

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Finance & Resources
<b>DATE</b>	7 May 2025
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	UK Shared Prosperity fund 2025-26
<b>REPORT NUMBER</b>	CR&E/25/100
<b>EXECUTIVE DIRECTOR</b>	Gale Beattie
<b>CHIEF OFFICER</b>	Julie Wood
<b>REPORT AUTHOR</b>	Laura Paterson
<b>TERMS OF REFERENCE</b>	1.1.8

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval for the proposed allocation of grant funding from the UK Shared Prosperity Fund 2025-26.

### 2. RECOMMENDATIONS

That the Committee:

#### UKSPF Communities and Place

- 2.1 Approve the allocations for Communities and Place as detailed in Appendix 1;

#### UKSPF Local Business Support

- 2.2 Approve an allocation of £258,603 to Aberdeen City Council for the Aberdeen Energy Efficiency Programme;

#### UKSPF 25-26

- 2.3 Note that the total amount of £2,346,857 for UK Shared Prosperity has now been fully allocated should the above recommendations be approved;
- 2.4 Authorise the Chief Officer – City Development and Regeneration to approve the reallocation of funding within previously approved projects should any underspends be reported; and
- 2.5 Authorise the Chief Officer – City Development and Regeneration to approve funding for other projects (ie projects which have not been previously approved) up to a total of £30,000 per project should any underspends be reported.

### 3. CURRENT SITUATION

- 3.1 The UK Government announced a one year extension to the UK Shared Prosperity Fund in October 2024. Aberdeen City Council received notification of a funding allocation of £2,346,857 in December 2024. This funding is to support projects which commence from 1 April 2025 and are delivered by 31 March 2026.
- 3.2 There are three priority areas within the UK Shared Prosperity Fund: Communities and Place; Local Business Support; and People and Skills. There are three routes to allocate the funding: 'Challenge Funds'; 'Procurement'; or 'In-house'. The proposed expenditure requires Committee approval. Committee previously approved an Investment Plan in 2022 which stipulated that the Community and Place Priority would be delivered using a Challenge Fund Approach. It was agreed that the Local Business Support Priority would be delivered using an 'In House' or 'Procured' approach.

#### Communities and Place

- 3.3 The Communities and Place Challenge Fund was launched on 3 February 2025 following an update on interventions from the UK Government. Over 60 applications were received with a total ask of approximately £4m. A full list of applications received is contained within Appendix 2. Officers assessed the applications on a number of criteria, including:
- Alignment to UK Government Missions and UK Shared Prosperity Fund interventions;
  - Alignment to Council priorities, including the Local Outcome Improvement Plan;
  - Ability to deliver the project by 31 March 2026
- 3.4 Officers are subsequently recommending 24 applications for award, as outlined in Table 1 and summarised within Appendix 3.
- 3.5 Officers will offer support to all projects which were not successful within this round and will try to identify alternative external funding opportunities.

**Table 1: Communities and Place Allocations 25-26**

Organisation	Project	Total Project Investment	Recommended Grant Award 2025/26	Officer Review Outcome and Proposed Award
Aberdeen Deeside Rotary Trust	Allplay Ability Wheelchair Swing	£24,000.00	£13,000.00	Up to £13,000.00. Project aligns well to UKSPF intervention and objectives
Aberdeen Inspired	Aberdeen City Centre Property and Retail Strategy	£39,000.00	£39,000.00	Up to £39,000.00. Project shows good value for money and strong links to objectives

