

Cabinet

8 April 2025

Shared Prosperity Fund 2025/26

Portfolio Holder: Councillor Harinder Mahil, Portfolio Holder for Economic and Social Regeneration and Inward Investment

Report from: Sunny Ee, Assistant Director, Regeneration

Author: Ryan Jagpal, UKSPF Network Manager

Summary

The Government launched the £2.6 billion UK Shared Prosperity Fund (SPF) including Multiply and Rural England Prosperity Fund (REPF) in mid-April 2022. Medway was allocated £1.855 million SPF, £1.458 million of Multiply funding and £400,000 of REPF. SPF succeeds EU structural funds. The Council's Investment Plan (IP) to access SPF was approved in December 2022. Delivery of SPF Year 1 2022/23 focussed on Council led projects to ensure completion given the programme delivery window of 3 months. Delivery of UKSPF Year 2 2023/2024 is complete. Delivery of UKSPF Year 3 is currently underway supporting external partners deliver projects that contribute to the development of Pride in Place. Prior to the SPF Year 3's end Government have announced an extension to SPF to cover 2025/2026, this included Medway receiving an additional allocation of £606,754.

This paper sets out what has been achieved to date and seeks approval for the 2025/26 programme of spend for SPF.

1. Recommendations

- 1.1. The Cabinet is asked to approve the proposed Shared Prosperity Fund (SPF), 2025/26 programme.
- 1.2. The Cabinet is asked to agree to delegate authority to the Director of Place, in consultation with the Portfolio Holder for Economic and Social Regeneration and Inward Investment, to deliver the SPF 2025/26 programme of projects.

2. Suggested reason for decisions

- 2.1. Approval of the 2025/26 programmes is in support of Medway's regeneration priorities and will enable Medway to access the SPF allocation. Delivery of this programme will significantly benefit Medway's residents, communities and businesses.

3. Budget and policy framework

- 3.1. SPF investment in Medway will aim to support all One Medway Council Plan priorities:
- 3.2. The SPF and Investment Plan strongly align with the refreshed Medway 2040 set of strategies including Medway 2040, Town Centres Strategy, Innovation Strategy and Skills and Employment Plan. The refreshed Medway 2040 Strategies respond to key societal, socio-economic, and political agendas which are now highly material to Medway's growth agenda including Climate Change, and technological challenges and opportunities, whilst also ensuring the Council is positioned to capitalise on both existing and emerging funding opportunities for the economic regeneration of Medway, delivering growth for all.
- 3.3. Medway 2040 embeds Medway Council's ethos to eliminate unlawful discrimination, actively promote equality of opportunity, growth for all, and foster good relations between different sections of the community through improving the quality of life and opportunities for everyone. Diversity Impact Assessments were incorporated at key junctures to ensure all requirements of the Equalities Act 2010 were satisfied.

4. Background

- 4.1. Cabinet approved submission of the SPF Investment Plan to the Department for Levelling Up Housing and Communities (DLUHC) now the Ministry for Housing, Communities and Local Government (MHCLG) on 26 July 2022. The Investment Plan was approved by MHCLG in December 2022 and delivery of SPF Year 1 began.
 - 4.1.1. Cabinet in April 2024 granted delegated authority to the Director of Place, in consultation with the Portfolio Holder for Strategic Regeneration, Inward Investment and Partnerships to deliver the SPF programme Year 3, in line with the successful Investment Plan submission as approved by MHCLG.
 - 4.1.2. As there has been a change in focus for UKSPF Year 4 from Government, all SPF delivering local authorities are being required to submit forecasted outputs and outcome targets for 25/26 prior to accessing funds, the SPF team has outlined the targets we believe are achievable and is ready to submit this information to MHCLG when the forecast window opens.
- 4.2. Medway UK Shared Prosperity Fund Programme
 - 4.2.1. The SPF has the following objectives:
 - Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
 - Spread opportunities and improve public services, especially in those places where they are weakest.

- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency.

The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. SPF allocations were made by MHCLG to lead authorities based on a funding formula. To access our SPF allocation, the Council has applied Medway's approved IP across the three financial years from April 2022 to March 2025 and will ensure the forecasted figures provided for SPF Year 4 from March 2025 to March 2026 are met.

4.2.2. Government has allocated Medway Council £2.461million SPF funding. This is split across three financial years; £225,083 for 2022-23, £450,167 for 2023-24, £1,179,438 for 2024-25 and £606,754 for 2025-26.

