introduction & Background

- 2.1 The existing three-year UK Shared Prosperity Fund (UKSPF) programme is in the final quarter of delivery. MHCLG announced the UKSPF 'transition year' 2025/26 funding allocations to local authorities on 13 December 2024 and issued guidance in a technical note [UK Shared Prosperity Fund 2025-26: Technical note - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/technical-notes/uk-shared-prosperity-fund-2025-26).
- 2.2 UKSPF programmes were required to align to a prescribed menu of interventions. The interventions for the transition year remain the same as the original 2022-25 UKSPF programme but are now realigned against new missions to ensure that delivery accords with the policy agenda of the new Government.
- 2.3 MHCLG have stressed that that they are keen for lead authorities to retain and build on the original ethos of the prior programmes and identified the following key points:
 - Collaboration with other places remains strongly encouraged in the delivery of fund interventions where it meets the needs of their place and achieves value for money or better outcomes for local people or businesses;
 - Lead local authorities are strongly encouraged to engage with and seek support from local partners to deliver the fund. This will ensure that fund investments complement other activities in the area and meet fund and local objectives, and;
 - A local partnership group approach is encouraged, encompassing a wide variety of stakeholders. The Council established the North Norfolk Local Partnership Group at the start of the UKSPF programme and has used this to inform the early delivery of the programme and to maintain oversight of its delivery. It is suggested that this group is retained and continues to have a role in supporting the transition year programme.
- 2.4 The Government have advised that the 2025/26 transition should be treated as a continuation of the Fund. As such, the option exists to continue to fund existing projects, deliver the same types of activity supported to date, shift to entirely different ones, or a combination of these options. There is no expectation that activity from 2022-25 be necessarily closed and restarted for 2025-26.

3. Proposals and Options

- 3.1 **Summary of proposals for UKSPF transition funding 2025-26**
- 3.2 The table below outlines the suggested shape of the transition programme. This includes continuation of some of the former UKSPF projects but

significant new areas of activity, which are deemed beneficial in addressing local priorities. Each suggested workstream identifies the defined intervention theme and the description indicates the broad area of activity. The Budget allocation is indicative at this early stage, since detailed dialogue with potential delivery partners has not been undertaken and alignment with other programmes remains to be confirmed.

Workstream	Description	Indicative Budget Allocation	Notes
Destination marketing (Communities & Place)	Development and delivery of promotional destination marketing campaigns which encourage people to visit and explore the local area and support the local economy	£40,000	A marketing campaign was delivered in the original UKSPF programme and it demonstrated significant success. This is expected to bring benefits to the local visitor economy at a time when it is experiencing significant pressures and uncertainty.
Address fuel poverty and carbon reduction by households (Communities & Place)	Promote and support the implementation of energy efficiency measures for local households via advice and support to existing and emerging funding schemes (i.e. ECO4 Flex and Warm Homes: Local Grants scheme (as part of the Norfolk Warm Homes Consortium) for energy improvement adaptations)	£25,000	The Council has had significant success in delivering these schemes in recent years due to the employment of an Energy Officer, it is considered valuable for this activity to continue in order that eligible local households can take full advantage of the various schemes available to improve the efficiency of their dwellings. The Norfolk Warm Homes consortium has submitted an Expression of Interest (Eol) in the delivery of the Warm Homes: Local Grants, the outcome of which is expected to be known by the end of January; the proposed UKSPF allocation would augment the scheme if the Eol is approved.
Supporting enhancements to drive footfall to retail and commercial centres in the District (Communities & Place and Support for Local Business)	<p>Working with local stakeholders to identify and deliver projects that foster local economic growth and support the vitality of our towns.</p> <p>This funding could potentially support a district-wide initiative to drive footfall into district centres such as visitor information or global marketing or individual projects to improve resident and visitor experiences and functionality. This could include a digital product that helps drive visitor</p>	£210,095	<p>Should a REPF programme be forthcoming, there may be opportunities to enhance some of this activity with further grants.</p> <p>There could also be opportunities to deliver it alongside or to match other external programmes.</p> <p>Projects will need to be able to be delivered and completed within the financial year and consideration will therefore need to be giving to any pre-commencement matters including planning permission, land</p>

