

14 October 2024

**Subject:** UKSPF In Work Support Pilot  
**Report of:** Ruth Gaul, Principal Programme Manager  
**Portfolio:** Education, Inclusion and Skills

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## Report Summary

The purpose of this report is to request approval to utilise UKSPF People and Skills underspend to fund an additional In Work Support pilot project, in line with the UKSPF Investment Plan approved by Government and the Implementation Plan originally agreed by the former North of Tyne Combined Authority (NTCA) Technical Officer Group and Investment Panel.

In 2022, the former NTCA as a designated 'lead authority' was allocated funding of £47.1m for 'core-UKSPF' and £4.1m for the 'Multiply' adult numeracy programme, until March 2025 and covering the areas of Newcastle, North Tyneside and Northumberland. NTCA was also allocated £3,043,546 of Rural England Prosperity Fund. The UKSPF programme is being delivered in line with the Investment Plan agreed by Government.

In September 2022, the NTCA Cabinet delegated responsibility to the Chief Executive in consultation with the Director of Finance and relevant Cabinet Members to approve the commissioning approach and subsequent grant agreements and/or contracts associated with the Shared Prosperity Fund (minute 34 Resolution 5). In May 2024, the North East Combined Authority (North East CA) Cabinet agreed that 'the formal decisions which the former North East Combined Authority and the former North of Tyne Combined Authority made be treated as decisions of the Authority.' (Cabinet meeting 7 May 2024, Minute no C6/5/24 (4)).

This report includes one project requesting a total of £103,000 UKSPF People and Skills funding, to 31<sup>st</sup> March 2025.

## Recommendations

The Chief Executive, in consultation with the Director of Finance, the Mayor and relevant Cabinet Member (s) and in accordance with the scheme of delegation, is recommended to approve the following funding award, and authorise entry into required agreements to facilitate approvals, as set out in this report:

A total of £103,000 of UKSPF funding to be awarded to Society Matters CIC for the delivery of the project set out in the report.

To authorise the Chief Finance Officer and Monitoring Officer to prepare the necessary documentation and enter into contract with the lead applicant (Society Matters CIC).

### 1. Background Information, Proposals and Timetable for Implementation

1.1 The UK Shared Prosperity Fund (UKSPF) will invest in economic growth and regeneration in the regions of the United Kingdom (UK), replacing the previous European Structural and Investment Funds (ESIF).

The UKSPF Delivery Plan for the Northumberland, North Tyneside and Newcastle area sets out a more inclusive area and is built on three key aims:

- Creating a more social and inclusive economy - one which promotes wellbeing across all communities by ensuring wealth is retained locally and distributed more equitably.
- Addressing inequality and poverty, enabling our residents to access opportunities at every stage of their lives.
- Driving better coordination of education, skills, employment, and health activities to help more people move into good work, and progress in work.

▪ **Activity within this report relates to the People and Skills investment priority of UKSPF.**

The focus of UKSPF People and Skills employment support and in-work support (2024/25) investment is to simplify the employability landscape, to make it easier for residents to access provision; ensure that employability provision is demand led, prepares people for labour market opportunities and that employers are involved in shaping delivery; and create an employment journey which supports people towards work, into work, and within work.

This investment focuses on three specific strands of activity:

- Strand 1: Barrier removal, building the confidence and motivation to work for people who are assessed as being further from the labour market.
- Strand 2: Work focused employment support for out-of-work residents including work-related activities, job-search support and work placements, to prepare people for finding and entering work.
- Strand 3: Support for people who are in work to retain and sustain work, and support for people experiencing in work poverty to progress in work.

1.2 An Open Call was undertaken in late 2023 for applications to deliver this activity in Newcastle, North Tyneside and Northumberland. Only one application to provide activity under Strand 3 'In-Work Support' was received, from Society Matters CIC. A panel assessment was undertaken and although the application scored well, it was not supported for funding at that time due to the amount of funding requested and the applicant's limited experience delivering In-Work Support in the area.

