

UK SHARED PROSPERITY FUND - 2025/26 ALLOCATION

Cabinet Member & Portfolio	Cllr Steve Tuckwell, Cabinet Member for Planning, Housing and Growth
Responsible Officer	Karrie Whelan, Corporate Director for Place
Report Author & Directorate	Sam Robins, Planning and Sustainable Growth
Papers with report	None

HEADLINES

Summary	This report sets out the proposed allocations for utilising Hillingdon's 2025/26 UK Shared Prosperity Fund (UKSPF) grant. UKSPF is central government grant administered through the GLA to improve pride in place, support high-quality skills training and boost local businesses.
Putting our Residents First Delivering on the Council Strategy 2022-2026	This report supports our ambition for residents / the Council of: Enjoy access to green spaces, leisure activities, culture and arts This report supports our commitments to residents of: A Thriving Economy
Financial Cost	This report sets out the allocation and use of a grant which the Council is due to receive; there are no costs to the Council's core budget associated with the recommendations in this report.
Select Committee	Residents' Services Select Committee
Ward(s)	Residents and businesses from all wards will have the opportunity to benefit. Uxbridge and Hayes Town wards will benefit largely from the proposed capital spend.

RECOMMENDATIONS

That:

- 1) the proposed allocations in Section 2 of the Supporting Information, for spending Hillingdon's 2025/26 UK Shared Prosperity Fund grant, be approved
- 2) authority be delegated to the Director for Planning and Sustainable Growth to sign-off on all expenditure of the grant in-line with the approach set out in section 2 and make procurement decisions on contracts below £100,000 in value, reporting decisions for transparency.
- 3) note that the Corporate Director of Place, following legal advice, has agreed and signed the UKSPF grant agreement with the Greater London Authority for 2025/26.
- 4) note that the Director for Planning and Sustainable Growth has agreed and signed a Memorandum of Understanding with Ealing Council for an additional tri-borough grant element.

Reasons for recommendation(s)

The recommendations will enable Hillingdon Council to utilise its UKPSF grant allocation of £1,106,910 for 2025/26. This consists of Hillingdon's GLA allocation of £996,910, plus an additional £110,000 secured through a competitive tri-borough bid for a business support project, working with the boroughs of Ealing and Harrow. In accordance with the grant conditions the proposal is for funds to be spent on projects which support residents into work, support local businesses to grow, and make improvements to the public realm of our main town centres. This can be achieved by driving delivery of the Uxbridge Vision and a programme of regeneration in Hayes, along with supporting other high streets.

The request for delegated authority for the Service Director to sign off spending and procurement, within the framework of projects and priorities set out in this report, will allow the programme to be delivered a much more efficient and timely manner. The tight funding timeline poses a substantial risk to delivery, and from the experience of the previous year this delegation would mitigate the risk posed to successful delivery.

Alternative options considered

Do nothing. This is not considered a viable option as Hillingdon would simply forgo an opportunity to utilise this grant to support businesses and residents, and improve our town centres.

In order to be claimed, the grant must be spent on new projects providing additionality for the borough – it cannot be used to fund existing or already planned activity.

The proposed approach to utilising the grant which is set out in this report is focused on deliverable projects which are compatible with the grant criteria and address existing Council priorities.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Background and Current Status

1. The UK Shared Prosperity Fund (UKSPF) is a government grant provided to local authorities for Councils to investment in local economic development, place, business support and skills. £2.6 billion of funding was provided between April 2022 and March 2025, replacing the European Regional Development funding. Hillingdon received £2.5million in the initial 3 year period. The programme has been extended in the 2025/26 financial year with Hillingdon allocated a further £1,106,901.
2. Utilising the UKSPF is predicated upon agreement with the GLA on priorities, credible delivery strategies and measurable outputs. The fund looks to support initiatives falling under the following three investment strands:
 - Communities and Place
 - Supporting local business
 - People and Skills
3. Officers have successfully delivered the previous UKSPF programme over the last year, with all three strands making a significant impact on unemployed residents, local businesses, green spaces and playgrounds. The Business Support and People and Skills programmes in Hillingdon significantly outperformed targets, with the borough ranking first among all west London boroughs for People and Skills outcomes. Key achievements include:
 - **Over 350 residents** received skills training and employment support, helping many long-term unemployed individuals secure jobs.
 - **200 small and medium-sized enterprises (SMEs)** were provided with tailored guidance to help them grow, invest, and expand—some even moved into larger premises as a result.
 - **108 SMEs** were prepared to compete for large-scale procurement opportunities through targeted readiness support.

