




**ICS**

Innovation &  
Consultancy Services



# **Future Planning for the Local Growth Fund: *A Review of the Economic Inactivity aspect of the UKSPF***

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# Table of Contents

Executive Summary .....	4
1. Introduction .....	7
1.1 Introduction.....	7
1.2 Purpose of this project.....	7
1.3 Terms of Reference .....	8
1.4 Scope .....	9
1.5 Acknowledgements .....	9
1.6 Section Summary .....	9
2. Approach to the project .....	10
2.1 Introduction.....	10
2.2 Approach.....	10
2.3 Research Methods .....	11
2.4 Section Summary .....	13
3. About UKSPF .....	14
3.1 Introduction.....	14
3.2 The Journey of UKSPF.....	14
3.3 Spending Review June 2025 .....	15
3.4 Section Summary .....	16
4. Key Findings .....	17
4.1 Introduction.....	17
4.2 Research themes .....	18
4.3 Section Summary .....	30
5. SWOT Analysis .....	31
5.1 Introduction.....	31
5.2 Strengths.....	31
5.3 Weaknesses.....	32
5.4 Opportunities .....	32
5.5 Threats.....	33
5.6 Section Summary .....	33
6. Future Focus for the Local Growth Fund .....	34
6.1 Introduction.....	34
6.2 Future Delivery Model .....	34
6.3 Future Geographical reach .....	35

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6.4	Impact on current UKSPF providers without a future Local Growth Fund.....	36
6.5	Prioritised Interventions for Post-2026 Funding .....	36
6.6	More inclusive future funding .....	37
6.7	Conclusions – <i>ICS observations</i> .....	38
7.	Considerations for SFD .....	39
7.1	Introduction.....	39
7.2	Future Considerations .....	39
7.3	Summary of future considerations .....	42
	Appendix I - List of abbreviations, tables and figures .....	43
	Appendix II - Consultee List .....	45
	Appendix III - Event Attendees.....	47
	Appendix IV – Event findings .....	48
	Event Schedule.....	48
	Findings from facilitated exercises .....	48
	Appendix V - Survey Question Set.....	57
	Appendix VI – Survey findings .....	60
	Findings on the current state of UKSPF .....	60
	Findings on the Strengths and Challenges of UKSPF .....	65
	Findings from future focus.....	66

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# Executive Summary

## Introduction

Innovation and Consultancy Services (ICS) was commissioned by the Department of Finance (DoF) in March 2025 to conduct a **review of the Economic Inactivity (EI) aspect of the United Kingdom Shared Prosperity Fund (UKSPF) in Northern Ireland (NI)**. The aim of this project was to gather insights from stakeholders and the current providers of UKSPF (this included Voluntary and Community Sector organisations, Arms Length Bodies and Further and Higher Education Colleges) on their experiences with UKSPF, to compare it with previous European Union (EU) funding programmes, and to identify lessons learned, gaps, and opportunities for improvement in future funding models.

It is intended that the findings from this work will be used to support the development and delivery of the United Kingdom's (UK) Governments Local Growth Fund in Northern Ireland.

## Approach

The assignment builds on work carried out in 2024 by the International Public Policy Observatory (IPPO). ICS' approach included desk-based research and a light-touch review of the previous UKSPF programme, development of a current state journey map and engagement with stakeholders through consultations (29 in total). Also, a facilitated stakeholder event (attended by 54 representatives from 45 organisations) and a survey that was distributed to 65 individuals, achieving a 49% response rate.

Over 75 individuals contributed to the consultation process. The insights gathered have shaped the findings presented in this report, providing evidence to inform the design of future funding models.

## Findings

The findings gathered from the consultations, the event and survey were compiled and reported across seven themes. Key findings in each theme are as follows –

**Theme 1: Process, guidance and reporting** – UKSPF delivery organisations raised concerns about the timing of the application process, particularly its release over the Christmas period, which placed undue pressure on staff and volunteers. Feedback from delivery organisations also highlighted unclear guidance, complex forms, and inconsistent communication. This was especially true for unit pricing and consortium coordination. While reduced bureaucracy and the UKSPF Contract Manager role were appreciated, consultees strongly recommended clearer guidance and more streamlined processes for future rounds of funding.

**Theme 2: Funding** – UKSPF delivery organisations found the definition of economic inactivity restrictive, which meant some individuals who needed support were unable to access it. Timing and funding uncertainty created staffing challenges, and many felt communication from the funder lacked transparency. While flexibility in programme design was appreciated, reduced funding and inconsistent guidance made delivery more difficult.

**Theme 3: Participants and delivery** – UKSPF delivery organisations highlighted gaps in rural delivery and social inclusion, with rural participants facing additional barriers in relation

to transport and childcare. The narrow definition of economic inactivity as highlighted in the funding theme led a call from providers to broaden eligibility. While flexibility in delivery was welcomed, inconsistent tracking and unclear targets created challenges.

**Theme 4: Geography** - UKSPF delivery organisations highlighted geographic inequalities in UKSPF delivery, with rural areas facing greater challenges around access, travel, and staffing. The Ministry of Housing, Community and Local Government (MHCLG) as the current funding body responsible for UKSPF responded by identifying underserved areas, but gaps remain in coverage and consistency across NI.

**Theme 5: Multiply** - Multiply aimed to improve adult numeracy but the programme ended in 2025/26, causing funding gaps for some providers. While some providers continued delivering maths support due to community need, others struggled to embed it. There was no clear consensus on its future.

**Theme 6: Suggested improvements** – the current UKSPF providers called for longer-term and transparent funding. Clearer communication and flexibility are needed to meet diverse participant needs. Suggestions included redefining success beyond employment, retaining the UKSPF Contract Manager role, and offering both consortium and solo delivery options.

**Theme 7: Communication and timing**, which was cross cutting was reported throughout the six themes.

### SWOT Analysis

ICS also analysed the findings in the context of a SWOT analysis, considering the strengths, weaknesses, opportunities and threats. A summary of the analysis is provided in Figure 1.

**Figure 1: SWOT Analysis**



### Future Considerations for SFD

The UKSPF's providers and stakeholders that ICS engaged with, identified several strengths and areas of future focus for the Local Growth Fund, which could be taken into consideration to inform the design of future funding models beyond the UKSPF.

**Flexibility** was cited as a key strength, with support for both the consortium and lone applicant delivery model approaches to continue. It was reported that priority should be given to **organisations with strong local knowledge** to ensure that underserved areas are not overlooked.

**Improved communication and guidance** were seen as vital, particularly around application timelines and funding decisions. Clearer, more consistent messaging would help reduce confusion and improve the quality of applications. In terms of evaluation, there was a desire to move away from transactional audits towards **learning-focused assessments that support continuous improvement**. A centralised data system was also proposed to enhance tracking, reduce duplication, and support value-for-money assessments.

Finally, the sector emphasised the **importance of embedding social inclusion and supporting grassroots organisations within consortia structures**. This would help ensure that funding reaches marginalised groups and reflects the complexity of participant needs.

While UKSPF has delivered positive outcomes, there is an opportunity for the Local Growth Fund to build on these lessons and adopt a model that effectively supports individuals who are furthest from the labour market.