1.3 Subsequently, an In Work Support Project led by Northumberland County Council with Newcastle City Council and North Tyneside Council as delivery partners, was approved for a total of £275,000, delivering from 1<sup>st</sup> June 2024 to 31<sup>st</sup> March 2025. The project is undertaking some research into in-work progression barriers with local employers, and then working with employers to address these barriers to enable them to provide in-work support and progression opportunities to their employees.

1.4 Having tested the market in the original Open Call, the North East CA approached Society Matters CIC in August 2024 and asked them to revisit their previous application to develop a short pilot In-Work Support project that focusses support on the individual, to complement the existing In-Work Support project.

## 1.5 Project Outline

### 1.5.1 Key information

<b>Funding Source</b>	UKSPF People and Skills
<b>Proposal Name</b>	"Unlocking Potential" (In-Work Support – Strand 3)
<b>Lead Organisation</b>	Society Matters CIC
<b>Delivery Areas</b>	Newcastle, North Tyneside, Northumberland
<b>Timescales</b>	Start: October 2024, End: 31 <sup>st</sup> March 2025
<b>Project Value</b>	£103,000
<b>Grant / Loan amount requested</b>	£103,000

<b>Budget Implications:</b>	The UKSPF People and Skills allocation is under-programmed overall. Additionally, one of the Year 2 projects is undergoing budget decommitment to the value of £246,000 which will be completed by the end of September – it is proposed to fund this In-Work Support pilot project from this decommitment. This would take the overall UKSPF People and Skills Commitment, across Years 2 and 3, to 4.4% under-programme.
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1.5.3 “Unlocking Potential” will use a series of activities and workshops to improve the skills and confidence of employees in low paid and/or insecure work. Utilising existing employer relationships and networks, the project will be targeted at individuals who are in entry level roles or are experiencing career stagnation, subsequently meaning that they are often overlooked for development or progression opportunities. By investing in these individuals, the project will help them to become more visible to their employer with the intention that they will be utilized differently within the organisation and able to take steps into a more stable contract or gain the confidence to progress into higher paid or more secure work.

### 1.6 Outputs/Outcomes

<b>Outputs</b>	
Number of People Supported to Engage in Life Skills	35
<b>Outcomes</b>	
Number of People Gaining Qualifications, Licences and Skills	20
Number of People Reporting Increased Employability Through Development of Interpersonal Skills Funded by UKSPF	20

### 1.7 Milestones

Project milestone	Delivery date
Project Start Date	October 2024
Engage with at least three organisations based in the north of Tyne area and onboard 40 of their employees	16/12/2024
Enable 40 individuals to access four skills and confidence building opportunities	31/03/2025
Project Financial Completion Date	31/03/2025

### 1.8 Appraisal

1.8.1 To be consistent with the approach taken with the applications received through the Open Call in late 2023, this application has been appraised using the principles of the HM Treasury Five Case model, undertaken via an independent assessment panel which consisted of representatives from the North East Combined Authority, The National Lottery Community Fund and Rocket Science, and a partial appraisal undertaken by the North East Combined Authority’s Programme Assurance Team (PAT).

### 1.9 Assessment Panel

1.9.1 The assessment panel individually reviewed and scored the application against five quality questions based on the business case. Consensus scores were then agreed, with a total weighted score of 75%.

### 1.10 RAG Assessment

Overall RAG assessment		
Ⓡ --	Strategic case	GREEN

Commercial case	GREEN
Economic case	GREEN
Financial case	GREEN
Management case	GREEN
<b>Overall rating</b>	<b>GREEN</b>

- 1.10.1 Strategic Case – the project will support in-work individuals to improve their prospects, ability to stay in work and work conditions. It is expected that many participants will be from Inclusive Economy groups and interventions will directly address in-work poverty.
- 1.10.2 Economic Case – the project offers one output and two outcomes. These are appropriate, realistic and in-line with the objectives of the programme and the specification.
- 1.10.3 Commercial Case – the commercial case is strong. Procurement has been undertaken and it has been confirmed that internal and external procurement thresholds and guidance have been adhered to. The applicant has appointed four organisations with appropriate expertise to deliver the core activities.
- 1.10.4 Financial Case – appropriate costs have been identified and attributed to the project. The most significant costs are salaries, FRIC and delivery charges. The figures provided are based on actual costs. FRIC calculations are accurate. The project has requested payment in advance, which will be discussed further during mobilisation.
- 1.10.5 Management Case – there is a clear delivery plan in place and staff are in place to manage and monitor expenditure. Risk management processes are clearly set out and will be consistently reviewed during project delivery. The applicant has provided a response for subsidy control and there is a clear and compliant route forward.

