
Report to: Clackmannanshire Council

Date of Meeting: 23 June 2022

Subject: UK Shared Prosperity Fund

Report by: Strategic Director (Place)

1.0 Purpose

1.1. The purpose of this report is to:

1.1.1 Provide information on the UK Shared Prosperity fund allocation for Clackmannanshire, and to seek approval for an outline set of proposals on how this fund will be allocated over the period October 2022 until March 2025.

1.1.2 UK Shared Prosperity Funding is a successor to some EU Structural Funds, specifically, the European Regional Development (ERDF) and European Social Fund (ESF), and is intended to ensure focus on local priorities, and continuation and development of existing ESF and ERDF funded services, building on and developing successes and best practice learned through the previous programmes. In Clackmannanshire specifically, current EU funded programmes include a successful ESF Employability Service delivered by the Council's Clackmannanshire Works team, and an ERDF funded business support programme delivered via the Business Gateway contract.

2.0 Recommendations

2.1. Council is invited to:

2.1.1 Note the financial award to Clackmannanshire Council from the UK Shared Prosperity Fund, and in particular the allocation of funding across each year;

2.1.2 Note that the UK Shared Prosperity Fund is intended to provide continuity and development of existing ESF and ERDF funded services within Clackmannanshire;

2.1.3 Agree that the activity within each investment priority area is delivered in general as outlined in Appendix A;

2.1.4 Agree the funding for each investment priority is allocated in general as outlined in Appendix A;

2.1.5 Note the challenges in terms of uneven funding allocation across the 2.5 year period of the programme.

3.0 Background

3.1 The methodology used to allocate the £2.6 billion UK Shared Prosperity Fund (UKSPF) across the UK up to the end of the 2024-25 financial year as set out in the spending review is:

- 1) Core UKSPF budget: £2.06bn over the Spending Review period
- 2) Multiply budget: £430m over the Spending Review period
- 3) Centrally retained Multiply: £129m over the Spending Review period.

3.2 The UKSPF is a successor to some EU Structural Funds, specifically, the European Regional Development (ERDF) and European Social Fund (ESF). Other European Funds, such as the European Agricultural Fund for Rural Development (EAFRD), are being replaced separately. This means that the key objectives of this UKSPF allocation methodology are to ensure a degree of continuity of funding for places transitioning away from EU funding, while still ensuring that funding is targeted towards areas most in need at the present time. The fund will also align to the missions set out in the Levelling up white paper.

- 60% of the funding was distributed based on Local Authority population size (a 'per capita' basis)
- 30% was distributed using the need-based index as was developed for the UK Community Renewal Fund, which was designed as a precursor to the UKSPF
- 10% was distributed using population density.
- The 60:30:10 split has been chosen to ensure that funding was weighted toward those areas most in need of greater funding levels, while maintaining a level of continuity with the EU funds that the UKSPF is replacing, to minimise the size of funding gaps as during transition from an EU-led regime to a UKG-led one.

3.3 UK Government strongly encourage lead local authorities to engage widely with local partners to ensure that local investment plans complement and do not duplicate other provision and interventions are delivered at the appropriate scale. Places will be empowered to identify and build on their own strengths and needs at a local level. In Clackmannanshire, engagement is being undertaken via our Local Employability Partnership (LEP) and with the Clackmannanshire Business Support Partnership (CSBP). Members of both of these Partnership groups are detailed in Appendix B.

3.4 The UK Government will release funds to each Council over the 3-year period with the first payment being released in October 2022 and future funds being released on 1st April each subsequent year.

3.5 Clackmannanshire has been awarded £2,115,506 for this 2.5 year period, which includes £365,328 ring-fenced for a Multiply programme (adult numeracy). An element of the fund can be used for capital projects, with the minimum capital spend set as a percentage of the core spend for each year (see table below and Section 4.7).

3.6 The breakdown of funds to be spent in Clackmannanshire is as follows:

	Core	Min. Capital	Multiply
Year 1(22-23)	£212,400	10.4%	£110,448
Year 2(23-24)	£424,800	12.5%	£127,440
Year 3(24-25)	£1,112,977	17.9%	£127,440

4.0 Considerations

4.1 The UK Government has identified three investment priorities:

- supporting local business
- people, skills, and investment
- communities and place.

4.2 Each investment priority has set interventions with outputs and outcomes to be achieved which align to the missions set out in the White Paper for levelling up. The UK Government have also allocated funds to each Local Authority to deliver the Multiply programme.