# 1. Introduction

## 1.1 Introduction

Innovation and Consultancy Services (ICS) is the principal source of internal consultancy services across the Northern Ireland Civil Service (NICS), its Executive Agencies and Arm's Length Bodies (ALBs). ICS was appointed by Department of Finance (DoF) in March 2025 to complete a review of the Economic Inactivity intervention of the UKSPF in NI, hereafter known as UKSPF.

DoF commissioned ICS to gain insight from the Voluntary and Community Sector (VCS) regarding their experiences as the main delivery agent for the Economic Inactivity aspect of the UKSPF (as defined below<sup>1</sup>). ICS also engaged with other key stakeholders including Further and Higher Education Colleges, ALBs of Departments and NICS Departments.

The following section provides an overview of the project background, purpose of the project and the methodology used.

## 1.2 Purpose of this project

The purpose of this project was to gain insights from the delivery organisation and stakeholders taking into account both successes and weaknesses of the UKSPF as compared to previous European Union (EU) funds, and also to identify gaps and areas for improvement.

*“To understand the strengths and weaknesses of the Shared Prosperity Fund from the perspective of the funded sector, particularly as compared to the previous EU Funds”.*

The assignment was also to identify the following:

- understanding of the 'wrap around provision' that is currently provided in UKSPF and to establish if this could or should be enhanced further in future delivery.
- considerations for the design of any future replacement funds to promote inclusivity, drawing on lessons learned from the experience of the VCS and other delivery organisations to address existing gaps and ensure a broader, more equitable impact for citizens.
- explore the delivery of EI projects to identify opportunities for improvement and potential for better outcomes.

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<sup>1</sup> *Economic Inactivity is defined by the House of Commons to be “A person who is neither employed nor unemployed is economically inactive. This means that they are not in paid work and are not looking for work. This may be because someone is retired, looking after family or home, or a student, among other reasons. House of Commons Library Research Briefing July 2024 [SN07119.pdf](#).*

## 1.3 Terms of Reference

The terms of reference for this project are for ICS to:

**Table 1: Terms of Reference**

Heading	Detail
<b>1. Views and findings on the previous UKSPF programme</b>	<p>A 'light touch' review with an assessment of the previous objectives and delivery, structure and impact:</p> <ul style="list-style-type: none"> <li>▪ Exploring in more detail how the previous UKSPF achieved outcomes for the successful participants, with specific reference to economic inactivity.</li> <li>▪ Impact for the unsuccessful previous applicants on not being able to deliver on the programme.</li> <li>▪ How performance was measured and if there are any improvements to performance measures in the future.</li> <li>▪ Identify if there were any funding gaps from the previous participants and wider stakeholders.</li> <li>▪ Providing an understanding, through a SWOT analysis to demonstrate what worked well and lesson learned, were appropriate.</li> <li>▪ Insights from previous participants, applicants and wider stakeholders on how the new programme should be designed.</li> </ul>
<b>2. Market Analysis</b>	<p>Desktop research will be completed that provides lessons learned on similar programmes. This will incorporate findings from MHCLG's who are currently completing an evaluation of the now closed UKSPF.</p> <p>The findings from the research carried out by the International Public Policy Observatory (IPPO) Northern Ireland.</p>
<b>3. Journey mapping</b>	<p>This will be a two-step process –</p> <ul style="list-style-type: none"> <li>▪ The current state journey map will be produced in collaboration with the client team.</li> <li>▪ The findings from the consultations will then be analysed to incorporate lessons learned to design a proposed new journey map to be considered further at the event in June 2025.</li> </ul>
<b>4. Future plans for the scheme</b>	<ul style="list-style-type: none"> <li>▪ Any wider areas for improvement or future consideration that emerge during the project will also be considered.</li> </ul>
<b>5. Event &amp; Reporting</b>	<ul style="list-style-type: none"> <li>▪ ICS will facilitate an event in June 2025 to showcase the findings from the project and seek the views of the wider stakeholders to help inform the proposed new journey map.</li> <li>▪ These views will be considered further by ICS with the key themes and outputs of the event being reported to the client team. The client team will steer ICS as to what reporting is required to support the future development of the Shared Prosperity Fund.</li> </ul>

## 1.4 Scope

Scoping provided a clear Terms of Reference and helped define the breadth of this review. However, it is acknowledged that, during the course of a review, additional areas may emerge that warrant further consideration. The current scope does not extend to an in-depth examination of specific elements such as the application process or the delivery model.

As a result, some findings may highlight issues that fall outside the defined scope but nonetheless merit deeper or broader investigation. Where relevant, these areas are reported and included as considerations for further exploration.

## 1.5 Acknowledgements

The ICS Team wish to express our thanks to SFD and all the staff in the division that contributed to the process. The information they provided, and their co-operation enabled the completion of this report.

The ICS Team also appreciates the time and information provided by the VCS, Further and Higher Education Colleges, ALB, Departments and other key stakeholders, individuals and respondents consulted throughout the process.

## 1.6 Section Summary

This section has provided a short introductory context; set out the parameters of the project and summarised the scope and reporting arrangements. The following section summarises the approach to the project, including significant information gathering components.

## 2. Approach to the project

### 2.1 Introduction

This section summarises the approach taken by ICS to carry out research for this project; namely desk-based research, consultations, a stakeholder event and a survey.

Section 4 of the report sets out fuller detail of the findings, methods used, and analysis carried out by the ICS Team.

### 2.2 Approach

An evidence-based approach was used, with extensive information gathering and analysis to inform key findings and future considerations. Figure 2 highlights the methodology adopted and the associated timeline.

Key stages of the approach are outlined below:

**Figure 2: Methodology**



## 2.3 Research Methods

### 2.3.1 Desk-based Research

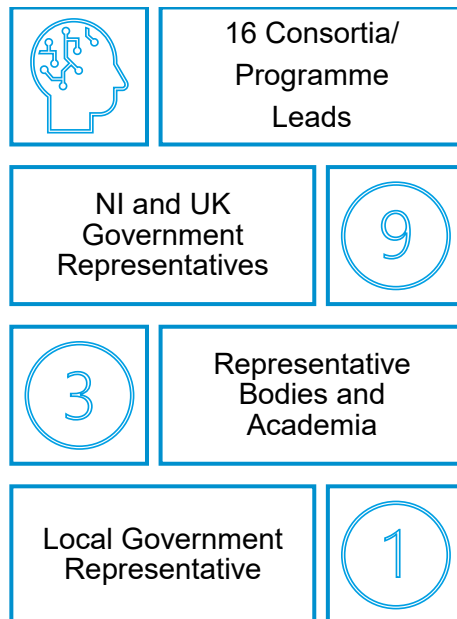
A wide range of documents were reviewed in preparation for consultations, including the following:

- **IPPO research and findings** - ICS consulted with the previous researcher on this project for the purposes of background research.
- **Equality Commission Report** entitled “*Funding for Equality Groups in NI; the impact of the transition from EU Funding to UK Shared Prosperity Fund*”<sup>2</sup> was published in June 2025 and was reviewed after the event on 24 June 2025.
- **MHCLG documents** that are in the public domain, including prospectus and UKSPF supporting documents.
- **Departmental documentation** was also reviewed including the DoF Business Plan and budget for 2025/26.