## 1.11 Recommended Conditions of Funding

The award of funding would be subject to the following proposed funding conditions:

No.	Condition
1	<p>The Recipient confirms that it will not receive any economic advantage for its role in the Project. Any such advantage will flow through to the Project beneficiaries i.e. the individuals receiving support under the Project. The Recipient shall operate the Project on a not-for-profit basis.</p> <p>a. To ensure compliance with condition 1, the Recipient confirms that any of its costs claimed from NECA for delivery of the Project (whether attributable to management, delivery, labour costs or otherwise) shall be remunerated strictly in accordance with market conditions. At the end of delivering the Project, the Recipient will be required to account to NECA for any residual advantage it has obtained through the Funding.</p> <p>b. Pursuant to condition 1, the Recipient agrees that it shall collect appropriate information to demonstrate that it has received no such economic advantage from the Funding (which shall be supplied to the NECA upon request).</p>

## 2. Potential Impact on Objectives

- 2.1 All activity outlined in the report will contribute to the delivery of the outcomes of UKSPF Investment Plan which has been approved by Cabinet and by UK Government.

## 3. Key Risks

3.1 The risks associated with the delivery of the project outlined in the report are actively managed at several levels. Strategic risks associated with the delivery of the UKSPF programme are managed through the maintenance of a Risk Register and monitoring by the North East CA's UKSPF Programme Board. Risks at a project level are managed by the project sponsor and as a part of the regular claims and monitoring activity undertaken by the Programme Assurance Team.

#### 4. Financial and Other Resources Implications

4.1 As a result of this report £103,000 UKSPF funding will be awarded to Society Matters CIC. UKSPF Funding will be allocated to the appropriate investment priority and intervention within the UKSPF Investment Plan and monitored in delivery in the usual manner; funding will be defrayed against the following profile:

<b>Funding Profile</b>	<b>2024/25</b>	<b>Total</b>
UKSPF Revenue	£103,000	£103,000
<b>Total</b>	<b>£103,000</b>	<b>£103,000</b>

#### 5. Legal Implications

5.1 The comments of the Monitoring Officer have been incorporated into the body of the report.

#### 6. Equalities Implications

6.1 An Equalities Impact Assessment has been undertaken for UKSPF and the implications of this will be considered in the project mobilisation and delivery stage.

#### 7. Inclusive Economy Implications

7.1 The project included in this paper contribute to the delivery of the inclusive economy objectives of the North East CA. The project has submitted detailed responses to the Inclusive Economy case within the proposals and have been appraised.

#### 8. Climate Change Implications

8.1 The project included in this paper contributes to the delivery of the climate change objectives of the North East CA. Projects have submitted information within their proposals and have been appraised.

#### 9. Consultation and Engagement

9.1 Significant consultation was undertaken in the original development of the NTCA UKSPF Investment Plan, which included several stakeholder events.

#### 10. Appendices

10.1 None

#### 11. Background Papers

11.1 None

#### 12. Contact Officers

12.1 Ruth Gaul, Principal Programme Manager

**13. Glossary**

UKSPF	United Kingdom Shared Prosperity Fund
UK	United Kingdom
North East CA	North East Combined Authority
NTCA	North of Tyne Combined Authority
NoT	North of Tyne
NE	North East
MFA	Minimum Financial Assistance
REPF	Rural England Prosperity Fund

**14. Sign-off**

1) Portfolio holder: Yes	2) Director/Head of Service: Yes	3) Director of Finance and Investment Yes	4) Monitoring Officer: Yes
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