4.3 Outline proposals and costings for each of the investment priority areas, and for Multiply are shown in Appendix A attached. UK Government have provided 51 different Interventions (S1 – S51) split across the three priority areas and the Multiply programme, as well as expected outcomes for each Intervention and Appendix A also highlights the relevant UK Gov. intervention numbers and outcomes for each of our proposals. Local strategic priorities have been taken into account when identifying which of the Interventions we wish to address.

4.4 Each Local Authority will receive £20,000 to prepare an individual Investment Plan and can use up to 4% from their total allocation to undertake necessary Fund administration, such as project assessment, contracting, monitoring and evaluation, audit and compliance and ongoing stakeholder engagement. In Clackmannanshire, this admin fee (based on our annual allocation of funding) equates to

Year 1: £12,913

Year 2: £22,090

Year 3: £49,617

4.5 Resources required to manage, coordinate delivery and provide compliance, reporting and monitoring of the programme will be funded or part funded through the UK Shared Prosperity Fund management fee.

4.6 It is intended that a Steering Group to govern the programme with nominated sub leads for each investment priority and Multiply will be set up, with regular meetings scheduled to enable the Investment Plan to be submitted to UK government by the deadline date of 1st August 2022. This group will be led by the appropriate Transformation Officer within the Transformation Team, and the Team Leader, Economic Development. Thereafter, quarterly steering

group meetings will take place to ensure all activity and spend has been achieved.

- 4.7 The UK Government has provided annual allocations to each Council, with funding released as follows: 12% in year 1, 24% in year 2 and 64% in year 3. From that allocation, a further proportion of spend must be capital: 10.4% in year 1, 12.5% in year 2 and 17.9% in year 3. This spend profile has implications for the delivery of the programme, particularly for Year 2 where the lower funding allocation will present financial constraints and challenges in terms of continuity and development of our existing EU funded programmes, and will not allow much scope for any new activity during that year (2023/24). It is anticipated that the uneven allocation of funding across the 3 years may have a negative impact on quality and continuity of services. The profiled allocations and restrictions on spend has proved challenging and concerns have been shared with UK Government directly and raised through Scottish Local Authority Economic Development (SLAED). A resolution is needed to enable Clackmannanshire Council to effectively deliver the services to benefit our communities, people, and business.
- 4.8 An overview of the proposed plan for delivery is detailed below (further detail contained within Appendix A):

4.8.1 ***People and Skills***

It is proposed to develop a full employability programme, incorporating elements of our existing successful ESF funded programme which has been delivered in-house by the Clackmannanshire Works team (part of Clackmannanshire Council Economic Development service) from 2015 and is due to end in March 2023, as well as elements of the Community Renewal Funded PEC (Pre Employability Clackmannanshire) programme, which commenced in January 2022 and is being delivered by a consortium of Third Sector local organisations led by CTSI and CERT.

It is proposed that this new programme will deliver the following range of support:

- Stage 1: Support for 'Economically Inactive' group. Engage with our Third Sector partners to deliver pre-employability support for those currently defined as economically inactive (not engaged with DWP through a Work Coach), aimed at engaging those individuals, reducing barriers and developing a variety of basic and interpersonal skills to encourage and support a number of this group to progress into mainstream employability support, volunteering opportunities, and training. Anticipated Number of economically inactive beneficiaries supported through this activity is 500, plus an additional 130 ex offenders (through pre-employability support). Stage 1 will also see approximately 100 beneficiaries supported into Voluntary placements.
- Stage 2: Provision of Employability support for Clackmannanshire residents aged 16-67, who are furthest from the labour market and who have at least one barrier to employment. The service will include person centred key worker support, access to and funding for accredited training to progress into and sustain employment and self-employment opportunities, and provision of wrap around support including financial

advice, digital skills and mental health support. This activity is currently funded through EU structural funds and delivered in-house by the Clackmannanshire Works team. Through experience of delivering the current ESF programme, it is anticipated that we will attract 250 new starts onto the 2 year programme starting in April 23, as well as continuing to work with existing ESF supported clients, to ensure continuity of support for this group of unemployed residents. It is anticipated that 125 of these will be supported into jobs, with at least 75 sustaining jobs for over 6 months. Appendix C provides information on our current ESF programme, including beneficiary numbers and outcomes.

- In partnership we will work to provide opportunities for training and qualifications for those employed within low paid and low skilled jobs and for those experiencing in work poverty to increase household income. Advice and guidance in careers progression opportunities and financial management will also be provided, in addition to access to wider provision such as core skills and basic skills development. Our in-work support will help fund work clothes, transport and childcare costs as well as essential training costs for clients supported into jobs.