### 2.3.2 Consultations and Journey Map

The ICS Review Team carried out wide ranging engagement with stakeholders. A full list of consultees is included at **Appendix II**. A total of 29 consultations took place with the groupings of the consultations shown in Figure 3.

**Figure 3: Consultation Groupings**



<sup>2</sup> [ECNI - Funding for Equality Groups in NI](#)

## Journey Maps

The ICS team developed a Journey Map of the current process from information gathered during consultations.

A journey map is a visual or narrative representation that outlines the steps a person or organisation experiences when interacting with a service or programme. Journey maps are typically evidence-based, developed through interviews, surveys and engagement with users to capture their real-life experiences, emotions and challenges.

The journey map for this project is from the perspective of consortia/programme leads who received funding for UKSPF delivery during the 2023/25 period.

Due to time constraints ICS were unable to meet with all UKSPF partner delivery organisations and unsuccessful applicants. To ensure a comprehensive understanding, their views were gathered through other engagement activities including a facilitated event and survey.

The journey map developed by ICS was longer and more detailed than anticipated, with 53 steps covering a timeline of more than three years (175 weeks). The ICS team used their findings from a Strengths, Weaknesses Opportunities and Threats (SWOT) analysis to include 'swim lanes' for each element of the SWOT on the journey map itself. The Journey Map is available upon request.

### 2.3.3 Analysis

To develop insights, the ICS team carried out high-level analysis based on the feedback collected during the consultation phase. This focused on identifying common themes, strengths, weaknesses and suggested improvements, from the various consultees, for a future fund.

### 2.3.4 Stakeholder Event

ICS facilitated an event on 24 June 2025 at Crumlin Road Gaol, Belfast. A total of 76 people were invited and 54 attended the event, representing 45 organisations. A full list of the organisations in attendance can be found in **Appendix III**.

The purpose of the event was to bring together consortia/programme leads, partner organisations and unsuccessful applicant organisations to give them opportunity to –

- Discuss and validate the consultation findings and note any additional insights through group discussion;
- To view the journey map (which was printed and on display at the event) and provide any additional feedback; and
- Generate ideas on future interventions.

### 2.3.5 Survey

The ICS Team identified gaps during the consultation and event that were explored further with a wider group of stakeholders via a survey to obtain both qualitative and quantitative information.

Circulation of this survey was facilitated by SFD who distributed the survey to their mailing list. All responses were received and analysed by ICS; this process was confidential and therefore there is no reference to specific individuals or organisations.

The survey was distributed to 65 individuals across the sector, including current UKSPF providers, unsuccessful applicants, and key stakeholders. Among the current providers, both consortia/programme leads, and partner organisations were represented.

A total of 32 responses were received (49% response). Where multiple responses were submitted by the same organisation, these were consolidated and counted as a single response to ensure balanced representation.

To note where the report references 'consultees' this describes those engaged in person/online, while 'respondents' applies to those replying to the survey.

Full details of the survey questions are included at **Appendix IV**.

## 2.4 Section Summary

This section has provided an overview of the evidence-based approach to the project. The approach has provided viewpoints, information and data that has informed the key findings, analysis and future considerations in the sections that follow. Including one-to-one engagement, the event and the survey, this has included consultation in excess of 75 people. The following section builds further on this with a more detailed overview of UKSPF.

## 3. About UKSPF

### 3.1 Introduction

This section provides an overview of the UKSPF to date.

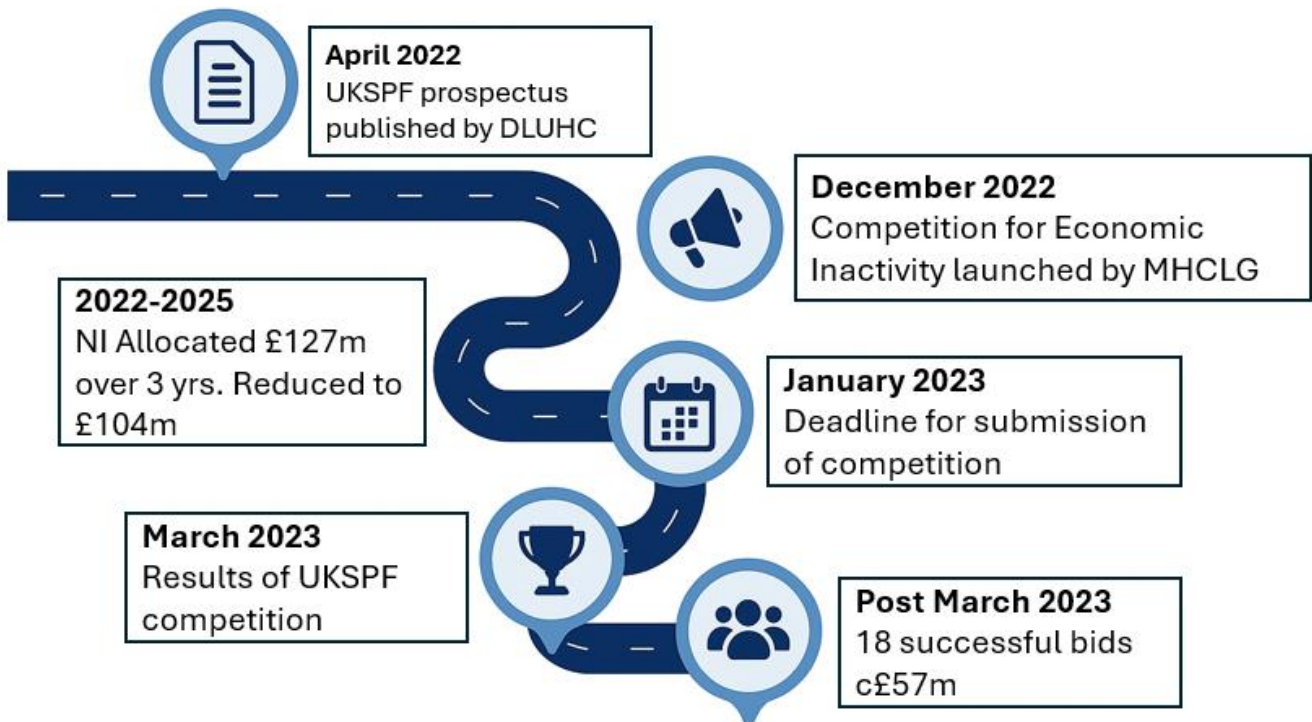
### 3.2 The Journey of UKSPF

During the UK's exit from the EU, the UK Government made a commitment that past EU Funding would at least be fully replaced.

The UKSPF was announced as a replacement for the European Social Fund (ESF) and the European Regional Development Fund (ERDF) and formed a key element of the last UK Government's "Levelling Up Agenda".

The UKSPF prospectus was published on 14 April 2022 by the Department for Levelling Up, Housing and Communities (DLUHC), now the Ministry of Housing, Community and Local Government (MHCLG). Figure 4 below shows the journey of UKSPF.

