

The UK Shared Prosperity Fund TSI Experiences of Engagement

Introduction

The [TSI Scotland Network](#) is a body of charities that support the third sector across Scotland including support on volunteering, capacity building, social enterprise, and support for community planning. There are 32 Third Sector Interfaces (TSIs) in Scotland, one for each local authority area. Some are partnerships working across large urban and geographical areas, some combine all the functions of the TSIs' work under one roof.

In Autumn 2023 the Network undertook research on the experiences of TSIs across Scotland with regard to third sector engagement in the UK Shared Prosperity Fund (UKSPF).

UKSPF is one strand of a suite of funding which succeeded the old EU structural funds. This money has three priorities: communities and place, support for local businesses, and people and skills. In addition, there is a pot of funding called Multiply which focuses on improving adult numeracy.

Positive Findings from the Research

- There were many instances of third sector organisations benefitting from UKSPF funding across the country, and some examples of local authorities working closely with local charities and community groups across the funding process - from engagement to grant applications and in relation to learning from the programme.
- Some TSIs identified positive examples of engagement of the third sector in the process of shaping the local delivery of UKSPF.
- Despite the challenges noted below, the multi-annual funding was welcomed, allowing the third sector to have some security, and offer fairer work terms.

Challenges Identified

- Engagement of the TSIs in local discussions in relation to local Investment Plans and decision-making on the distribution of funding has been patchy; several TSIs reported that they had not been meaningfully involved in the process.
- Concerns were raised by some respondents about transparency and additionality of the funding. Few TSIs thought that decision-making processes on funding distribution had been clear and transparent, and there was a particular lack of awareness of how funding is being distributed via the City Region Deals.
- The short lead in time to distribution of the funding has impacted on community engagement, the quality of decision-making, and the quality of applications.
- Whilst multiannual, year by year allocation of these funds made it difficult to plan effectively, with unrealistically large grants in Year One. The length of the programme kept being reduced due to delays, and ultimately was not long enough to achieve the impact required.

- It may be that the above challenges led to the exclusion of some communities from the UKSPF even though it's likely that they would have benefitted from the fund e.g. lack of awareness, not having time to plan and ensure local spend met community needs.

Recommendations

The third sector remains an effective and dynamic strategic partner, offering value for money, and has much to offer to a future iteration of the UKSPF. If there is to be a future round of UKSPF, or a similar fund, the TSI Scotland Network has identified a number of areas where it would be keen to work with the UK Government around shaping the future direction of delivery:

Early and meaningful engagement of TSIs: The Network is keen to work with the UK Government and with individual local authorities to ensure that the third sector is effectively represented in all decision-making about the funding. In order to achieve this, an administration fee to give TSIs the capacity to fully engage in the process and support the sector to participate would be welcomed, in line with the practice elsewhere.

Guidance to local authorities: There should be more guidance for local authorities on what engagement is expected around decision-making; there should also be a mechanism for ensuring that this takes place. In order to ensure transparency of spend, it would be helpful if local authorities were required to report on their spend broken down into statutory and third sector expenditure, and if there was more engagement in how the funding was allocated between the UKSPF (or other fund) themes.

Longer Lead In Time: Early discussions and more planning time would be welcomed to ensure that decision-making is open and transparent, and to ensure that the best quality projects are funded.

Continuation Funding: As there may be delays between the current and any future rounds of the UKSPF, we strongly urge that the existing funding stream is continued until a new programme comes on stream, to ensure the continuation of valued, local services at a time of social and economic challenges for many.

Flexibility: Much more flexibility around moving funding between years would help to ensure that the most effective use is made of the monies, and would assist in workforce planning for the sector.

Longer Timescales: Given the intractable nature of some of the problems that UKSPF is trying to address, a funding period of longer than three years would be welcome.

For more information on this research contact tsinetwork@tsi.scot The full research report can be accessed at <https://tsi.scot/uk-shared-prosperity-fund-ukspf-tsi-experiences-of-engagement-nov-23/>