In designing this programme, we will take into account and align the new provision with No One Left Behind, Young Person's Guarantee, Fair Start Scotland and Parental Employability Support, all Scottish Government funded employability programmes currently managed and/or delivered by Clackmannanshire Council's Economic Development Service on behalf of the Local Employability Partnership (LEP). Clackmannanshire Works currently work with around 400 people through all of these Employability programmes (including around 125 per annum on our ESF programme)

4.8.2 ***Multiply***

We propose to work with our local Third Sector organisations and the Council's Community Learning and Development service to co-ordinate and deliver a range of community based and online numeracy and maths skills courses to key priority groups. A blended approach will be deployed. Provision will be aligned and integrated with the wider employability offer locally, enhancing opportunity. Employability support provision will provide opportunities to further develop numeracy skills aligned to core skills modules as part of a wider offer of vocational training. It is anticipated that around 370 people will be supported through the Multiply programme over 2.5 years, with around 75 gaining a qualification.

4.8.3 ***Business Support***

It is proposed to:

- Provide specialist support to our businesses through a framework of experts delivering support for specific projects leading to business growth (programme currently funded through an ERDF EU funded scheme due to finish in September 2022). This has the potential to include group sessions and networking, and a particular focus will be put on our local priority sectors of food and drink and tourism. Specialist support and events will also target low carbon and digital projects. Around 60 businesses per annum (180 over the 2.5 years) will be supported.

- Recruit a Business Adviser who will provide a business engagement function within our Economic Development team, linking businesses to employability programmes (including increasing knowledge on skills requirements within our local businesses) and working closely with our local Business Gateway provider to ensure businesses have access to a wide range of support and advice. The Business Adviser role will also involve encouraging businesses to adopt the newly developed Clackmannanshire Good Employment Charter and fair work practices (developed as part of our CWB action plan), and encouraging businesses to engage with and support the Clackmannanshire Climate Change Strategy.
- Work with partners to provide additional business support in the form of accelerator programmes, training and networking, particularly around the areas of net zero, digital and tourism.
- It is anticipated that the business support activity will lead to job creation (approximately 60 new jobs created and 40 safeguarded per annum), an increase in new business starts (approximately 12 per annum in addition to the new business starts supported by Business Gateway); much improved engagement between businesses and employability support in the area; better knowledge of our business base and skills requirements; and good engagement with and sign up to the Clackmannanshire Good Employment Charter and Climate Change Strategy. Businesses receiving support will also be introduced to the concept of community benefit and will be encouraged to provide some sort of community benefit as a result of the support. This could take the form of supporting the Developing Young Workforce activity around Young Person's Guarantee and schools engagement, offering a work placement or volunteering for some community project.

4.8.4 **Communities**

It is proposed that we will use the capital element of the Fund to support our Communities and Place - specific projects are still to be agreed, but could include:

- Working in partnership with our Third Sector Interface and other partners to agree a programme of activity over the 3 years
- In years 2 and 3, offer grants to support community projects
- Support active travel programmes
- Support projects within our Transformation zones.

All communities projects will require to fit with the UK Government Intervention list, and support the accompanying outcomes.

- 4.9 Further updates are expected from UK Government in the summer and if considered necessary, a further report will be brought to Council.

5.0 Challenges

- 5.1 Timing and preparation of the Investment plan for submission by 1st August will be challenging. The Plan requires us to engage with key stakeholders, and will require sign off by Council leader, Chief Executive and Finance Officer. Engagement must also be undertaken with the local MP and MSP.
- 5.2 Allocation of funding over the 2.5 years will present challenges in terms of continuity of service and delivery of new programmes. We are in discussion with UK Government about potential solutions to this, and are seeking clarification on whether it will be possible to use some of our Year 3 funding allocation to support activity in Year 2 to allow programmes to be delivered fully and evenly over the 2 years. This may require a 'spend at risk' decision by Council for Year 2 (2023/24) of the programme, but with funding guaranteed to be received in April of 2024.