**Figure 4: The Journey of the UKSPF**



Of the 18 successful bids, 13 of those were joint or consortia/programme leads bids with the remaining five being stand-alone applicants. Five bids did not receive the full amount applied for with four out of the five partial bids originating from consortia/programme leads bids.

MHCLG were responsible for the oversight and management of these and other projects under UKSPF. DoF provided guidance to MHCLG from the NI perspective, consulting with other Departments via the DoF-led FP IDWG.

With the UKSPF scheduled to conclude in March 2025, the Chancellor announced in the October 2024 Budget the establishment of a one-year transitional fund. This fund allocated £46.4 million to Northern Ireland and is intended to extend support through to March 2026. ICS was informed that the transitional period was designed to facilitate the expected transfer of control over structural funding to the NI devolved Government, in alignment with the manifesto commitment.

### 3.3 Spending Review June 2025

The Spending Review was announced on 11 June 2025<sup>3</sup>. It outlines that the ‘Local Growth Fund’ (initially presented as the successor to the UKSPF) will now serve as a transitional mechanism away from the UKSPF, aiming to sever ties with the previous programme.

The funding allocation is to remain at £46 million per year for three years starting in April 2026. This mirrors the 2025–26 UKSPF allocation, which itself represented a significant cut compared to the EU funding levels prior to the UK’s departure from the EU.

As of the time of reporting (August 2025), no specific details have been released regarding the types of interventions the fund will support. However, the documentation references three broad themes: “Community Cohesion, Regeneration, and Improving the Public Realm.” This suggests a broader remit than the UKSPF, potentially encompassing activities that were previously funded through the Levelling Up Fund, which is not being continued.

It is understood that the combination of a reduced funding envelope in real terms and a broader scope for the Local Growth Fund compared to the UKSPF could pose serious challenges for the VCS.

The delivery model remains unclear with the Spending Review indicating that the fund will be administered directly by the MHCLG in collaboration with the Northern Ireland Office (NIO), described as “one of the representatives of Northern Ireland,” and in partnership with the Executive. This approach contradicts the Executive’s Position Paper<sup>4</sup> agreed in March 2025, which asserts that funding must be long-term, replacing the financial capacity previously provided by EU sources.

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<sup>3</sup> [Spending Review 2025 \(HTML\) - GOV.UK](#)

<sup>4</sup> [Final Executive paper E \(25\) 027 Executive priorities for post-2026 Levelling Up local growth funding replacements - ANNEX A.PDF](#)

The Executive has emphasised the need for co-design in both the overarching framework and the design and delivery of any funding programme. It insists that the Executive must play a leading role, that devolved competencies must be respected, and that regional differences, including equality impact considerations, must be fully accounted for.

## **3.4 Section Summary**

This section provided an overview of the UKSPF and an update from the Spending Review of 2025. The next section considers the findings, firstly from the consultations.

## 4. Key Findings

### 4.1 Introduction

This section presents the key insights from engagement with the current providers of UKSPF and key stakeholders across three main research methods:

1. **Consultations**
2. **Stakeholder Event**
3. **Survey**

The purpose of these activities was to explore the experience of applying for and delivering projects under the UKSPF and to better understand the views from the providers and stakeholders to help inform future funding. In doing so, the ICS team:

- **Carried out 29 consultations during May and June 2025.** This consisted of consortia/programme leads that were successful in obtaining UKSPF funding and delivered during the period of 2023/25, NI and UK Departments, Representative Bodies, Academia and Local Government (see breakdown in section 2.3.2, Figure 3: Consultation Groupings). The full list of consultees can be found in **Appendix II**.
- **Facilitated a stakeholder event with SFD on Tuesday 24 June 2025 at Crumlin Road Gaol, Belfast.** 45 organisations were represented at the event and a full list of these organisations can be found in **Appendix III**. A total of 54 people were in attendance from a combination of current providers of UKSPF including consortia/programme leads and partner organisations, NI Departments and wider stakeholders including advocacy groups for the VCS. A full write up of the event can be found in **Appendix IV**.
- **Designed a survey to further explore areas/gaps identified during consultation and at the event.** The full list of survey questions is included in **Appendix V**. The survey was issued to 65 individuals who were currently delivering UKSPF; and applicants who had been unsuccessful and there were 32 responses received (49% response rate). To note that some organisations submitted a single response across various individuals and therefore the response rate is approximate. A full write up from the survey is included in **Appendix VI** and the breakdown of responses by organisation type is at Table 2.

**Table 2: Response by Organisational Type**

Organisation Type	Responses	Percent
Consortia/programme leads	9	28.1
Partner organisation	18	56.3
Other	5	15.6
<b>Overall</b>	<b>32</b>	<b>100</b>

56.3% of the responses were from partner organisations. All 32 respondents confirmed that they had been successful in obtaining funding. Respondents were asked to select the council areas that they delivered UKSPF.

In terms of individual councils, Newry Mourne and Down District Council had the highest level of delivery, with 25% of respondents (8 responses) delivering in the area. This is followed by Belfast City Council and Mid and East Antrim Borough Council. Figure 10 in **Appendix VI** provides a full breakdown by Council.

## 4.2 Research themes

Findings from the consultations, the stakeholder event and survey were analysed and grouped into themes.

Figure 5 details the six themes that arose around the outer circle. An additional theme ‘*Communication and Timing*’ is cross-cutting, is connected to all of the other six themes and is reported on in this fashion.

The findings from all research activities are reported against each of the themes.

**Figure 5: Themes from the findings**



## Theme 1: Processes, Guidance & Reporting

The first theme *processes, guidance and reporting* was viewed as the largest theme by ICS in relation to feedback and insights provided at all stages of engagement. This section focuses on the headline data gathered with the *communication and timeline* theme considered throughout.

### 4.2.1.1 Application Process

This section relates to the applications completed at the start of the 2023/25 UKSPF two-year period and also the applications completed at the start of the 2025/26 transition year.

**Timing** – was one of the most critical issues highlighted by consultees. The release of application materials during the Christmas period posed significant challenges, as many organisations had to sacrifice their holiday time to ensure timely submission. This placed additional pressure on staff and volunteers at this time.

In the survey respondents reported that longer lead-in times and communication with funding decisions and approvals came too late, affecting planning, staffing, and delivery. The quote below, taken from the survey, reinforce these concerns.

*“Timing, Timing and Timing. Communication regarding the application process/how to complete the application. Needs good clear guidelines to assist with the application.”*

**Clarity and communication** - there was a lack of clear guidance on the outputs and outcomes, reporting requirements, the consortia/programme lead roles and expectations and the assessment criteria (e.g., value for money, eligibility) reported to ICS during the survey. Communication was often described as vague, frustrating, or non-existent during key stages.

*“Ambiguous output/outcome definitions and competitive environment led to over-selection of outcomes, complicating delivery and reporting.”*

**Complexity of the application form** - the application form was viewed as both lengthy and appendix heavy. Some found it confusing at first, though manageable with effort. The feedback from the survey shows that there is a need for simplification and better structure. Some consultees felt that past experience should be more heavily weighted within the application form. While a few raised concerns that good application writing was prioritised over actual delivery capability.