5. Shared Prosperity Fund (SPF) Progress and Delivery Approach

5.1. SPF Progress

5.1.1. SPF Year 3 was launched as an open application process, open to all appropriately legally constituted entities across Medway. An excellent launch event was held on 1 May 2024 at the Rochester Corn Exchange with over 170 attendees including various Medway businesses, stakeholders, not-for-profit organisations, and residents. The team has developed strong relationships with key delivery partners both internally and externally, through repeated engagement activities that have enabled projects to be delivered successfully to budget and on time. Throughout the SPF process and creation of the Investment Plan, key consideration was given to both alignment with the Council priorities, Medway 2040 Strategies, as well as engagement with our partners. The final approval of the Council's Investment Plan was confirmed on 5 December 2022 and funding received following this. Government has placed significant emphasis on monitoring the outcomes of the SPF allocations against the IP targets. Bi-annual quantitative monitoring of metrics and more frequent qualitative monitoring is required. Reporting for SPF Years 1 and 2 have been submitted to DLUHC (now MHCLG) and approved and Year 3 reporting is still ongoing with final reporting due in May 2025.

5.1.2. After a very successful launch event and communications campaign, the SPF team received 136 applications from a range of internal and external partners. Each application went through a rigorous selection process involving initial assessment sifting, scoring, moderation, and detailed discussions with senior management and the Portfolio Holder for Economic and Social Regeneration and Inward Investment. This resulted in 55 projects being supported. Funding was given to an array of organisations across Medway, to enhance and support local community infrastructure, promote, and encourage people to visit Medway, and help to build capacity for local community groups.

5.1.3. SPF Year 3 was split across three funding pots; the Pride in Place Fund, the Feasibility Fund, and the People and Skills fund, with a separate application

process for each. Of the 55 projects supported, 39 were Pride in Place projects focused on delivering wide-ranging support across Medway including large scale events, providing support for marginalised groups, supporting, and enhancing local community infrastructure and groups, creating sustainability in the creative sectors, and supporting development of people through providing opportunities to all. The Feasibility Fund supported 6 projects. The Feasibility Fund was developed to enable the community to assess opportunities that could enable larger-scale investment in the region, through the seed funding of smaller grants. The People and Skills Fund supported 10 projects, and helped address employment and education issues across the region, by providing funding that targeted some of the challenges faced. Through the SPF team's robust corporate governance structure, and project management support, the Council are currently on target to exercise the full allocation of Year 3 within SPF spend guidelines.

5.1.4. The UKSPF Year 3 Programme is made up of the following projects:

- 21 Together - Communication for Life
- AE Creative Hub CIC - A+E Lab Art & Tech Programme
- Age UK Kent Rivers - A Golden Celebration in Gillingham
- AJD Solutions - Love Where You Live
- Arts & Homeless International - AHI Professional Development Programme
- Chatham Historic Dockyard - Dockyard Film Location Tour
- City of Rochester Society - We Did It Medway
- Edgility Limited - Medway AI Innovate & Accelerate
- Electric Medway - Young Hack 2024-5
- Emerge Advocacy - Emerge Advocacy in Medway
- Funny Women CIC – Making Medway Merry!
- Hoo Peninsula Cares CIC - Pathways of Pride: Exploring Peninsula Heritage and Natural Surroundings
- Ideas Test CIO - Luton Lights 2
- Intra Arts Ltd - Zigzag Scrapstore
- Intra Community Trust - Intra Urban Greening Green Gateway
- Live Music Now Limited - All Together Now Series 2
- LV21 Limited - RiverSwell
- Medway Council Events Team - High Street Event Toolkit
- Medway Council - Celebrating St Alban's, Gillingham
- Medway Council - Civic Forum (Urban Room) Pilot
- Medway Council Library Team - People of Medway
- MEDWAY PLUS - DISCOVERING MEDWAY
- Mess ROOM CIC - Mess Room Creatives
- Mrs Baker's Medway Theatre Company Ltd - Medway Arts Tours Costumed guide training
- Mutual Aid Road Reps - Fighting Loneliness & Isolation with MARR
- Rochester Town Centre Forum - Rochester Christmas Lights Legacy
- See & Create CIC - SIGN and CREATE
- Slough Fort Preservation Trust - Fort & Community
- Sports Connect Community CIC - Medway Sports and Education Hub

