

Report to Leader

Subject: UKSPF Contingency Project Budget Allocation

Date: 08 October 2025

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Wards Affected: All

Purpose

To provide an update on expenditure of the Gedling Year 4 allocation of the UK Shared Prosperity Fund (UKSPF) and seek authority to expend underspends on additional projects which accord with the UKSPF priorities.

Key Decision

This is not a key decision

Recommendation(s)

That the Leader:

- 1) Notes the current position on delivery of UKSPF projects for 2025/26**
- 2) Delegates authority to the Director of Place to determine, in consultation with the Leader of the Council, which contingency projects can be undertaken using underspends on the UKSPF.**

1 Background

- 1.1 In April 2022 the former government launched a three-year funding programme of £2.6b, the UK Shared Prosperity Fund (UKSPF) to support local investment.
- 1.2 Gedling was awarded an allocation of £2,866,555, split between capital and revenue funding as part of the 2022-2025 award. Over the last three years, the funds have been invested into projects that have supported growth for the

borough's communities, businesses and residents, creating a meaningful impact and legacy.

- 1.3 The UK government's Autumn Budget announced a further £900 million of UKSPF funding for local investment in the 2025/2026 financial year. The programme extension will support the government's ambitious plan for change, and focus on ambitious, measurable, long-term objectives that provide a driving sense of purpose for the country.
- 1.4 For the 2025/26 extension, existing interventions have been mapped into Mission-led themes across the three priority areas: Communities and Place; Support for Local Business; and People and Skills.
- 1.5 Allocations for Gedling and other Nottinghamshire districts and boroughs were confirmed following ratification via the EMCCA Board on the 10th of February 2025. Gedling Borough Council will receive £1,172,054 split between capital (£513,506) and revenue (£658,548). Following Cabinet approval on the 19th of March 2025, a capital and revenue budget for the new allocation has been established to facilitate expenditure under year 4 of the UKSPF Programme.
- 1.6 The Ministry of Housing, Communities and Local Government (MHCLG) will continue to oversee year 4 of the UKSPF Programme, working in close partnership with the devolved governments and other UK government departments. The aim of the UKSPF extension is to provide a smooth transition from the existing programme to a new, future funding framework.
- 1.7 Lead local authorities have been required to submit a forecast on project and spend activity for the extended period through the submission of a forecast to EMCCA in April 2025.
- 1.8 To identify suitable projects, service areas were invited to submit UKSPF project proposals in the lead up to the April 2025 EMCCA forecast submission. Where appropriate, officers worked collaboratively with key stakeholders to identify potential proposals. These proposals were reviewed and assessed by the Senior Leadership Team (SLT) having regard to the mission led themes across the three priority areas. Of these projects a shortlist of projects were selected by SLT and submitted to Cabinet for approval.
- 1.9 On the 22nd of May 2025, Cabinet approved expenditure of the established UKSPF capital and revenue budget on projects identified in Appendix 1.
- 1.10 Following the Cabinet approval of the project proposals within Appendix 1, project specifications have been developed, and procurement has progressed for all projects, with the exception of the Carbon Management Worksop Programme (estimated revenue cost £20,000) which is now being delivered by EMCCA separately from UKSPF. This process has determined the actual

projects costs. Currently there is a forecast underspend of £132,035.76 comprising £90,634.93 capital and £41,400.83 revenue.

