

Levelling Up

The Levelling Up white paper and UK Shared Prosperity Fund (UKSPF) pre-launch guidance have given some indication about the Fund's investment priorities, the planning process and governance structures. The differences (design, management and delivery) between the UKSPF and what Wales, the voluntary sector and other partners (including Welsh Government) have become used to under the European Structural and Investment Funds (ESIFs), are considerable.

We're still awaiting the publication of further guidance (expected in the spring) but in the interim, we, the voluntary sector, want to proactively address what's needed to ensure the most effective use of the UKSPF in Wales as we transition from the European Structural and Investment Funds.

Following an analysis of the guidance, engagement with other partners and stakeholders and learned experience, we've identified a number of challenges and some suggested actions for Welsh Government to address to mitigate their impact.

MANAGEMENT AND DELIVERY

- Delivery in Wales will be across the four, Welsh regional footprints with a lead local authority appointed to take charge of developing a regional Investment Plan, in collaboration with other partners.
- To deliver these new roles we need to look at the level of voluntary sector representation and engagement with regional structures, such as the City and Growth Deals and the Regional Skills Partnerships.
- All regions are yet to appoint a regional lead (or publicly announce this appointment). Engagement can not commence and Investment Plans can not be developed until this happens.

Suggested action

There needs to be some commonality in how the voluntary sector is engaged and represented across the regions. Many of the ambitions outlined within the white paper and pre-launch guidance, cannot be realised without the voluntary sector. We ask that Welsh Government uses its influence to push for parity for the sector - an equal voice at the table.

TIMESCALE

- No firm timescales have been given for new activity under UKSPF but even if it's launched in late spring, with Investment Plans developed and submitted in the summer and approvals made in the autumn, there could still be significant gaps in funding and provision.
- Thousands of disadvantaged people's needs are currently met by voluntary sector led employability and skills services, financed by the European Social Fund. This funding and the provision it supports will mostly disappear by the end of this year, leaving the very people the UKSPF is designed to help, without any appropriate support.
- With no funding readily available, services will be wound down, staff will be lost and some voluntary organisations will have to significantly downsize their operations and support services to their communities.

Suggested action

In England, UK Government has outlined its commitment to continue to fund some voluntary sector led employability support services, at risk of closure due to the withdrawal of EU funds. We would like Welsh Government to consider advocating to UK Government for a similar approach in Wales. Particularly because of recent announcements that some interventions referenced within Welsh Government's new Employability and Skills plan won't come into play until after the European programmes close in Wales in December 2023.

EQUALITY

- The Levelling Up agenda and the UKSPF are focused on tackling place-based disadvantage and inequality but the inequalities that exist between people must also be addressed.
- The ESIFs, specifically the European Social Fund, have been used to directly address the discrimination and disadvantage experienced by some individuals and groups, such as disabled people, women and Black, Asian and Minority Ethnic people. Many of these interventions are designed and led by the voluntary sector, such as Chwarae Teg's Agile Nation 2 programme and EYST's Invest project, financed by the Active Inclusion Fund.

Suggested action

We ask that Welsh Government works with the sector to understand the impact of the loss of this provision on communities in Wales and how these impacts can be mitigated or stopped.

SOCIAL ENTERPRISE

- We understand that Welsh Government is working on how it will support Social Enterprises in Wales post EU funding and this is welcomed.
- There is also positive recognition of the social enterprise sector in the Levelling Up white paper which is leading to a range of engagement from Department for Digital, Culture, Media & Sport (DCMS) on potential UK wide interventions in this space.

Suggested action

We want Welsh Government to work with the social enterprise sector in Wales to make sure any DCMS involvement in this space is well planned, engaging and respectful to this devolved area of work and how we operate here.