- Spotlites Theatre Company Limited - Inspire ME
- The Halpern Charitable Foundation - Chinese New Year Festival '25 and Events support
- The Parochial Church Council Of The Ecclesiastical Parish of
- St Margaret of Antioch, Rainham, Kent - Medway Breathes
- The Rochester Diocesan Society & Board of Finance - St John's Open Space Project
- TPA Supported Living Ltd - TPA Hub
- Twydall & District Community Association - Twydall Hearts Project Phase 2
- Volunteer It Yourself - Volunteer It Yourself
- WALT – Weedswood and Wayfield Activities
- Wordsmithery - Medway River Lit – Rippling Out
- Future Coders SE - Social impact measurement tool
- Medway Council Planning Team - Feasibility Prototyping for Gillingham Design Code
- Medway Voluntary Action - Power of Youth
- Rochester Cathedral - Rochester Cathedral Community Sensory Garden
- Sateda Ltd - A Women's Resource Centre for Medway
- St Margaret's Church - Putting Rainham First
- Woodlands Warriors Wheelchair Rugby League - Winter Warriors Skills Enhancement Programme
- Girlguiding Chatham North District & Medway Division - Green skills and Outdoor Learning
- The Reanella Trust - The Resilience Recovery Relief Project
- Medway Council - Creative Health & Skills Health Programme
- Napier Primary and Nursery Academy - TKAT Ace Plus
- All Saints Community Project Trust - Life Skills
- North Kent Mind - Skills and Support Programme
- Medway Diversity Forum - Creating Life Chances
- Volunteer It Yourself - Volunteer It Yourself
- ZC Social Media - Digital Medway.

5.1.5. The SPF Year 3 programme provided significant support across various sectors, spanning across the whole region. The SPF programme supported the development of large-scale events including 'Chinese New Year 25'. An event which brought thousands of people into Chatham High Street, working closely with the local and international Chinese community, celebrating the culture and contribution of Medway's Chinese Community, whilst raising the profile of Medway, as an open, welcoming place for our diverse communities and visitors.

5.1.6. The SPF programme expanded opportunities for all, with targeted support for many marginalised groups. This included the 'Arts and Homelessness International Professional Development project' which has supported and engaged homeless individuals across the region gain access to one-to-one support to help identify and develop their professional skills in a range of training activities across multiple fields, including coding, game design, music, textiles, offering individuals that do not typically have access to support a path

way into new hobbies and inspiring them into new career paths they would not have been exposed to without this support.

- 5.1.7. The SPF programme highlighted existing local assets and worked to bring new heritage assets back to Medway, the 'LV21 RiverSwell project' involved the successful relocation of Light Vessel 21 a 40-meter steel-hulled historic lightship from Gravesend back to the Historic Dockyard Chatham. The ship itself is a huge heritage asset, that it has been repurposed into a unique floating cultural hub, serving as a dynamic art space and performance facility designed to deliver innovative and immersive experience across artforms. As part of this project LV21 is delivering their 5-month RiverSwell programme working with Tiller & Wheel, designed to connect local communities and creative sector programmes with the River Medway and pave the way to help develop a longer-term heritage initiative that will further community and visitor access to the rich river heritage of Medway.
- 5.1.8. Of the 55 projects that formed the SPF Year 3 programme, the examples provided above represent a small percentage of the notable impact the SPF scheme has overseen across the region. Through working with local organisations, the SPF Year 3 programme was able to collaboratively drive significant social and physical change, in partnership with organisations that have the area specific knowledge to best impact their local areas and communities.
- 5.1.9. Medway Council's UKSPF programme was showcased as a national example demonstrating best practice. The programme was also utilised as a central example raised during an adjournment debate at Parliament introduced by Lauren Edwards MP discussing the UK Shared Prosperity Fund and the potential for an extension for funding for 2025-2026. This was ultimately successful and resulted in the extension of the UKSPF for an additional year.

6. UKSPF 2025/2026 Approach

6.1. Shared Prosperity Fund 2025/26

- 6.1.1. Given the success of SPF in Year 3 the Council intends to continue the process of launching a competitive open application process, allowing applications both externally and internally.
- 6.1.2. Work is ongoing to draft a Year 4 prospectus and build on the successes of the Year 2 and 3 programme. The intention is to launch Year 4 early in Spring 2025.
- 6.1.3. Given the change in Government some aspects of the Year 4 SPF programme have changed, including the implementation of new sub themes that sit under the key investment priorities of Communities and Place, and Supporting local business, therefore our programme has been updated to reflect this.