Aberdeen Performing Arts	Building Management System Upgrade - HMT	£103,770.00	£48,895.00	Up to £48,895.00. Project shows good value for money and strong outputs and outcomes.
Aberdeen Science Centre	Community engagement and Accessibility Project	£223,991.00	£73,198.00	Up to £73,198.00. Project showed strong links to LOIP and intervention.
Aberdeen City Council	Increasing Opportunities for Young People	£40,330.00	£40,330.00	Up to £40,330.00. Aligns to LOIP and UKSPF S9 for community resilience and capacity building.
Alcohol and Drugs Action	Family Harm Reduction/ Recovery Support	£28,439.89	£19,801.41	Up to £19,801.41 (reduced due to budget constraints). Project provides peer and family-led support for addiction recovery, serving vulnerable populations. Good alignment with UKSPF S9 for community resilience and capacity building.
Aberdeen City Council	Bucksburn Swimming Pool	£2,150,000.00	£173,140.00	Up to £173,140.00. Project shows good community benefit and aligns well to the programme.
Befriend a Child	Family Support Project	£37,765.00	£19,152.50	Up to £19,152.50. Project provides excellent value with 50% match funding. Experienced team supporting priority areas and aligns with UKSPF S9 and LOIP objectives.
Belmont Community Cinema	Improving the Entrance	£101,840.00	£100,000.00	Up to £100,000.00. Project supports city centre cultural asset,

				improving accessibility and visitor experience. Aligns well with UKSPF S5 intervention for arts and cultural facilities.
Visit Aberdeenshire	Northern Nights Campaign	£50,000.00	£50,000.00	Up to £50,000. Project aligns to LOIP and UKSPF priorities with regards to increasing the visitor economy.
Citymoves Dance Agency SCIO	United Aberdeen Dance Project	£63,288.00	£47,089.00	Up to £47,089.00. Project uses dance to engage at-risk young people in priority areas. Good match funding of 25.6%. Strong alignment with UKSPF S5 for arts activities and crime prevention approaches.
Community Outreach Group	Kitchen Upgrades	£3,800.00	£3,800.00	Up to £3,800. Strong alignment to UKSPF by offering opportunity for skills development in addition to existing work.
Denburn Residents and Tenants Association	Upper Denburn Gardens	£12,500.00	£10,000.00	Up to £10,000.00. Community-led project to transform underused city centre space with history of anti-social behaviour. Will improve accessibility and create green space. Strong alignment with UKSPF S1 for place-based improvements.

East Grampian Coastal Partnership (EGCP)	Aberdeen City Coastal Path Study	£12,150.00	£9,450.00	Up to £9,450.00. Low-cost feasibility study for Aberdeen's section of coastal path with good match funding. Strong alignment with UKSPF S11 for feasibility studies supporting potential economic and social growth.
Grampian Cardiac Rehabilitation Association (GCRA)	Service development – specialist exercise service for people with cardiac and chronic health conditions in Aberdeen City	£21,490.00	£15,000.00	Up to £15,000.00. Project will double provision of specialist exercise classes for people with cardiac and long-term health conditions. Good alignment with UKSPF S5 and early intervention health objectives in LOIP.
Grampian Women's Aid	GWA Women's Support Services	£333,965.97	£45,469.70	Up to £45,469.70. Project supports vulnerable women and families experiencing domestic abuse. Good alignment with UKSPF S9 for community resilience and LOIP objectives for violence against women and girls.
Growing2gether	Growing2gether: Strengthening Communities by Building Local skills, Wellbeing and Resilience	£39,565.00	£28,865.00	Up to £28,865.00. Project supports 24 disengaged youths ages 13-16 identified as at-risk by schools. Strong alignment with UKSPF S9 for community resilience and capacity building.

Instant Neighbour	UpcycleInc	£10,000.00	£10,000.00	Up to £10,000.00. Capital project to purchase equipment for furniture upcycling, reducing landfill waste while developing volunteer skills. Good alignment with UKSPF S9 for community resilience and environmental impact.
Kingswells Community Centre	Youth Club Equipment	£916.00	£876.99	Up to £876.99. Capital project to purchase equipment (table tennis table, Nintendo Switch, karaoke machine) for youth club offering safe activities for young people. Good alignment with UKSPF S2 for supporting community assets and infrastructure.
Sound Scotland	soundcommunities year 2	£51,776.00	£24,000.00	Up to £24,000.00. Project delivers workshops, concerts and events for underserved communities with strong match funding (53%). Good alignment with UKSPF S5 for arts and cultural activities.
Station House Media Unit	Extension to Station House	£274,200.00	£110,000.00	Up to £110,000.00. Capital project to expand media production facility serving disadvantaged communities. Planning permission