6.0 Conclusions

- 6.1 The UKSPF will allow us to mitigate the impacts of leaving the European Union, by investing in domestic priorities and targeting funding where it is needed most: building pride in place, supporting high quality skills training, supporting pay, employment, productivity growth, and increasing life chances. To achieve this Clackmannanshire Council will provide support for local businesses and strengthen the local entrepreneurial ecosystem, will improve links and increase knowledge around skills requirements between employability programmes and local businesses, will provide pre-employment support for economically inactive people and employability and other wrap around support for those with barriers to employment, and will support those in low-income employment to increase skills. It will also, through the capital element, provide funding for new, or improved existing community and place infrastructure projects. The fund will also help transform the lives of adults across Clackmannanshire by improving numeracy skills, providing better access to free, flexible courses that fit around their lives while improving opportunities for employment.
- 6.2 Clackmannanshire Council will prepare and submit an Investment Plan before 1st August 2022 detailing activity and funding to align with the interventions, outputs and outcomes set by UK Government. Interventions have been chosen to fit with our local strategic priorities aligned with Wellbeing Economy and Be the Future. Please note that advice from UK Government is that these plans are not set in stone and can be adjusted at any time during the 2.5 year programme to reflect local circumstances and priorities.

7.0 Sustainability Implications

7.1

8.0 Resource Implications

- 8.1 Resource will be required to carry out stakeholder engagement, and to finalise the detail of our investment proposals prior to submission by 1st August. This

will be provided by the Transformation Officer for UKSPF, working with the Economic Development Service Team Leader.

8.2 Resource will be required to provide compliance, monitoring, reporting and managing of new UKSPF programmes. It is intended that the administration fee (outlined in 4.4 above) will be used to part fund a new Data and Monitoring Officer Post within the Economic Development Team to undertake this activity.

8.3 A new Business Adviser/Business Engagement Officer Post will be created and funded through the Business Support stream of the plan.

9.0 Financial Details

9.1 Funding allocations for Clackmannanshire over the 2.5 years from October 2022 until March 2025 are as per Section 3.5 above.

10.0 Staffing

10.1 Clackmannanshire Council currently employ a number of staff within the Economic Development Service to deliver an existing European Funded ESF Employability Programme. It is intended that the new Employability Programme contained within the UKSPF proposals will include elements of our existing programme as well as some new interventions which can be carried out by the existing key worker and Job Broker team. Exact numbers of staff and roles for the new programme will be agreed on over the next 6 months and any changes to staffing requirements will be notified to Council at a future date during 2022/23.

10.2 New Data and Monitoring Officer and Business Adviser roles will be created and funded via the UKSPF (as per outline proposals).

11.0 Exempt Reports

11.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

12.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all	X
Our families; children and young people will have the best possible start in life	X
Women and girls will be confident and aspirational, and achieve their full potential	X
Our communities will be resilient and empowered so	

that they can thrive and flourish

X

(2) **Council Policies** (Please detail)

13.0 Equalities Impact

13.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

14.0 Legality

14.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

15.0 Appendices

Appendix A: Outline Proposals and Costs and fit with UK Gov. Interventions and Outcomes

Appendix B: Stakeholder Engagement: LEP and Clackmannanshire Business Support Partnership member organisations

Appendix C: Current ESF programme outcomes and beneficiary numbers

16.0 Background Papers

16.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

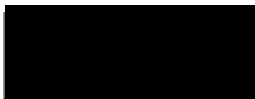
Yes X (please list the documents below) No

UK Shared Prosperity Fund Prospectus published by UK Government May 2022

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Approved by

NAME	DESIGNATION	SIGNATURE
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**UK SHARED PROSPERITY
APPENDIX A : OUTLINE PROPOSALS AND COSTS
OCTOBER 2022 – MARCH 2025**

1. CURRENT ALLOCATIONS PER ANNUM (AS ADVISED BY UK GOVERNMENT)

	Core	Multiply	total	Capital % of core	Capital £	Remaining Core (capital subtracted)
Year 1	212,400	110,448	322,848	10.4%	£22,090	£190,310
Year 2	424,800	127,440	552,240	12.5%	£53,100	£371,700
Year 3	1,112,977	127,440	1,240,417	17.9%	£199,223	£913,754
Totals	£1,750,178	£365,328	£2,115,505		£274,413	£1,475,764

An admin fee of 4% can be used towards management and administration costs (eg. Project compliance and reporting, monitoring and evaluation, etc.).

In Clackmannanshire, this admin fee (based on our annual allocation of funding) equates to

Year 1: £12,913

Year 2: £22,090

Year 3: £49,617

It is intended to use this Admin Fee to part fund a new Data and Monitoring post within the Economic Development team to undertake this activity.