**Consortium/programme lead approach** – ICS received mixed reports in relation to the use of consortium/programme lead in the application process. Some organisations created new partnerships/relationships while others were able to use existing relationships/partnerships developed from previous funding applications. The development of a new consortium was more time-consuming for those involved.

The survey reported that providers felt that there was a lack of recognition for the investment in the effort involved in coordinating multiple partners.

*“It was very rushed and challenging especially given that consortia/programme leads had to be formed which presented many difficulties.” “Length of time taken from the application stage to letter of offer was poor with no communication or updates.”*

**Unit price** – under ESF, the unit price was disclosed to applicants. Some provider organisations shared that the competitive nature of the application process, combined with vague guidance, led to pressure to reduce unit prices in order to secure funding.

In some cases, applicants were encouraged by the funder to keep unit costs within a specific range. However, this guidance was not consistently communicated to all applicants. While some respondents expressed concerns about this lack of transparency, others reported being satisfied with the unit price they submitted. Yet the inconsistency and lack of clarity around unit pricing emerged as a significant issue raised with ICS. There was also concern that driving down unit prices risk devaluing the work being proposed and may discourage or exclude smaller VCS organisations from applying. Clearer guidance on unit pricing would have been beneficial for all applicants.

The current unit cost structures failed to reflect the intensity or duration of provider engagement, nor do they account for participants’ progress toward employment. This results in providers absorbing additional costs, such as transport. Furthermore, the absence of funding for community-based training and education from NI Departments has created gaps in support for participant travel and childcare, with concerns about duplication and inefficiencies in project funding.

Some providers appreciated the template-based approach and support from local councils. Compared to previous programs (e.g., ESF, ERDF), some noted a more streamlined and collaborative process. For one consultee the single point of contact approach for the transition year was positive.

The feedback on the application process was extremely challenging, especially around timing, clarity, and administrative burden. Constructive suggestions were offered, indicating a desire to improve future rounds.

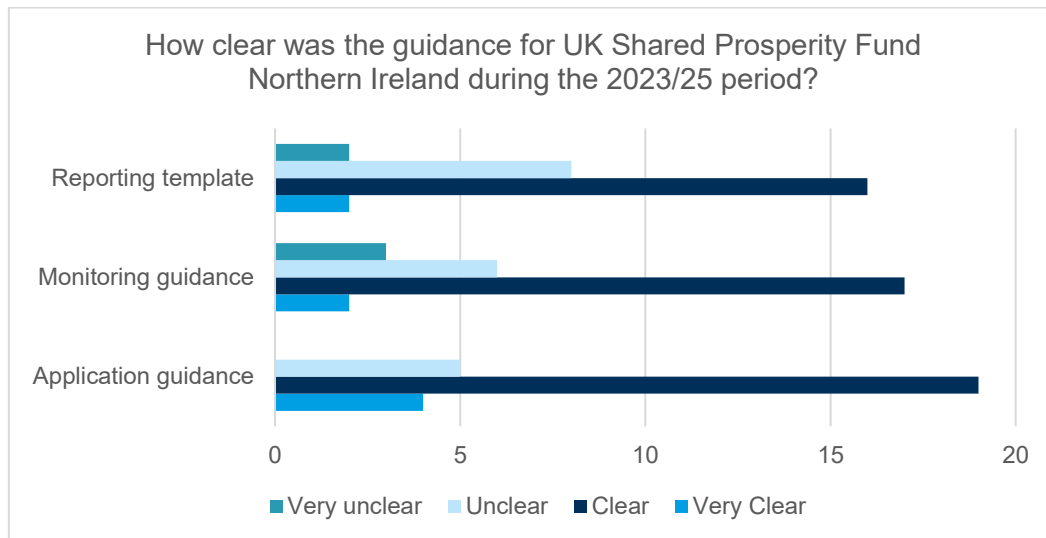
#### **4.2.1.2 Guidance/Terminology**

The definitions for the outputs and outcomes were vague with the terminology open to interpretation. The streamlining of the outputs and outcomes in the transition year was welcomed by the VCS consultees.

During consultation, some consultees reported that there was not sufficient guidance provided while others reported there was no guidance or that it wasn’t the right guidance. Others raised that there was a need for a targeted operating manual to be developed.

ICS identified inconsistencies in the consultation findings when considering the guidance available throughout the process of UKSPF. It was for this reason that the survey explored this further. Figure 6 shows mixed views on guidance for the three aspects of UKSPF that ICS explored. The three aspects were generally considered to be “clear/very clear”, however almost one third of respondents rated the reporting template and monitoring guidance as “unclear/very unclear”.

**Figure 6: How clear was the guidance for the UKSPF during the 2023/25 period**



To address these issues, attendees at the event recommended clearer guidelines for interventions, more detailed criteria for economic inactivity, a shift in evaluation practices to prioritise learning, and the development of a centralised platform to improve data sharing and support informed decision-making.

#### 4.2.1.3 UKSPF Contract Manager

The role of the UKSPF Contract Manager was valued. 69% of the consultees (of a total of 16 consultees) that ICS engaged with during consultation cited that there is a need for this role to be retained in a future fund.

ICS analysis identified that there were inconsistencies in relation to the level of advice received from the Contract Manager, with some consortia/programme leads reporting that they received a lot of advice while others didn't receive advice in relation to programme delivery. The advice was only provided when sought out by a consortia/programme leads.

The process of project adjustment was viewed as straightforward, and it was very much appreciated that there was a degree of flexibility to make up to 20% of adjustments in a clear and efficient process.

#### 4.2.1.4 Bureaucracy/Reporting

When ICS queried the bureaucracy and reporting of the UKSPF from the VCS they felt "trusted" to deliver when compared to ESF, as there was less bureaucracy involved in UKSPF.

The VCS consultees noted that they found the parallel auditing and financial reporting cycles challenging. With the audit carried out at five-month intervals by an external auditor and financial reporting taking place every six months. This resulted in the consortia/programme leads preparing two reports for very similar periods.

The level of monitoring on UKSPF was welcomed by providers when compared to ESF with phases *“like a breath of fresh air”* reported when asked views on the monitoring process.

Providers also valued that MHCLG (the funder) was open to programme changes and listened to the providers when things did not work as expected with changes implemented. An example provided to ICS was an application intended to be used for completing monitoring did not work as intended. The funder then adjusted and issued templates in excel which were welcomed by providers.

Concerns were also expressed about the current evaluation process, which was seen as overly transactional and lacking a focus on learning and quality improvement. Additionally, data sharing was identified as a challenge, with limited visibility on how contributions to multiple evaluations are being used.

#### **4.2.1.5 ICS Observations**

The competitive process used for applications resulted in driving down the unit price and in the providers feeling devalued for the level of work and expertise delivered.

The role of the UKSPF Contract Manager was valued with this person working closely to clarify queries raised by providers. Clearer guidance is needed to ensure that all providers receive the same information throughout the process to enable an even-playing field across providers and applicants.

ICS identified that some consortia/programme leads were able to find out the average unit price, while others were not as well informed. The assumption is that the information is only available on request.

While the level of bureaucracy was welcomed, there was a challenge for the VCS in adapting to two reporting schedules when audit was included within a similar timeframe to the financial monitoring.

