

Report – Finance Committee

UK Shared Prosperity Funding: Funding Agreement

To be presented on 7th March 2024

*To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council assembled.*

SUMMARY

The City Corporation acts as the Contracting Body for Central London Forward (CLF) and in this respect the Honourable Court's decision is required to passport the recommendations put forward by the CLF Board through your Finance Committee.

This report concerns an update to the use of £8.3m of UK Shared Prosperity Funding, previously reported to, and approved by, this Honourable Court in July 2023. Following subsequent direction of the Department for Work and Pensions (DWP), the Court's approval is now required to vary proposals relating to the recipients of said funding, and to authorise the activities required to implement this agreement.

RECOMMENDATION

That the Court of Common Council approve:-

- Accessing the proposed £8.3m UKSPF funding to provide employment and skills support for central London residents, as proposed by the CLF Board.
- Varying the use of £3.1m of UKSPF previously planned and approved for the Central London Works programme, with the revised approach of devolving to member authorities, as approved by the CLF Board.
- The signing of a funding agreement with the GLA, reflecting the delivery plan set out and approved by the CLF Board.
- The signing of funding agreements with CLF member authorities, enabling them to access this funding.

MAIN REPORT

Background

1. Central London Forward (CLF) is the sub-regional partnership of the 11 central London local authorities and the City of London Corporation. The City of London Corporation is the Contracting Body for CLF. And, as such, it enters into contracts on behalf of the member authorities, as requested by the CLF Board. The CLF Board is made up of the Leaders or Mayors of member boroughs including the Chairman of your Policy & Resources Committee. Central London Works is the largest employment programme managed by CLF. The programme is the devolved Work and Health Programme in central London, and it is funded by the Department of Work and Pensions (DWP).

2. The UK Shared Prosperity Fund (UKSPF) is a UK Government fund which replaces EU Structural and Investment Funds post-Brexit. UKSPF seeks to tackle inequalities and improve life chances across the UK. The Greater London Authority (GLA) is the managing authority for UKSPF in London. The fund is overseen by the Department for Levelling Up, Housing and Communities (DLUHC) nationally.
3. The GLA has allocated £8.3m of UKSPF to CLF to provide employment and skills support for residents of member authorities. The CLF Board originally planned to use £3.1m of this to increase the contract value of Central London Works. This was approved by Finance Committee and Court of Common Council in July 2023 – of the remaining funding, £4.8m was planned to be used to provide employment and skills support through the local employment services of CLF member authorities.
4. However, DWP subsequently informed CLF, GLA, and the other London sub-regional partnerships that UKSPF could not be used to fund the Work and Health Programme.

Current Position

5. Once CLF was made aware of the change in position from DWP, revised proposals went to the CLF Board. The CLF Board consequently agreed to re-allocate the £3.1m to the employment services of CLF member authorities, taking the total funding for the employment services to £7.9m. The remaining £0.4m of the grant would be used to provide health and wellbeing support, and to fund management of the performance and claim process.
6. As this proposal differed from the specific terms of the Court of Common Council agreement in July 2023, revised decisions required approval to progress.
7. A decision was, therefore, brought forward to your Finance Committee under urgency procedures as the funding agreement with the GLA must be signed by the end of March 2024 in order to be able to claim funding for 2023/24. It was not possible to meet Committee deadlines following the reconsideration of the CLF Board, the consequential legal reviews of the grant documentation and mechanisms by which funding can be devolved to the boroughs as part of this pan-London partnership to be undertaken. There were also complexities surrounding CLF and the City of London Corporation's role as contracting body to be clarified before being taken forward.
8. Approval of the revised proposals was sought from the Town Clerk, in consultation with the Chairman and Deputy Chairman of your Finance Committee and agreed under Standing Order No. 41(a). It is now referred to the Honourable Court on this basis.

Proposals

9. Your Committee proposes the approval of accessing of £8.3m of UKSPF to provide employment and skills support for over 2,000 disadvantaged Londoners, with a minimum of 347 residents to be supported into employment. This would enable the implementation of the approach collectively agreed by the CLF Board, the GLA, and by DLUHC (who have national responsibility for UKSPF). This would enable CLF member authorities collectively to provide support for residents through their local employment services.

Conclusion

10. The proposal will enable CLF member authorities collectively to provide support for residents through their local employment services. We therefore **recommend** that this Honourable Court approve the access by CLF to £8.3m of UKSPF to provide employment and skills support for disadvantaged residents across central London. We also further recommend approving varying the use of the £3.1m originally intended for Central London Works and recommend the approval of signing a funding agreement with the GLA and funding agreements with CLF member authorities, to implement this funding programme.
11. In doing so, the City Corporation fulfils its responsibilities as the Contracting Body for Central London Forward (CLF) and in this respect the Honourable Court's decision is required to passport the recommendations put forward by the CLF Board through your Finance Committee.

All of which we submit to the judgement of this Honourable Court.

DATED this 26th day of February 2024.

SIGNED on behalf of the Committee.

Deputy Henry Nicholas Almroth Colthurst
Chairman, Finance Committee