2. PROPOSALS BROKEN DOWN BY YEAR, WITH INVESTMENT AREA, UK GOV INTERVENTION CODES AND INDICATIVE OUTCOMES

2.1 Year 1: October 2022 to March 2023

	Amount Allocated	Proposal	Investment Area	UK Gov Intervention Ref, and indicative outcomes
Capital Spend	£22,090 less admin fee of 4% = £21,206	Alloa Town Centre project and set up of Employability meeting and drop in space within Alloa Town Centre. IT devices for relevant	Communities and Place (£17,000) People and Skills	S1: Place based investments for regeneration and town centre improvements. S34: Intervention to increase levels of digital inclusion,

		employability client group to enhance digital skills, and set up of town centre shop front unit for delivery of employability programmes	(£4,206)	with focus on digital skills (requirement for around 30 devices per annum (15 in Year 1), following the closure of the recent Connecting Scotland programme)
Multiply	£110,448 less admin fee of 4% = £106,130	Potential for Third Sector delivery of new adult numeracy programme (working with LEP partners, Forth Valley College and CLD team) Multiply funding is evenly spread over the period of the programme, making it easier to plan and deliver consistently. The multiply programme will contribute to separate Multiply interventions as well as support participants at all stages of the new Employability programme. Initial proposal has been submitted by a consortium of Third Sector organisations, led by CTSI. The proposal includes the recruitment of 2 FT tutors to deliver this programme, working with partners and across communities in Clacks to identify and support appropriate beneficiaries. The more formal training elements will be outsourced, and conversations with the college have taken place.	People and Skills (£106,130)	S42: Courses designed to increase confidence with numbers for those needing the first steps towards formal qualifications S43: Courses for parents wanting to increase their numeracy skills in order to help their children, and help with their own progression S44: Courses aimed at prisoners, those recently released from prison or on temporary licence S45: Courses aimed at people who can't apply for certain jobs because of lack of numeracy skills and/or to encourage people to upskill in order to access a certain job/career S48: New Intensive and flexible courses targeted at people without Level 5 Maths, leading to an equivalent qualification S49: Courses designed to help people use numeracy to manage their money S50; Courses aimed at those 19 or over that are leaving, or have just left, the care system S51: Activities, courses or provision developed in partnership with community organisations and other

				<p>partners aimed at engaging the hardest to reach learners</p> <p>Anticipated number of participants in 1-2-1 support over the 2.5 years of the programme = 370, with around 75 expected to gain a qualification.</p>
Core Funding	£190,310 less admin fee of 4% = £182,698	<p>Business Support: Replacement of existing ERDF 'Expert Help' programme) = £40,000 – potential to include a one to many programme supporting 2 cohorts x 12 businesses per annum (one cohort in Year 1) involving a network of experts in innovation, skills development and knowledge transfer) New business accelerator programme = £20,000</p> <p>New Business Adviser Role = £20,000 This new role will operate in the Economic Development section, and will undertake the following key responsibilities:</p> <ul style="list-style-type: none"> - Improved business engagement, focusing on skills requirements and job vacancies and matching those to local employability programmes 	Business (£80,000)	<p>Business Support</p> <p>S19: Strengthening local entrepreneurial ecosystems, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks</p> <p>S20: Support for expert business advice and support programmes</p> <p>S29: Support for new and existing businesses and start-ups aligned with local, Regional and Scottish policy</p> <p>Our Business Support activity will support businesses, including Third Sector organisations, across all sectors, with a range of outputs which will support local strategic priority areas. UKSPF business support activity will enhance and add value to the existing core Business Gateway activity and will directly support the following outcomes:</p> <p>Job Creation : anticipated to be in the region of 60 new jobs per annum within supported businesses</p> <p>Jobs Safeguarded: anticipated to be in the region of 40 per annum within supported businesses</p> <p>Increased share of early stage firms which generate or increase their revenue: anticipated to support around</p>