## Theme 2: Funding/Other Funding

This theme includes the criteria for UKSPF, the cross-cutting theme of the timing of the funding, with the flexibility of UKSPF considered when compared with other funding, including ESF.

### 4.2.1.6 Criteria for UKSPF

Providers reported that they found the definition for economic inactivity<sup>5</sup> challenging with some reporting that they had to turn away participants who were not classed as economically inactive. There were also concerns raised by wider stakeholders that the sector had to pivot to meet the criteria of UKSPF with the concern being that the provider changed their mission and ethos. However, ICS did not find evidence of this during consultation. Some providers and departments also challenged if this criterion could be widened to include the following –

- Long term unemployed;
- Under-employed; and
- Upskilling for career progression.

These points will be discussed further within the *participants and delivery* theme.

Another element of the definition includes the timeframe for the classification of economically inactive status. This includes a person that has not looked for work during the past four weeks and is not available to start work in the next two weeks, being classed as economically inactive.

### 4.2.1.7 Timing

The cross-cutting theme of timing also falls within the theme of funding with concerns of “working on a cliff edge” being a consistent message from providers.

Staff recruitment and retention was raised by providers with many reporting they issued protected notice to staff and lost staff either at the start of the 2023/25 delivery period and at the 2025/26 transition year. This was reported as a weakness by 81% of the consortia/programme leads (from 16 consultees). A full write up of this can be found in **Appendix VI** Table 12. Recruitment was reported as a challenge across the VCS, with some reporting that the loss of experienced staff was difficult to replace.

Communication was also a cross-cutting theme for funding, with the lack of transparency being reported. Therefore, there is an opportunity for better communication from the funder.

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<sup>5</sup> “A person who is neither employed nor unemployed is economically inactive. This means that they are not in paid work and are not looking for work. This may be because someone is retired, looking after family or home, or a student, among other reasons” as cited in section 1.1.

Providers also reported that they don't want to pause delivery and then restart. This was a challenge for some when moving to the 2025/26 transition year. Some paused delivery and had to build up momentum at the start of the transition period, which resulted in lost delivery time.

#### **4.2.1.8 Flexibility**

Providers consistently reported during consultation that they enjoyed and valued the flexibility of UKSPF. This was in relation to designing and redesigning programmes that would meet the needs of their participants. 56% of respondents (of a total of 16 responses) reported that their relationship with MHCLG was positive.

When considering the outcomes and outputs of UKSPF there were some inconsistencies. Some consortia/programme leads reported they had full flexibility choosing their own outputs and outcomes from a large list at the start of the 2023/25 period. This is compared with other consortia/programme leads that did not report the same level of options.

However, there was a consistent and positive message from providers in relation to the streamlining of the outputs and outcomes during the transition year. This was welcomed and valued by providers.

ICS identified during consultation that too much flexibility resulted in some providers being unsure of the boundaries with the funder. Some of the consortia/programme leads contacted MHCLG regularly to answer any queries, while others did not know that it was possible to seek clarity.

#### **4.2.1.9 Other Funding**

The quantum of funding has been reduced when compared to ESF. At the time of reporting (July 2025) the full scope and funding quantum of Local Growth for Economic Inactivity remains unknown.

The UKSPF was 100% funded by MHCLG. Providers welcomed this approach and appreciated that there was no additional administration or delays in seeking match funding. When compared to ESF, match funding was required from NI Government Departments. The consortia/programme leads reported that during ESF there were two funders (match funding), therefore this led to two levels of reporting and monitoring to be complete to meet the needs of both funders.

Providers noted that the UKSPF reporting was easier than ESF performance reporting. It was deemed 'light touch' by providers. ESF had a live database upon which all participant activity was entered, which often distracted from delivery.

When comparing UKSPF to previous ESF there was a difference in payments. Payments in advance were made in ESF, this was not the case for UKSPF with their guidance showing the need for all providers to have reserves of up to six months in place to ensure that they were financially sustainable. Some of the consortia/programme leads reported that their partners secured loans to fund delivery until the first payment from UKSPF was made.

At the event attendees raised concerns about funding for women's groups, which currently receive 3% of the allocation. This is below previous levels and there was a call for increased investment in

this area. The process for reallocating underspend was also criticised for lacking transparency and consultation, with many noting that direct UK Government funding has left delivery organisations to deliver services without sufficient departmental support. The previous ESF model, which required departmental match funding, was seen as more locally responsive and inclusive.

#### **4.2.1.10 ICS Observations**

During consultations, ICS observed there was some duplication in funding across the employability landscape. An example of this is when a participant accesses funding for a security license, they can choose from a variety of providers including Labour Market Partnerships (LMP), Job Centre Offices (JCO) and various UKSPF providers across NI.

The uncertainty around where the future home for funding of this sort will reside and the inter-governmental and cross-departmental nature of the funding creates a challenging environment for current UKSPF providers to navigate. There is also a potential threat that arises from this complexity at a strategic level around duplication of funding.

ICS observed that some of the consortia/programme leads rely solely on UKSPF as their main income source. There were concerns raised by some stakeholders during consultation around the financial reliance of the delivery organisations on UKSPF to remain viable.

ICS also observed that there is a legacy of competitiveness across the providers with consortia/programme leads working in silos.

## **4.2.2 Theme 3: Participants & Delivery**

This theme explores the targeted participant and the eligibility criteria to participate on a UKSPF programme, as well as the classification of economically inactive participants and the gaps within this participant cohort. Also, the delivery model used to deliver on the UKSPF will be explored in this section.

### **4.2.2.1 Gaps**

A gap in the delivery for and in rural areas was observed by the ICS Team. MHCLG (the funder) sought to respond to this gap within the transition year (2025/26) by particularly welcoming delivery within underserved areas of Northern Ireland.

The providers reported that UKSPF participants from rural areas require additional support compared with participants in urban areas. This is in relation to reach and the participants' ability to remain in sustainable employment (sustainable employment is classed as six months or more).

Sustainable employment is a key performance output from UKSPF. Rural participants face additional challenges in relation to childcare and travel. This can also be a challenge for the providers in being able to successfully target and recruit rural participants onto their UKSPF programmes.

Social inclusion was identified as a gap by Departments and the VCS. This was a key feature of ESF but an element that was not catered for in UKSPF. However, it is an area that many of the providers offer as part of their programme of work and was considered important to be included by providers.

As raised in section 4.2.2.1, when considering the economically inactive criteria to access UKSPF programmes, this issue was also raised within the 'Participants and delivery model' theme. Many providers reported that the cohort is too narrow and that they frequently having to refuse potential participants that need support into employment but are not classified as economically inactive.

At the event it was reported to ICS that there is a need to broaden eligibility criteria to better support groups such as the unemployed, underemployed, and asylum seekers. Attendees also pointed to a lack of targeted support for individuals with complex disabilities and those furthest from the labour market. The importance of incorporating the voice of participants into programme design and delivery was emphasised to ensure services meet real needs. Additionally, concerns were raised about competition among delivery organisations, which is seen to hinder regional collaboration and undermine collective impact.