- 1.11 To ensure delivery resilience and maximise the impact of the UK Shared Prosperity Fund (UKSPF) programme in Gedling Borough for 2025/26, it is proposed that the underspends be designated for contingency projects, which did not make the original list of projects considered by SLT and Cabinet. Any such contingency projects have arisen (as the original list did) from engagement with managers across the Council and where appropriate, stakeholders. Any contingency projects taken forward would operate fully within the approved UKSPF priorities, themes and sub-themes (Appendix 2), providing flexibility to respond to emerging local opportunities, delivery delays, or underspends within the current programme.
- 1.12 This approach will help protect delivery outcomes and ensure that Gedling Borough Council fully utilises its 2025/26 allocation in line with both local and national priorities. Establishing a contingency mechanism supports the strategic aims of the programme, while maintaining the Council's ability to adapt to changing circumstances and maintain momentum across the programme.
- 1.13 Contingency projects will be pre-assessed for eligibility, deliverability and strategic alignment under the UKSPF's key investment priorities:
 - Communities and Place: Initiatives that enhance community facilities, improve local infrastructure, support cultural and heritage projects, or strengthen civic pride.
 - Supporting Local Business: Targeted support for SMEs, innovation and productivity schemes, and projects that advance sustainable business growth and net-zero transition.
 - People and Skills: Employability and training interventions, sector-focused skills development, and projects that enhance residents' access to quality jobs.
- 1.14 Allocating a flexible contingency budget will enable Gedling Borough Council to remain agile and proactive in programme delivery, ensuring that UKSPF Outputs & Outcomes are achieved and that all available funds are fully committed. This will help mitigate the risk of underspend or clawback, safeguard local benefits, and strengthen the overall economic and social impact of the UKSPF across Gedling.

2 Recommendation

- 2.1 It is proposed that the Leader note the current spend position on UKSPF agreed projects and the predicted underspend in light of the work undertaken to date.

It is proposed that in order to be able to commit underspends to projects that align with the UKSPF themes and enable all funds to be spent that authorisation

is given to the Director of Place in consultation with the Leader of the Council to approve additional projects which align with UKSPF criteria as detailed within the report. This will ensure there is no administrative delay in the delivery of projects and spending UKSPF.

3 Alternative options

- 3.1 The Council has the option to not expend the underspends on contingency projects and forego some of the funding award. This would however lower the potential impact of community benefit that the UKSPF funding could provide to the borough
- 3.2 The Council also has option to not delegate authority for the allocation of funds to relevant projects to the Council's Director of Place in consultation with the Leader. This would however prevent efficient and responsive decision making, resulting in delays to the progression of projects and delivery.

4 Financial Implications

- 4.1 The Council has been allocated £1,172,054 of UKSPF funding for the one-year extended period (2025/26), which was approved in March 25, and budget was established in both the Revenue & Capital accounts.
- 4.2 There is currently a forecast underspend of £132,035.76. Split £90,634.93 capital and £41,400.83 revenue.
- 4.3 The capital budget has been split into specific capital projects, if any underspends occur and funds are subsequently moved onto other projects as per the delegation set out in recommendation 2, capital virements will be processed to move budget to new schemes which will be reported to Cabinet as part of the regular budget monitoring process.

5 Legal Implications

- 5.1 It is recognised that there is a need for strong governance of the UKSPF projects to ensure lawful decision making and management in line with the Council's Constitution and relevant statutory requirements, including the selection of projects that will be progressed.
- 5.2 There will an assessment of the subsidy rules in respect of any additional projects and the future spend of that funding by the Council.
- 5.3 In terms of procurement, consideration has been given to future procurement options for the projects, again these must be undertaken in line with statutory

requirements and the Council's Contracts and Procurement Rules. Grants to third parties must also be awarded in accordance with the Council's Funding Strategy and Financial Regulations. Grants will be subject to appropriate grant agreements being in place to secure how the funds are spent and to comply with any monitoring requirements.

6 Equalities Implications

- 6.1 An Equalities Impact Assessment was produced as part of the 2022/2025 UKSPF Investment Plan.

7 Carbon Reduction/Environmental Sustainability Implications

- 7.1 As a continuation of the 2022/2025 UKSPF, the programme provides opportunities to support carbon reduction as part of
- Supporting communities and place
 - Supporting local businesses in preparing for Net Zero
 - Developing employment and skills programmes to support Carbon Reduction/Environmental Sustainability

8 Appendices

- 8.1 Appendix 1 - UKSPF Y4 Proposals - Cabinet May 2025
8.2 Appendix 2 - UKSPF Investment Priorities 25-26
8.3 Appendix 3 - UKSPF 25-26 CIA
8.4 Appendix 4 - UKSPF 25-26 EIA

9 Background Papers

- 9.1 None

Statutory Officer approval

Approved by:
Date: 17 October 2025
On behalf of the Chief Financial Officer

Approved by:
Date: 17 October 2025
On behalf of the Monitoring Officer