2025/26 UKSPF Allocation

4. The London Borough of Hillingdon's allocation is as follows:

Capital (High Street Regeneration Fund)	£665,656
Revenue (Business Support and People and Skills)	£331,253
Additional revenue grant (Supplier readiness tri-borough project)	£110,000
Total	£1,106,901

5. There is a new requirement for 2025/6, in support of the priorities of the London Growth Plan for the capital element of the grant to be used as a 'High Street Regeneration Fund' to be spent on projects to enhance and regenerate town centres.

6. The Corporate Director for Place, in consultation with officers including Legal, has agreed and signed the 2025/26 grant agreement with the Greater London Authority in order to draw down the grant funding. This paper seeks final approval of how the funding we will be allocated. Boroughs will be required to report directly to the GLA on spend and progress throughout the year.

Section 2 - Recommended Approach

7. This section provides a breakdown of the recommended approach and priorities for utilising the 2025/26 allocation of UKSPF funding. This approach seeks to build on the successes of the previous year, along with addressing some of the Place priorities of delivering the Uxbridge Vision and regeneration/enhancement of Hayes town centre.

8. Capital Allocation: High Street Regeneration fund - £665,656

Uxbridge Town Centre - £315,000:

- Commission detailed designs and costings for key public realm projects proposed in the Uxbridge Vision and progress to planning permission.
- Key priority projects to be progressed include the Civic Centre Forecourt, St. Andrew's Roundabout redesign and improvements to Station Square.
- Funding for the delivery of the proposed Business Innovation Hub in the Civic Centre in partnership with the Chamber of Commerce and Brunel University.
- Project management costs for a fixed term Strategic Regeneration Officer to deliver the priority projects within the Uxbridge Vision.

Hayes Town Centre - £300,000:

- Delivery of projects that aim to enhance the public realm in Hayes town centre with a focus on the canal and approach to the train station – kickstarting delivery of proposals already developed using the Mayor's existing Good Growth Fund grant.
- Address public safety concerns related to anti-social behaviour hotspots, by enhancing public realm, lighting, visibility and wayfinding.
- Invest where possible in meanwhile or small scale sports facilities in flexible spaces in the town centre to support existing community safety and public health priorities.
- Work will be a combination of commissioning detailed designs, costings and planning permission for major projects and undertaking delivery of smaller capital projects which can be delivered in-year, such as lighting and signage.

Other Local High Streets - £50,656:

- Extension of the borough-wide shopfronts improvements grant scheme, offering grants to improve high street frontages, focused on high streets that are not receiving other funding from the UKSPF.
- It is proposed that this funding is offered for applications from organisations and businesses from local high streets to undertake projects.

9. Revenue - £331,253 plus an additional £110,000 from successful bid for tri-borough programme:

Supporting Local Business - £171,253

- Commission a programme of business mentoring and guidance for local SMEs to support them to innovate, build resilience and most importantly grow. This will support roughly 100 businesses.
- Commission of 1-2 smaller contracts to deliver niche support to SMEs such as search engine optimisation, or deliver bespoke support to targeted under-represented demographics, such as women and BAME led businesses.
- Up to £31,000 on existing Hillingdon Council Staff time to support the programme.