		<ul style="list-style-type: none"> - Supporting unemployed residents on employability programmes to consider self-employment as an option and working with Business Gateway to encourage and support new start businesses - Encouraging businesses to sign up to the newly development Clacks Good Employment Charter - Encourage employers to adopt Fair Work Practices - Encourage employers to support the Clackmannanshire climate change strategy and input into a newly formed forum - Work with the Clacks Business support partnership to support a new inward investment activity <p>Employability Set up of new Employability Programme to include Pre Employability Activity (PEC) – working with Third Sector partners to engage with ‘economically</p>	<p>People and Skills (£102,000)</p>	<p>24 early stage growth businesses per annum Number of new businesses created: Through our additional Business Adviser resource, we expect to support an additional 12 new businesses to start up per annum (this is in addition to the current BG target of supporting 90 new business starts per annum in Clacks).</p> <p>Other outputs include increased number of businesses engaged in new markets, number of businesses introducing new products to the firm, increased number of innovation active SME’s.</p> <p>All businesses supported will be encouraged and supported to sign up to the new Clackmannanshire Good Employment Charter (being developed as a result of our CWB action plan), and will be encouraged to support the Clackmannanshire climate change strategy. All business support activity will include a focus on net zero, digital skills and innovation, and supported businesses will be encouraged to provide a community benefit of some kind (which could include a commitment to working with schools, supplying work placements, or providing voluntary support within Third Sector and community organisations. Activity will also support local priority of increasing the business base in Clacks.</p> <p>See Year 2 and 3 for full detail on new Programme, including interventions and outcomes.</p>
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		<p>inactive' group = £50,000</p> <p>Planning for replacement of ESF programme and designing new activity to start 1 April 2023. Activity will include enhancing our data reporting system, setting up a presence in the town centre, contracting with wrap around support (eg. Mental health provision, financial advice and digital support) = £52,000</p>		
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We await confirmation from UK government that any underspend during Year 1, if committed, can be carried forward into Year 2 activity.

Year 2 : April 2023 to March 2024

	Amount Allocated	Proposals	Investment Area And Funding	UK Gov Intervention Reference Nos, and indicative outcomes
Capital Spend	£53,100 less admin fee of 4% = £50,976	Working with partners and communities to identify suitable capital projects	Community and Place = £50,976	For Years 2 and 3, we intend setting up a fund for community projects to bid into – with projects requiring to fit with at least one UK Gov. Intervention (S1 to S13), and with local Wellbeing Economy and Be The Future outcomes.
Multiply	£127,440 less admin fee of 4% = £122,342	As for 2022/23 : Ensuring new programme is meeting intended outputs and outcomes	People and Skills = £122,342	As per Year 1
Core Funding	£371,700 less admin fee of 4% = £356,832	<p>Business Support: £90k – replacement ERDF programme of support for business, and growth programme £40k – new accelerator programme £50k - Business Adviser role Total : £180,000</p> <p>Employability: Full new integrated programme of Employability support, from working with economically inactive group (via proposed Third Sector partner delivery) to replacement ESF person centred key worker employability support delivered by Clackmannanshire Works Total (maximum left of allocation):</p>	<p>Business Support = £180,000</p> <p>People and Skills</p> <p>Full cost of programme per annum would be in the region of £400,000 per annum As things stand, our current allocation from</p>	<p>As per Year 1, but full year of support</p> <p>S31: Employment support for economically inactive people S32: Courses including basic skills and the skills and career skills provision for people who are not economically inactive and who are unable to access other training or wrap around support. S33: Activities such as enrichment and volunteering to improve opportunities and promote wellbeing. S34: Intervention to increase levels of digital inclusion, with a focus on essential digital skills</p>