				granted with building warrant expected March 2025. Strong alignment with UKSPF S5 for cultural activities supporting community access.
TechFest	TechFest's Blueprint Challenge: A Future Highstreet	£10,000.00	£10,000.00	Up to £10,000.00. Project engages 30-100 students in urban design challenges, focusing on high street regeneration and sustainability. Good alignment with UKSPF S5 for arts and cultural activities that build sense of local pride.
The Kings Community Foundation	Bridge Centre Retrofit	£50,000.00	£50,000.00	Up to £50,000.00. Capital project to improve insulation in a community facility in Torry, creating a warm space while reducing energy costs. Strong alignment with UKSPF S2 for decarbonisation in community buildings.
Visit Aberdeenshire	Cruise Volunteer Programme	£23,932.40	£23,932.40	Up to £23,932.40. Project will recruit, train and manage 40 volunteers to welcome cruise passengers, building on successful 2023-2024 programme. Strong alignment with UKSPF S7 for promoting campaigns that encourage

				visitors to explore Aberdeen.
<b>Total</b>		<b>£3,706,719.26</b>	<b>£965,000.00</b>	

### Local Business Support

- 3.6 Applications were sought internally under the Local Business Support priority. The Aberdeen Energy Efficiency Programme continues the successful Energy Pilot, which was funded by the UK Shared Prosperity Fund in 2024/25. This initiative has already supported 37 local organisations in improving their energy efficiency and reducing carbon emissions. The programme will be open to SMEs, sole traders, and third-sector organisations, awarding up to £10,000 towards 50% of the project's total cost.

**Table 2: Local Business Support Allocation 25/26**

<b>Organisation</b>	<b>Beneficiary</b>	<b>Project</b>	<b>Total Project Investment</b>	<b>Recommended Allocation</b>
Aberdeen City Council	SMEs, sole traders	Aberdeen Energy Efficiency Programme	£457,206	£258,603
<b>TOTAL</b>			<b>£457,206</b>	<b>£258,603</b>

### UK Shared Prosperity Fund 25/26

- 3.7 The UK Shared Prosperity Fund 25/26 will be fully allocated if the above recommendations are approved. Any unspent monies will have to be returned to the UK Government if any remains outstanding on 1 April 2026. To mitigate this risk, it is recommended that authority be approved for the Chief Officer – City Development and Regeneration to approve any transfer of budget between projects and approve new projects up to a total of £30,000 per project.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 The UK Government announced that Aberdeen City Council would receive £2,346,857 for activity in Financial Year 25-26, which includes a minimum capital allocation of £665,441.
- 4.2 The funds are available to support activity which starts on 1 April 2025 and delivered by 31 March 2026.
- 4.3 A total of £1,223,254 was previously approved at Finance & Resources Committee 12 February 2025 and 26 March 2025.
- 4.4 The total amount recommended for allocation in this paper is £1,223,603. If approved, the UK Shared Prosperity Fund will be fully allocated for 2025-26.



**Table 3: Spend allocated to date**

<b>Description</b>	<b>Amount</b>
Original allocation	£2,346,857.00
Approved at previous committees	£1,123,254.00
Recommended for approval at this Committee	
Communities and Place	£965,000.00
Local Business Support	£258,603.00
Remaining funds to be allocated if above approved	£0

- 4.5 Following the Public Pound Policy is adhered to and relevant checks undertaken to ensure organisations are compliant.

## **5. LEGAL IMPLICATIONS**

- 5.1 Grant Agreements will be put in place between Aberdeen City Council and those organisations which are awarded grant funding.
- 5.2 Officers established a subsidy control scheme for the UK Shared Prosperity Fund Communities and Place 2025-26 programme (Subsidy Control Number: SC11257) to ensure compliance with the Subsidy Control Act 2022. All awards will be uploaded to the UK Government's Subsidy Control database and Transparency Register, where required.