- 6.1.4. Given that the original IP proposed only covered three years of delivery, SPF Year 4 will be formed based on an updated forecast that will be submitted to MHCLG, which will detail the outputs and outcomes we will aim to achieve, and resultant will be used to determine which projects are taken forward with a clear scoring system to ensure parity across the programme.
- 6.1.5. The process for all applications received in SPF Year 4, will be the same as SPF Year 3. The governance for SPF applications assessment, onboarding and delivery was developed in consultation with the Council's Finance, Legal, Procurement, Audit, Counter Fraud, and Corporate Governance teams. All applications are subject to the application scoring system; each application is to be assessed on stipulated criteria, and a weighted average will be applied, generating a total weighted score. The criteria each application is subject to is clearly defined, and scores are assigned based on an assessment guide sheet, so each score is standardised across the scorers. Applications are assessed on the below criteria:
- How the project addresses local challenges and opportunities
 - Financial Deliverability
 - Technical and Professional Deliverability
 - UKSPF Outputs and Outcomes
 - Value for Money and match funding
 - Alignment with Medway 2040 Council Priorities.
- 6.1.6. Once an application has received an initial weighted score, it is then moderated internally, by a member of the Medway Council team associated with the nature of that project, typically moderation has been conducted by the Economic Development team, the Climate Change team, the Culture team, and Inward investment teams. After Moderation the applications will all receive a moderated score, and this score is utilised to shortlist the application that are brought forward for discussion.
- 6.1.7. The shortlisted applications are then presented and discussed with senior management and the Portfolio Holder for Economic Development, Social Regeneration and Inward Investment, and a final decision is made.
- 6.1.8. The successful applications then enter the onboarding process, in which the UKSPF teams conduct a series of inception meetings to engage all project leads and finalise output and outcomes before entering into funding agreements for external partners or Service Level Agreements for Internal partners. The funding agreements that are entered into condition the transfer of funds to ensure successful delivery of all the specific outputs and outcomes they have stated, and feature clawback provisions should they be required.
- 6.1.9. All project leads are then required to attend monthly delivery group and UKSPF board meetings; the board meetings provide the project leads with the opportunity to showcase their projects, and to discuss and promote their project with the wider UKSPF programme network. The board meetings also offer the opportunity for the UKSPF team to explore potential synergies between projects to ensure maximum impact is made. The monthly delivery

group meetings are drop-in sessions that are focused on the delivery of the projects from an operational perspective and give project leads the opportunity to discuss potential issues, budgetary pressures, and opportunities. In SPF Year 3, the governance structure was received well by those involved in the programme.

6.1.10 All funding distributed to applicants is done in tranches unique to each project, all funding requests and invoices received are subject to stringent review, and evidence to support all spend is required. This is then assessed, and a process is conducted to assess each claim for funds prior to submission to the Exchequer team. All project leads where required, receive project management support delivered by the UKSPF team to ensure that they deliver their projects on time and to budget. Project delivery for Year 3 is well underway and on track.

6.1.11 Given the closure of multiply and the Government's intention not to continue funding to support Multiply past 2024/2025, Medway UKSPF Year 4 is going to support a provision to continue some level of service for the work Multiply supported across the region. The level of provision will be significantly lower given that Multiply received £504,000 of funding for 2024/2025 and the value SPF will be able to support the continuation of a Multiply style provision is £50,000. However, despite the reduced funding this does ensure some level of service can be provided to those that require it, and some level of benefit will be realised.

7. Options

7.1. To approve the proposed delivery of the UKSPF Year 4 2025-26 as set out in this paper.

7.2. To reject the proposed delivery of the UKSPF Year 4 2025-26 as set out in this paper.

8. Advice and Analysis

8.1. The SPF Investment Plan for 2022- March 2025 was approved by DLUHC (now MHCLG) and Year 3 has progressed well with a high level of consultation with users and stakeholders as well as their support in the Year 1 and 2 programmes. This provides a stable base from which to deliver Year 4 with forecasted outputs and outcomes to be submitted to MHCLG and funding then distributed, and provides the opportunity of more stakeholder engagements to ensure the programme meets the needs of Medway residents and businesses.

8.2. Rejecting the proposed programmes would threaten delivery and risk the loss of funding through a reduced spend window. MHCLG require return of unspent funds beyond March 2026, this would result in lost opportunities for Medway's residents, communities, and businesses.

- 8.3. Sustainability impacts have been considered throughout the programme, and any relevant applications that have been received through the course of the programme to date have been shared with and moderated by the Climate Change team, to gain an accurate understanding of the impact the project could have on climate change and sustainability in the region. This process will continue as part of SPF Year 4.