		<p>£176,832 (this is considerably lower than we had hoped for Year 2 and will not cover delivery of our full programme unless some way can be found to spread the costs more evenly over Year 2 and Year 3 (as per Point 5.2 in Council report)).</p> <p>If there is no flexibility to move allocations between years, one potential solution for Year 2 is to match fund in kind some staff costs within the Clackmannanshire Works service. While match funding is not a requirement of UKSPF, it is encouraged where possible and relevant.</p>	<p>UK Gov will fund £176,832 of activity in Year 1, leading to a £223,000 shortfall</p>	<p>S35: Support for employability programmes and advice S36: Support for local areas to fund local skills needs (includes industrial and vocational qualifications)</p> <p>Stage 1: UK Gov. have included a target group within the 'People and Skills' investment area of 'Economically Inactive' and It is proposed that the support to be provided to the 'economically inactive' group will be delivered as a continuation and development of the recently funded Community Renewal Fund (PEC Pre Employability in Clackmannanshire Programme) : this programme is being delivered by a Consortium of local Third and private Sector providers and is currently led by CTSI. Approximate numbers of 'economically inactive' to be supported over the 2.5 years of the programme is 500, with the programme also including to provide employability support to around 130 ex offenders. UK Gov Outcomes for the 'economically inactive' group which we will report against include:</p> <ul style="list-style-type: none"> - Number of economically inactive individuals in receipt of benefits they are entitled to following support - Number of participants with basic skills - Number of participants with life skills - Number of people supported to engage in job-searching (it is intended that this group would be referred onto the
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				<p>Clackmannanshire Works team at this point and process for referrals and reporting is being created to avoid duplication and ensure seamless transition through the pipeline)</p> <p>This activity also intends to support around 100 volunteer opportunities over the 2.5 years.</p> <p>Stage 2: It is proposed that employability support to all others (not classed as 'economically inactive') will be delivered by Clackmannanshire Works, providing a seamless transition from the currently funded successful ESF programme, due to finish in March 2023. UK SPF funding for this activity will ensure continuity of support for this client group, building on successes and best practice from the previous programme, and will support people with barriers to employment with access to skills, person centred bespoke key worker support, wrap around support for eg. Financial advice, digital skills, access to digital devices, mental health support, and a barrier free fund to support training costs, work clothes, child care, transport costs, etc. The current ESF programme supports around 125 new starts onto the programme per annum (as well as on-going support to people already on the programme). Based on experience of delivering ESF support to this group of clients, and current labour market conditions, we anticipate that over the 2 years of the programme from April 23 – March 25, we will see 250 new starts onto this programme, with</p>
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			<p>around half being supported into work opportunities (125), with 75 of those into sustained work (still in job after 6 months).</p> <p>This activity will supplement and align with current Scottish Government employability support through No One Left Behind (NOLB), Young Persons Guarantee (YPG), Parental Employment Support (PES) and any replacement scheme to Fair Start Scotland (which supports people with disabilities and long term health conditions and is also due to finish in March 2023). The Clackmannanshire Works team work with around 400 clients at any one time through the combination of these programmes. UKSPF funding will allow continuation of support to all unemployed Clackmannanshire residents aged 16 – 67 with barriers to employment, to progress on the employability pipeline into positive destinations which can include work, training, education and volunteer positions. Appendix C shows breakdown of current ESF programme outcomes.</p> <p>UK Gov. outcomes for this element of our proposal include:</p> <ul style="list-style-type: none"> -Number of people in employment, including self-employment, following support -Fewer people facing structural barriers into employment and into skills provision -Number of people in education/training -Number of people taking part in work experience programmes
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				<ul style="list-style-type: none"> -Number of people supported to access basic skills -Number of people supported to engage in life skills -Number of people supported to gain a vocational licence -Number of people supported to gain a qualification or complete a course <p>All beneficiaries on Stage 1 and Stage 2 will be able to access support delivered via the Multiply programme.</p>
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Year 3: April 2024 to March 2025

	Amount Allocated	Proposals	Investment Area	UK Gov Intervention Reference Nos, and indicative outcomes
Capital Spend	£199,223 less admin fee of 4% = £191,255	Working with partners and communities to identify suitable capital projects	Community and Place = £191,255	For Years 2 and 3, we intend setting up a fund for community and third sector organisations to bid into – with projects requiring to fit with Investment Priority areas S1 to S13, and with local priorities.
Multiply	£127,440 less admin fee of 4% = £122,342	As for Years 1 and 2, plus ensuring new programme is meeting intended outputs and outcomes Full monitoring and evaluation of programme	People and Skills = £122,342	As per years 1 and 2
Core Funding	£913,754 less admin fee of 4% = £877,204	Business Support: £90k – replacement	Business Support	As per Years 1 and 2

		<p>ERDF programme of support for business £40k – new accelerator programme £50k - Business Adviser role Monitoring and evaluation of programmes Total : £180,000</p> <p>Employability:</p> <p>Full programme of Employability support, as per Year 2.</p> <p>Total: £475,000 if funding can be spread over Years 2 and 3.</p> <p>£697,204 available if full allocation has to be used in Year 3 – this will fund additional employability services as required</p>	<p>= £180,000</p> <p>People and Skills Total required = £475,000</p> <p>Total available = £697,204 (222,000 over budget – potentially to cover Year 2 shortfall) if UK Gov. allow use of Year 3 money in Year 2 and Council agree ‘spend at risk’ for Year 2.</p>	<p>As per Year 2 if funding can be evenly split over the two years.</p> <p>If funding has to be spent as allocated, then Year 2 activity will be cut back, and additional activity will be programmed for Year 3. We await answers from UK Gov. on questions regarding use of underspend, and use of Year 3 money in Year 2.</p> <p>Additional activity in Year 3 could include contracted provision for 16-19 year old group, including support for those with additional support needs. Additional services to be agreed with LEP partners and will align with and add value to existing Scottish Gov. employability programmes (NOLB/YPG, etc). Fair Work Incentive could also be introduced in Year 3 if there is funding available as an Employer Recruitment Incentive.</p>
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UK SHARED PROSPERITY FUND