## **6. ENVIRONMENTAL IMPLICATIONS**

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

## **7. RISK**

The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite Statement.

<b>Category</b>	<b>Risk</b>	<b>Primary Controls/Control Actions to achieve Target Risk level</b>	<b>Target Risks Level Low (L) Medium (M) High (H)</b>	<b>Does target Risk Level Match Appetite Set?</b>
<b>Strategic Risk</b>	No risks identified	None	L	Yes
<b>Compliance</b>	Non-compliance with grant conditions will require return of grant	External Funding team are familiar with the compliance requirements and will advise and monitor projects as required	L	Yes

	Subsidy Control	to ensure compliance.  To ensure all external grants awarded are compliant	L	Yes
<b>Operational</b>	Projects are unable to deliver by 31 March 2026	Quarterly Review meetings established with all awardees to identify issues at early stage	L	Yes
<b>Financial</b>	Any unspent, or unallocated funds will require to be returned to UK Government  Spend is not directly linked to approved activity	Close project monitoring will take place throughout to ensure these timescales will be met.  Projects have to submit evidence of expenditure as part of Reporting and Monitoring Process	L	Yes
<b>Reputational</b>	Risk of reputational damage if funds are not spent in accordance with the grant conditions	Officers will work with projects to ensure proposals and applications meet the conditions of grant	L	Yes
<b>Environment / Climate</b>	No risks identified	None	L	Yes

## 8. OUTCOMES

<b><u>Council Delivery Plan 2024</u></b>	
<b>Aberdeen City Council Policy Statement</b>  <b><u>Working in Partnership for Aberdeen</u></b>	<b>Impact of Report</b>
	<p>The projects within this report support the delivery of the following aspects of the policy statement, including:-</p> <ul style="list-style-type: none"> <li>• Work with partners to promote the development of community-based initiatives in sports, exercise and nutrition to improve the health and wellbeing of residents of our city;</li> <li>• Support Aberdeen Performing Arts and other cultural providers to offer the widest possible arts programme for all across our communities;</li> <li>• Work with partners to identify and agree specific integrated solutions for tackling the</li> </ul>

	health and social problems caused by misuse of alcohol and drugs.
<a href="#"><u>Local Outcome Improvement Plan 2016-2026</u></a>	
Prosperous People Stretch Outcomes	<p>The projects within this report align with Prosperous People LOIP outcomes. For example, the Alcohol and Drugs Action programme supports delivery of Outcome 11 by supporting 30 families through alcohol and drug addiction recovery.</p> <p>Furthermore, the Growing2gether programme supports delivery of Outcome 4 supporting 24 at risk and disadvantaged children from low attaining schools aged 13-16 to gain confidence through a mentorship programme with nursery aged children.</p>
Prosperous Place Stretch Outcomes	East Grampian Coastal Partnership feasibility study on the Aberdeen City section of a proposed 140-mile Northeast Scotland Coastal Trail supports delivery of Outcome 15 by assessing the possibility of providing a good quality natural space people can regularly experience.

## 9. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Integrated Impact Assessment</b>	New Integrated Impact Assessment has been completed
<b>Data Protection Impact Assessment</b>	Not required
<b>Other</b>	Not required

## 10. BACKGROUND PAPERS

- 10.1 COM/21/176, External Funding, City Growth And Resources Committee, 21 June 2022
- 10.2 CR&E/25/027, UK Shared Prosperity Fund, Finance and Resources Committee, 12 February 2025
- 10.3 CR&E/25/064, UK Shared Prosperity Fund 2025-26, Finance and Resources Committee, 26 March 2025

## **11. APPENDICES**

- 11.1 Appendix 1: UK Shared Prosperity Fund 25/26: Communities & Place Recommendations
- 11.2 Appendix 2: UK Shared Prosperity Fund 2025/26 – Full List of Applications Received
- 11.3 Appendix 3: UK Shared Prosperity Fund 2025/26 – Extracts from Projects Recommended for Approval

## **12. REPORT AUTHOR CONTACT DETAILS**

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