#### **4.2.2.2 Delivery Model**

Providers reported to ICS that participants on UKSPF can move between various providers and also be on more than one UKSPF programme at any given time. While participants are tracked across the individual consortia/programme leads/provider, there is no mechanism to track participants across the complete UKSPF NI providers. The providers reported this to be a strength of UKSPF, with the participants having the flexibility to attend multiple programmes at the same time. This also links to a weakness raised by consultees who reported that there was confusion over the targets and the conversion rates.

Stakeholders reported that participants can enter a UKSPF programme with multiple barriers to employment and that all these barriers need to be considered and worked through with the participants to allow them to move closer to being labour market ready. This is a challenge as a participant only has one year to complete a programme and move into employment. All consultees agreed that this timeframe was not realistic for all participants, not just to move into employment, but to move into sustainable employment.

Providers reported that there was a huge menu of interventions to choose from at the initial UKSPF 2023/25 programme. Streamlining of these interventions would have been welcomed by the applicants at this time. The definition of the interventions were open to interpretation with some overlap and duplication.

There are no softer skill outcomes within UKSPF and this is something that is viewed as a weakness by providers. There is the opportunity to capture wider positive outcomes including social inclusion, which was identified as a gap in the current UKSPF framework.

The definition of 'economically inactive' caused confusion at the start of the UKSPF 2023/25 programme. 44% of the VCS (from 16 VCS consultees) reported that this definition does not consider the complex needs of the individual and excluded people who may require additional support into employment. Some of the VCS reported that the funder does not recognise the time

invested with the participants. This included the time spent with participants to deliver the outcomes.

#### **4.2.2.3 ICS Observations**

ICS observed that from the providers' viewpoint there is demand for support outside of the economically inactive cohort. With many reporting having to turn away participants outside of the economically inactive status. For the level of demand to be assessed fully, further exploration and evidence is required.

Providers reported that there is the opportunity to do more to cater for the unemployed with the potential for the fund to be more strategic and aligned to the Programme for Government. (PfG). ICS observed that at times multiple could claim the same outcome for the same participant. This raises concerns about the robustness of the data and outputs/outcome from UKSPF.

ICS also observed that at the start of the 2023/25 UKSPF period there was a misconception from providers that the JBO's would carry out referrals to their programmes. However, this was not the case as JBO's cannot carry out referrals for those deemed economically inactive. The participants do not have a mandatory requirement to engage with JBO's and are deemed 'hard to reach' participants by both providers and JBO's alike.

ICS observed that there was confusion on economically inactive definition. Provider programmes help address other complex needs/issues that participants are facing, these need to be supported before the person is ready to enter employment. Also, it is important to note that if a participant does not remain in sustainable employment (six months or more), then they are unable to return to their original UKSPF provider and need to start again with an alternative provider.

The providers are passionate about working with participants to achieve the best outcomes with positive examples cited to ICS during consultation.

### **4.2.3 Theme 4: Geography**

The fourth theme is *Geography*, which also links to section 4.2.3.1, the challenge of targeting participants living in rural areas is first raised.

Providers reported that it is a '*postcode lottery*' with some areas of NI being saturated compared to other areas being underserved. MHCLG addressed this in the transition year by stating the areas/postcodes that require additional UKSPF provision and providers in place.

Travel was reported as a challenge in relation to the location of the UKSPF provider, and the ability of the participant to travel to the provider to attend training programmes. This was an additional challenge in rural areas. Travel also considers the location of a suitable employer for the providers to be able to attain the outcome of sustainable employment for their participant.

The consortium approach allowed some of the consortia/programme leads to offer their delivery NI-wide and enabled existing grassroot groups to be utilised as delivery organisations on UKSPF. This was not a consistent message across consortia/programme leads.

There was also a clear message from the providers around the challenge encountered in recruiting staff within some areas of NI, which impacted the ability to deliver UKSPF in those areas.

#### **4.2.3.1 ICS Observations**

ICS observed that not all consortia/programme leads deliver across NI, with some bound to council areas. Of the consortia/programme leads that deliver NI wide, it was acknowledged that some areas of NI are a challenge to deliver in. These are the same areas that have been identified by MHCLG during the transition year and classed as 'underserved' areas.

#### **4.2.4 Theme 5: Multiply**

*Multiply* was a programme aimed at improving functional numeracy skills among adults across the UK with funding of £559 million. The key objectives of Multiply were to:

- Increase participation in numeracy courses and qualifications;
- Improve labour market outcomes, such as reducing skills gaps and increasing sustained employment or education; and
- Boost overall adult numeracy, including confidence and practical application of maths in everyday life<sup>6</sup>.

As of the 2025/26 funding cycle the Multiply programme is no longer continuing as a specific ringfenced programme within UKSPF<sup>7</sup>.

Providers reported that there was confusion over best practice during the initial 2023/25 period. Some providers were able to incorporate Multiply into programmes whilst other providers found it challenging to adopt/embed. 25% of VCS reported Multiply to be a great way to engage with participants.

Some providers that were successful in the 2025/26 transition year lost some of the fund they had received in previous years due to the discontinuation of Multiply. This was not quantified during consultation, and it was for this reason that ICS explored this further in the survey. ICS asked in the survey what percentage of total funding the organisations lost during the transition year as a result of not being awarded Multiply. 16 respondents provided an answer, with the remaining choosing not to answer/leaving it blank. There was no consistent response coming back from the respondents on Multiply, with answers ranging from 0% to 40%.

It is important to note that some current providers continue to deliver Multiply-type activities, as these are embedded within the broader content of their programmes. Those who reported this explained that they chose to maintain these activities in response to the ongoing cost of living pressures, which have significantly impacted the communities they serve. Providers highlighted that participants increasingly value practical, skills-based support that helps them manage everyday financial challenges. As a result, programme content has been shaped not only by strategic priorities but also by the real and immediate needs expressed by participants.

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<sup>6</sup> [Multiply in Scotland, Wales and Northern Ireland - GOV.UK](#)

<sup>7</sup> [UKSPF 2025-26 allocations - GOV.UK](#)

#### 4.2.4.1 ICS Observations

ICS observed that Multiply funding stopped at the end of the initial two-year period. There was no clear message from the providers (during consultation, at the event and in the survey) that Multiply should be retained post 2026.

There was a call for renewed engagement with stakeholders and the development of strategies to sustain support in the absence of Multiply, recognising the added value it brought to service delivery.

