



Subject:	Update on UK Shared Prosperity Fund
Date:	13 August 2020
Reporting Officer:	John Walsh, City Solicitor and Director of Civic and Legal Services
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to provide Members with an update on a study currently being undertaken by ekosgen on behalf of SOLACE NI, being managed directly by Belfast City Council officers, to develop a regional local government position on the development and future management and delivery of the UK Shared Prosperity Fund (SPF).
2.0	Recommendations
2.1	The Committee is therefore, asked to: a) note the ongoing Ekosgen study, commissioned by SOLACE NI, in developing a local government position piece on the future SPF;

	<p>b) agree that the final Ekosgen report, which will be used to inform the development of a Belfast City Council corporate position on the SPF, be brought back to members for their information at a future meeting.</p>
3.0	Main report
3.1	<p>Members will be aware that European Structural and Investment (ESI) funds help to pay for initiatives supporting business development, research and development, investment in digital and green infrastructure, as well skills and training interventions and support for job-seekers.</p>
3.2	<p>But with the UK having formally departed the European Union, the country will stop receiving new ESI funding at the end of 2020. Thus, for 2021 and beyond, the UK government faces choices over what to replace ESI funding with. This is important as ESI funding forms a substantial component of spending on regional economic development in the UK, especially in the poorest regions.</p>
3.3	<p>To this end government has announced the creation of the SPF. The objectives set by the Government for the SPF is to tackle inequalities between communities, and raise productivity in those parts of the country whose economies are furthest behind, but so far it has given few details around its scale, design and implementation.</p>
3.4	<p>As you will no doubt be aware Northern Ireland has been a net beneficiary of the EU Structural funds and their impact on economic development has been significant – indeed in Northern Ireland we receive approx. 5% of the total UK allocation, while only representing 2.8% of the population.</p>
3.5	<p>Therefore, the future scope and operation of the SPF as EU successor funding, will be crucial in shaping the future economic and social prosperity of Northern Ireland – by providing funding to support the foundations of prosperity, it can also contribute to eliminating inequalities and ensure inclusive growth for local communities.</p>
3.6	<p>SOLACE NI commissioned research on behalf of the 11 councils to consider the issues and opportunities provided by the SPF and to develop a strong local government position to present to NICS. There is little doubt that given the experience of local councils in delivering and working with local area delivery partners through European funded economic development and infrastructure programmes, that we can make an important</p>

<p>3.7</p> <p>3.8</p> <p>3.9</p> <p>3.10</p>	<p>contribution to co-designing the SPF, sharing our expertise with NICS, to ensure a model that benefits all our communities.</p> <p>This study will also promote the understanding that some decisions are best made locally, and councils are sometimes best placed, particularly given our community planning responsibilities, to address inequalities in our local communities with partners across agencies, government and civic society, and the future SPF if designed correctly will provide a useful mechanism for us to achieve this added value for our local areas.</p> <p>In relation to engagement around this study, Ekosgen have consulted with relevant officer from each council and other key stakeholders to understand the current system of European Funding in NI, and areas for potential improvement with a future SPF. Ekosgen have also facilitated a number of virtual workshops involving representatives from each council, NILGA, and also local organisations which manage or deliver European funded programmes.</p> <p>It is anticipated that the final report from Ekosgen will be considered and agreed by SOLACE NI in early September. This report will then be brought back to members for information and will be used by council officers across relevant departments, in developing a Belfast City Corporate position to be agreed by elected members, on the future delivery of SPF across the city.</p> <p>Officers expect that announcements on the quantum of UKSPF, its investment priorities and its shape and design, will be made by the UK Government in the Autumn following the Comprehensive Spending Review 2020. Therefore, it will be timely that this eksogen report and specific Belfast City Council response is developed, so that as a council and sector we are in a evidence-based position to inform and contribute to future discussions on the operation of the SPF in Northern Ireland.</p> <p><u>Financial & Resource Implications</u></p> <p>None associated with this report.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>None associated with this report.</p>
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