9. Risk Management

Risk	Description	Action to avoid or mitigate risk	Risk rating
SPF funding is not spent effectively.	The SPF allocation for Medway is relatively small; all SPF funded interventions need to ensure that the benefits of the funding are maximised.	Consult key stakeholders and ensure that all proposed SPF interventions within the Investment Plan are in line with the Ministry of Housing, Communities and Local Government aims.	Bii
Negative publicity.	Partners' expectations for SPF funding are high, due to the funding stream succeeding European Structural funds, and SPF Year 3's successful programme of events.	To clearly set out Medway's total allocation to partners. Setting a maximum that partner projects can bid for, to enable a breadth of interventions to be delivered, to maximise benefit realisation across Medway. To utilise successes from SPF Year 3 and build upon this with consideration from feedback received.	Biii
Lack of resource required to deliver the Investment Plan and administer the SPF.	There are significant monitoring requirements for the SPF and reporting to Government. Multiple partners delivering the SPF interventions, will all require funding agreements and management of funding, as well as reporting.	Ensure appropriate allocation is given to managing and delivering the Investment Plan within the SPF funding.	Bii
Successful projects do not deliver intended outputs / outcomes.	Projects cannot deliver their intended outputs within budget and / or to schedule, leading to a reduced opportunity to deliver the extent of	Effective partnership relationship management will be key to the successful delivery of SPF interventions, and resourcing this has been allocated.	Bii

Risk	Description	Action to avoid or mitigate risk	Risk rating
	identified schemes. This could lead to reputational damage.		

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

10. Consultation

- 10.1. The Investment Plan has been developed in line with the Medway 2040 priorities. The Medway 2040 Strategies had extensive engagement with Stakeholders, including presentations to the Regeneration, Culture and Environment Overview and Scrutiny Committee. Portfolio Holders of the previous administration were also engaged in regular dialogue via meetings with the AD, Regeneration and the Strategy and Economic Investment Programme Manager.
- 10.2. Internal and external stakeholders have been engaged, through significant communication efforts, including two launch events, the development of SPF materials including brochures, the Council webpage, social media campaigns, interaction with the town centre forums, with regular UKSPF board meetings and UKSPF Delivery group meetings.

11. Climate change implications

- 11.1. [The Council declared a climate change emergency in April 2019](#). The Council is committed to making Medway carbon neutral by 2050 and has developed an action plan to facilitate making a 'clean and green environment'. The aim is to ensure that climate change is incorporated and embedded into all relevant policies, strategies, plans and contracts.
- 11.2. Climate change has been embedded throughout the Medway 2040 strategies. It is responding to Medway Council's adopted Climate Change Action Plan, specifically Key Priority Action 2 (Public Sector Decision Making) which includes a sub-action to embed climate change in all relevant Council plans and strategies. The SPF Investment Plan and forecasted outputs and outcomes for UKSPF Year 4 strongly aligns with the Medway 2040 Strategies.

12. Financial implications

- 12.1. All expenditure will be funded from the grant allocations referred to throughout the body of the report, there are no additional costs or pressures on the

Council's revenue or capital budgets in delivering the programmes. The SPF funds are paid to the council in line with the annual allocations and in accordance with the Memorandum of Understanding with Government.

- 12.2. Securing the SPF investment will have a significant, positive impact for the Council in supporting Medway's residents, communities, and businesses.

13. Legal implications

- 13.1. The Council has a Memorandum of Understanding with MHCLG. Any successful external bidders for the SPF will be subject to a legal agreement and terms and conditions that ensure the GDA and the Council's legal position as the accountable body for distributing the funding are protected.
- 13.2. The Council will ultimately remain liable for any grant which has to be repaid due to a breach of the GDA even if by an external party, so it is vital that the projects are closely monitored to ensure delivery is achieved. The agreements contain claw back provisions to mitigate this risk so far as is possible.

Lead officer contacts

Jessica Jagpal, Strategy and Economic Investment Programme Manager
E: jessica.jagpal@medway.gov.uk
T: 01634 331544

Ryan Jagpal, UKSPF Network Manager
E: ryan.jagpal@medway.gov.uk
T: 01634 332317

Appendices

None

Background papers

[UKSPF Year 3 SPF, REPF and Multiply Cabinet Report](#)

[UKSPF Year 2 SPF, Multiply and REPF Cabinet Report](#)