APPENDIX B

STAKEHOLDER ENGAGEMENT: LOCAL EMPLOYABILITY PARTNERSHIP (LEP) AND CLACKMANNANSHIRE BUSINESS SUPPORT PARTNERSHIP MEMBER ORGANISATIONS

CLACKMANNANSHIRE LOCAL EMPLOYABILITY PARTNERSHIP

Name of Organisation	Named Member	Alternate
Clackmannanshire Council: Economic Development	Ali Davidson (Chair)	
Clackmannanshire Council: Economic Development (Employability Lead)	Jane Adamson	
Clackmannanshire Council: Housing	Wilson Lees	
Clackmannanshire Council: Criminal Justice	Michelle Rogers	
Clackmannanshire Council: Community Learning and Development	Mary Fox	Karen Newbigging
Clackmannanshire Council: Education	Catriona Scott	Julia Barclay
Business Gateway	Maggie Gorman	
Skills Development Scotland	Emma Matthews	Sharon Lapsley
Clackmannanshire Third Sector Interface (CTSI)	Anthea Coulter	Colin Melville
Department for Work and Pensions (DWP)	Lynn Kennedy	
Developing the Young Workforce (DYW) Forth Valley		Michelle Carr
Forth Valley College	Jacqui McArthur	Lucy Hawkins
NHS Forth Valley	Joanne O'Suilleabhain	

CLACKMANNANSHIRE BUSINESS SUPPORT PARTNERSHIP

Name of Organisation	Named Member
Clackmannanshire Council: Economic Development	Ali Davidson (Chair) Emma Fyvie
Clackmannanshire Third Sector Interface (CTSI)	Anthea Coulter
Forth Valley College	Jacqui McArthur
Business Gateway	Maggie Gorman
Forth Valley Chamber of Commerce	Lynn Blaikie
Federation of Small Businesses	Hisashi Kuboyama
Clacks First	Kevin Deighan
Alloa First	Diane Brown
Discover Clackmannanshire	Steven Campbell
Visit Scotland	Neil Christison
Scottish Enterprise	Lynne Cooper
Developing the Young Workforce	Clare Flynn
Stirling University	(Invitation to join pending)

**APPENDIX C
CLACKMANNANSHIRE WORKS
ESF EMPLOYABILITY PROGRAMME OUTPUTS AND COSTS 2015-2021**

Since 2000, Clackmannanshire Council's Economic Development service has benefitted from ESF funding to provide employability support to local residents who face multiple barriers* (see note below) to accessing the labour market.

The current ESF programme delivered by Clackmannanshire Works, which started in April 2015 and runs to end of March 2023, provides one-to-one Key Worker support to individuals aged 16 - 67 to help address barriers to employment.

Support is personalised and tailored to meet individual's needs and can include confidence building, IT skills, money advice, jobsearch skills (job applications, CVs, interview techniques), access to volunteering and work taster opportunities, and through a barrier free fund can pay for industry specific training, help with travel and childcare costs, clothes for interview/starting work.

The support provided through our ESF programme is complementary to and provides added value to existing employability provision locally. The ESF grant funding has enabled the Council to almost double its capacity to work with disadvantaged residents and help move them closer towards or into employment than it would have been able to using available Council budget.

Over the period April 2015 to end of December 2021, our ESF programme has supported 872 local residents and is on target to achieve 984 starts by March 2023. Headline statistics for the current ESF programme from April 2015 are provided below:

	As as 31st December 2021	Target to 31st March 2023
Number of Starts	872	984
Into FE/HE	43	52
Gaining a Qualification	279	300
Into Employment	329	284
In Employment 6 Months after leaving programme	202	217

Current Annual Costs of ESF Programme

Staffing - £250,000
Wage Subsidies / ERI - £17,500
Participant Costs / Barrier Free Fund - £40,000
Other Costs - £17,500

Total = £325,000

ESF Funding equates to around £150-200k per annum and this is matched by Clackmannanshire Council by way of staff costs for the remainder.

*Target groups with barriers to employment include those at risk of becoming NEET; disabled; lone parents; living in jobless household; long term physical illness; long term unemployed; over 54; looked after young person; low income employed; low skilled; mental health issues; no or limited work experience; carers; refugees; ethnic minority; substance related conditions; young people affected by COVID; geographical barriers (rural or employment deprived areas); materially deprived households; young parents under 25; disabled parents; underemployed.