	spend to our town centre businesses, town centre waymarking, small improvements to amenity areas, active travel/ accessibility, business and community events etc.		purchase/licences, lead time for materials etc.
Business Support and Engagement (Support for Business)	A package of support including business advice, one-to-one support, networking events, skills development, training workshops, sector support and access to business grants and funding programmes etc. <i>(Also possibly supporting the administration costs of REPF capital funding, subject to REPF 2025-26 funding allocation announcement)</i>	£130,000	This would help continue the delivery of the Business Engagement programme offering highly valued business advice, support and events. Specifically targeted at sector specific groups as well as individual businesses with high-growth potential. This would build on the momentum of the proceeding UKSPF business engagement programme and help to reinforce the Invest North Norfolk brand, supporting investment within the District. It would signpost business to existing business support programmes and funding schemes.
Total funding allocation		£405,095	



3.3 Project Governance

3.4 *Project Board*

3.5 In accordance with the Council's project management and governance arrangements, the 2022-25 programme was overseen by a project board, comprising the Sustainable Growth portfolio holder and officers from relevant teams. It is proposed that this Board continue to oversee the delivery of the programme in the transition year.

3.6 *Local Partnership Group*

The North Norfolk Local Partnership Group (LPG) was developed to inform the identification of key local priorities and has been actively engaged within the 2022-25 UKSPF Investment Plan. Membership of the LPG includes stakeholders representing rural business interests, farmers and landowners, business support partner organisations and the community, voluntary and social enterprise sectors operating in North Norfolk. It also included the two MPs covering the parliamentary constituencies covered by NNDC's administrative area. It is proposed that the group continue to meet regularly to monitor delivery and evaluate the impact of the UKSPF transition investment.

3.7 *Reporting*

It is proposed that, with the establishment of the Council's strategic Board for projects, the UKSPF programme should provide an implementation progress report to that board on a quarterly basis.

3.7 *Programme end*

Given that the transitional fund is available only up until March 2026, and especially due to the uncertainty of future devolution funding, it will be important that any initiatives are completed, and the funding defrayed, within the funding period. Any projects supported through the UKSPF transitional year will need an exit strategy, detailing what will happen at the end of the funding period, including details of how any ongoing revenue costs will be met. Delivery partners will be asked to take account of this in any funding agreements.

4. Corporate Priorities

4.1 The matters in this report relate to and support the following Corporate Plan objectives and delivery themes:

- Boosting business sustainability and growth;
- Quality of life, and;
- Financial sustainability and growth

4.2 It will also support the Economic Strategy and Action Plan's commitment to:

- Creating an Environment for Business to thrive in, and;
- Provide the Infrastructure to Support Growth

5. Comments from the S151 Officer

The S151 Officer will complete this section. They will set out the funding sources for any costs associated with implementing the recommendations. This will include resources such as staffing.

6. Comments from the Monitoring Officer

The Monitoring Officer will complete this section. They will set out any legal implications arising from your report, together with a summary of any legal advice provided.

Risks

- 6.1 The UKSPF 2025-26 transition funding awarded funding allocated must be committed and defrayed by March 2026. Unspent funds will need to be returned.

7. Net Zero Target

- 7.1 There are not considered to be any specific impacts on the [Net Zero 2030 Strategy & Climate Action Plan](#) as a result of recommendations in this report.

8. Equality, Diversity & Inclusion

- 8.1 There are not considered to be any impacts upon equality and diversity as set out in the Council's [Equality, Diversity & Inclusion Strategy](#) as a result of the recommendations in this report.

9. Community Safety issues

- 9.1 There are not considered to be any impacts upon crime and disorder as a result of the recommendations in this report.

10. Conclusion and Recommendations

- 10.1 The UKSPF transition funding follows the successful delivery of the 2022-2025 UKSPF programme (~£1.2 million) and the REPF capital grant programme (~£1.4 million). The proposals outlined within this report are based on a review of previous UKSPF programme delivery, identified local needs and alignment with the missions, objectives, themes and interventions of the UKSPF funding programme and the Council's Corporate Plan and Economic Growth strategy objectives.

10.2 Recommendations:

1. To confirm Cabinet's support for the approach to the UKSPF programme (transitional year 2025/26) outlined in this report
2. To delegate to the Assistant Director for Sustainable Growth, in consultation with the Portfolio Holder for Sustainable Growth, the detailed definition of the projects to be delivered within the overall programme headings and the commissioning of specific projects and the procurement and/or appointment of any project delivery partners or contractors, as appropriate.