People and Skills - £160,000

- Procurement of an employability support and employment brokerage service, from a provider that will ideally be a local SME.
- Procurement of an ESOL (English for Speakers of Other Languages) into work programme for local people where English language skills are a major barrier to work.
- Up to £15,000 on existing Hillingdon Council staff time to support the programme

Tri-borough Supplier Readiness Programme - £110,000

- Commission a supplier to deliver a programme of support for 95 local businesses to guide them on bidding for large scale procurement opportunities with major buying organisations and public procurement. This will be delivered in partnership with Harrow Council and Ealing Council, following a successful bid for further UKSPF funding from the GLA.
- Up to £41,000 on existing Hillingdon Council staff time

Procurement

10. Under the previously UKSPF funded projects, Procurement supported colleagues in the Planning and Sustainable Growth Team to award contracts under a number of UKSPF investment priorities, primarily 'Supporting Local Business' and 'People and Skills' as outlined below

Investment Priorities	Contract	Supplier	Start Date	End Date	Value
Supporting Local Business	Hillingdon Business Support Programme	Hillingdon Chamber of Commerce	06.06.24	31.03.25	£206,046.00
Supporting Local Business	Supplier Readiness Programme	Brandiun	11.12.23	31.03.25	£95,000
People & Skills	Homeless & employment support programme (* additional outputs Aug – 24)	Seetec	31.01.24	31.03.25	£178,558.92 (£79,000)

(*) The additional outputs were funded via underspend in the 'People & Skills' priority.

11. In awarding contracts, officers will seek the relevant approval to either direct award in accordance with the Procurement Contract and Standing Orders or seek a minimum of 3 quotes – depending on the specific requirements of each contract. Please note

recommendation 2 in this report seeks Cabinet to delegate authority for approval for procurement decisions on contract values lower than £100,000 to the Service Director, rather than Corporate Director.

Resources

12. The programme of work will be delivered within the Regeneration and Economic Development team, through a combination of existing officers and a dedicated post for work in Uxbridge.
13. The UKSPF Programme Officer, a part-time fixed term post funded by the UKSPF, will contract manage delivery of the Business Support and People and Skills programmes with support from the Economic Development Team Leader. A fixed-term Senior Strategic Planning and Regeneration Officer, funded by the UKSPF, will be recruited to deliver all work on the Uxbridge Vision, and the existing Senior Strategic Planning and Regeneration Officer for Hayes will deliver capital work in Hayes (their salary is funded by the GLA's Good Growth Fund).
14. All of these officers will have support from the Regeneration and Economic Development Manager, who has overall oversight of the grant, reporting into the Head of Strategic Planning and Regeneration, and the Service Director for Planning and Sustainable Growth.

Monitoring

15. It will be essential to demonstrate the economic benefits arising from this investment in business support and employment skills. This is also a requirement of the grant agreement with the GLA, where we are required to demonstrate the delivery of specific outcomes which are proposed as follows (from a predetermined list).

Communities and Place			
Code	Output/Outcome	Sub theme	Total 2025-26
OP5	Number of amenities/facilities created or improved	High streets and town centres improvements	5
OP28	Number of feasibility studies developed as a result of support	High streets and town centres improvements + Safe: reduce crime and the fear of crime	3

Supporting Local Business			
Code	Output/Outcome	Sub theme	Total 2025-26
OP10	Number of enterprises receiving non-financial support	Advice and support to businesses	166 businesses will be supported
OP1	Amount of commercial space completed or improved	Advice and support to businesses	300 sqm

People and Skills			
Code	Output/Outcome	Sub theme	Total 2025-26
OP18	Number of people receiving support to gain employment	Essential Skills & Supporting people to progress towards and into employment	99 participants supported through the programme
OP21	Number of people supported to access basic skills courses	Employment related skills & Essential Skills	88 participants supported with ESOL

Financial Implications

This report seeks the approval of the Cabinet member to enter into the UKSPF and Tri-borough grant agreement. It also requests the delegation of authority to the Director for Planning and Sustainable Growth to approve all UKSPF spending and procurement, in accordance with the recommended approach outlined above. The UKSPF grant amount totals £996,910, comprising £665,656 for the capital programme and £331,254 for revenue expenditures. The additional Tri-Borough UKSPF revenue fund totals £110,000.

The recommendations of this report pose no cost to the Council, as it concerns spending of grant funding that would not be received otherwise.

There is the potential to reduce in year expenditure against staff budgets by £74,076 through using grant allocations from both funding streams to fund existing resources. This is made up of 4% of the total UKSPF grant of totalling £39,876 to be retained to fund administration costs and an additional £87,000 as detailed under each revenue work stream, minus funding of a Fixed Term Contract at £52,800.

The goal of the approach for spending the capital elements, set out in this report, is that it will set the stage for officers to bid for much larger pots of capital grant funding in the future (such as CIL, S106, GLA, Government and local funds). This is because detailed designs for public realm projects will be commissioned, which are needed for shovel-ready funding bids in the future.

One of the recommendations of this report is that Cabinet provide delegated authority to the Director of Planning and Sustainable Growth to sign-off all spending and procurement decisions for UKSPF grant funding, within the parameters and priorities set out in this report. This will allow timely and efficient delivery within the tight timeframe that is available – as in the 2024/25 year, the need for Corporate Director approval for all spend was a major barrier and risk in delivery given the need to be agile and make swift decisions.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

The purpose of the UK Shared Prosperity Fund is to improve the economic outcomes of people and businesses, and to improve our places, making them better to spend time in and improving economic viability and amenity. The recommendations in this paper are to utilise the funding for those specific goals.

The capital element of the fund will kickstart delivery of the Uxbridge Vision and Hayes town centre regeneration, both of which are programmes of work with the explicit purpose of benefiting residents, workers and visitors by enhancing public realm and amenities, along with catalysing economic growth and investment.

The revenue element of the fund will be spent on contractors to deliver the aforementioned support programmes for people and businesses, directly benefiting them (at no cost to them) through enhancing their skills and chances of creating income and prosperity.

Consultation & Engagement carried out (or required)

The capital projects proposed to be supported through this fund are a result of major public and stakeholder consultation in both Uxbridge and Hayes. The Uxbridge Vision had a two-stage public consultation process where over 1500 local people have been engaged, and their viewpoints informing the direction of the report and design of projects. Key stakeholders engaged through this process include the GLA, Transport for London, major landowners in Uxbridge, Uxbridge BID and Hillingdon Chamber of Commerce. We are awaiting the analysis of the final survey to gather public feedback on the Uxbridge Vision, and are preparing another report for Cabinet to consider it. Initial results are generally positive towards the Vision, and project designs will be amended based on the detailed results.

In Hayes, Brunel University have undertaken a consultation with the local community, through focus groups, interviews and a survey, about their views on the issues in the town centre and how they could be addressed. 335 Hayes residents were engaged in the process, and their views have directly informed the priorities for capital improvements in Hayes town centre, and the design of the proposed projects which have been developed by MUF Architecture.

The proposed allocation of the revenue element of this grant has been informed through discussions with providers of business support and skills programmes, helping identify local need and drivers, such as the need for English language support for many people out of work.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance have reviewed this report and concur with the Financial Implications set out above, noting that approval is sought for entering into the UK Shared Prosperity Fund grant agreement for £997k with the Greater London Authority, along with the proposed allocations of

this funding. Approval is also sought for the agreement to enter a Memorandum of Understanding with the London Borough of Ealing for an additional £110k tri-borough grant allocation.

Furthermore, it is noted that there is no direct cost to the General Fund in relation to the proposals within this report, the proposals are to be funded from the total grant allocation of £1,107k. Potential in-year savings of £75k have been identified from the use of the grant funding towards staffing funded through the General Fund, however, due to the tight delivery timelines, these identified savings may need to be redirected to ensure programme completion. The expenditure and funding relating to these proposals will be monitored as part of the regular monthly monitoring cycle, where any variances, whether savings or redirection of funding will be addressed.

It is also noted that the proposal for the capital element of funding is to commission detailed designs for public realm projects, this strategy is with the view of enhancing the Council's ability to submit competitive bids for future external funding, along with opportunities of funding through the Community Infrastructure Levy and S106 Contributions.

Legal

There are no specific legal implications to consider in respect of the content of the body of this report. However, the Council is required to comply with the Subsidy Control Act 2022 and relevant state aid requirements to ensure rules and regulations are not breached (where this applies) and officers will need to ensure compliance with procurement rules and legislation. The Council's legal team will provide advice and assistance in respect of legal matters relating to subsequent contracts/grant agreements that will be required. As such there are no legal implications in agreeing to the recommendations as set out in the report.

BACKGROUND PAPERS

- [UK Shared Prosperity Fund 2025-26: Technical note](#)
- [UK Shared Prosperity Fund 2025-26: additional information](#)