#### 4.2.5 Theme 6: Suggested improvements

ICS asked all consultees for ideas on improvements for the future. Responses are summarised as follows –

- **Long-term funding** - a recurring theme was the need for **sustainable, long-term funding**, with attendees emphasising that short-term cycles hinder planning and delivery. Retaining lessons learned from previous ESF and UKSPF programmes, such as the focus on employment outcomes is important. Some 56% of responses in the survey (from 16 consultees) reporting concerns of ‘working to a cliff edge’. This feedback was reported at all three stages of engagement activities;
- **Redefining success** - attendees at the event also stressed the importance of redefining success, suggesting that interventions should support broader outcomes such as wellbeing, personal development, and reduced reliance on statutory services.
- **Timing** - the application is always issued just before the Christmas period with completion in early January. This can be a challenge for applicants;
- **Flat budgets** – budgets should take account of the increase in running costs and particularly increases in employers' national insurance contributions and inflationary increases;
- **UKSPF Contract Manager** – this role should be retained post 2026 with a preference for this role is to be located locally;
- **Delivery model** - the consortium approach for delivery yielded mixed responses with some providers stating that they enjoyed working as part of a consortium, compared with others who would prefer being a lone applicant. It is a suggested improvement to provide the option for both approaches within the application;
- **Communication** - needs to improve in relation to what happens next (i.e post 2026);
- **Strategic funding** - funding should be **ring fenced** and linked to multi-year budgets in that the funding is strategically considered over a longer period and it is clear what providers are working towards. There should be a joined-up approach across Government Departments; and
- **Flexibility** - the need for a tailored approach was highlighted, with a call for flexible models that respond to individual needs, especially for vulnerable groups. Attendees also saw value in employer engagement and sector-specific training, which could help align interventions with both participant and industry needs.

#### **4.2.5.1 ICS Observations**

The consortia/programme leads have questioned the timeline of UKSPF associated evaluations and transparency on the timeline of their input on future UKSPF decision making. Also, the consortia/programme leads queried the data that is gathered as part of this process and how it shapes what comes next.

Concerns were raised about the transparency in funding, with competition seen as discouraging openness and collaboration. Questions were also posed about the efficiency and accountability of current funding mechanisms, such as milestone payments, and whether they represent the best use of resources.

The consultation findings revealed that siloed working and competition within the sector could pose risks to future planning, particularly for the Local Growth Fund, where collaboration and integrated approaches will be essential. ICS notes that the competitive nature of UKSPF and a reluctance to share ideas may have contributed to the difficulty in gathering meaningful improvements for all providers.

### **4.3 Section Summary**

This section reported on the findings from the consultations, the event and the survey and reported the across six analysed themes.

These findings have been analysed further by considering the strengths, weaknesses, opportunities and threats (SWOT) of UKSPF.

## 5. SWOT Analysis

### 5.1 Introduction

This section brings together the findings from all engagement activities from the previous chapter. Through extensive consultations, surveys, and stakeholder engagement, a picture has emerged of how the fund has been experienced in practice, and where ICS has presented this in the form of a SWOT analysis, highlighting strengths, weaknesses, opportunities and threats.

### 5.2 Strengths

As part of the survey, ICS asked respondents to rank the strengths of UKSPF in order of importance to their organisation. The options for the strengths were generated from the findings gathered during consultations. The following list shows the strengths of UKSPF in order of importance -

- 1. 100% funding provided from a single funder**
- 2. Flexibility to design programme of work**
- 3. Flexibility to set own outputs and outcomes**
- 4. Working within a consortium**

When this is compared with the strengths identified as part of the event and the consultations, the **most valued strength was funding from a single source.**

The flexibility offered in UKSPF was also noted to be a strength with many delivery organisations welcoming the reduced bureaucracy of UKSPF as a “breath of fresh air” for many, with lighter-touch monitoring and reporting requirements. This allows more time to be spent on delivery.

Working within a consortium received inconsistent results across. While not without its challenges, many organisations found that collaboration enabled them to extend their reach and share resources effectively. Section 6.2 shows the findings from the survey for preferred future delivery model.

## 5.3 Weaknesses

One of the most frequently reported challenges of UKSPF was the application process. It was described as '*rushed*' and '*poorly timed*' as it often coincided with the Christmas period. The findings from the survey also echo this challenge by being ranked as the most significant challenge for providers. Similar to the strengths the challenges options were generated from the findings gathered during consultations. A list of the challenge in order of significance are shown –

1. ***Timescales for application***
2. ***Application process***
3. ***Competitive funding process***
4. ***Reporting process***
5. ***Auditing process***
6. ***Communications process***

It was also reported in the survey that after the timescales for the application, the next significant challenge was the application process itself.

The lack of clear guidance and inconsistent communication created confusion, particularly around key concepts such as 'economically inactive' and the expectations for outputs and outcomes.

Communication was reported as a significant challenge and weakness of UKSPF.

The competitive nature of the process also led to a race to the bottom on unit pricing, which many providers feel devalued the work of the sector and excluded smaller organisations.

Staffing instability emerged as a significant concern. Many organisations had to issue protected notices and/or lost experienced staff due to delays and uncertainty in funding decisions. However, the level of protected notice reduced in the transition year (see **Appendix IV** Table 12), and it can be assumed that this happened for two reasons, the first one being that providers felt more confident in their ability to be successful in the transition year or secondly, that they simply took the risk to not issue protected notices in the transition year.

The discontinuation of the Multiply programme added to instability, with some organisations losing up to 40% of their funding and receiving little to no consultation about the change.

Challenges were also reported in relation to data sharing and evaluation processes, with concerns raised about duplication of efforts, lack of transparency, and an emphasis on transactional approaches rather than reflective, learning-oriented assessments.

## 5.4 Opportunities

Despite these challenges, there are clear opportunities for enhance effectiveness and efficiency.

There is an appetite for **strategic, multi-year funding** that would provide stability to providers and allow for long-term planning.

Widening the **eligibility criteria** beyond 'economical inactive' to include unemployed, underemployed, and other marginalised groups could demonstrate the fund's impact more fully.

Location and need based approaches were widely supported, particularly to address the **rural delivery gap** and regional disparities. This would support the challenges relating to transport. There is the opportunity to use data (gathered by providers) to allocate funding based on need and to minimise risk of underserved areas.

Providers also called for greater **co-design** opportunities with the potential for grassroots organisations, with their deep understanding of local needs being well-positioned to shape effective interventions.

There is also an opportunity to widen the **definition of success** beyond employment outcomes to include wellbeing, **social inclusion**, and personal development as valid outcomes. Opportunity to also allow for longer participant journeys (i.e. longer than 12 months) and post-employment support would be welcomed by providers.

Integrated **delivery models** that align with existing networks including LMP's and local partnerships could help encourage greater collaboration across departments and reduce duplication and improve service delivery.

## 5.5 Threats

One of the most frequently reported threats to ICS is the **uncertainty surrounding post-2026 funding**. Many organisations are heavily reliant on UKSPF, and without clarity or continuity, they face the risk of closure, job losses, and service disruption.

The governance of **future funding is also unclear**, with questions about whether it will remain with MHCLG (currently the UKSPF funder) or move to another responsible body at Local Government or Central Government levels. This uncertainty, coupled with a legacy of competition and siloed working, threatens to undermine collaboration and strategic alignment.

The current **unit cost model** also poses a risk, as it was reported to ICS that it does not reflect the true cost of delivering services, particularly for participants with **complex needs** or those in rural areas. The loss of Multiply funding has further strained resources.

There's a risk that when more than one UKSPF provider claims the outcome and output for the same participant's, this would make the **data less reliable** and weaken the robustness and accuracy of the fund.

## 5.6 Section Summary

This section carried out an analysis of the findings from the consultation, event and survey. The information from the SWOT will be developed further with the key insights being considered for the future focus for the Local Growth Fund.

## 6. Future Focus for the Local Growth Fund

### 6.1 Introduction

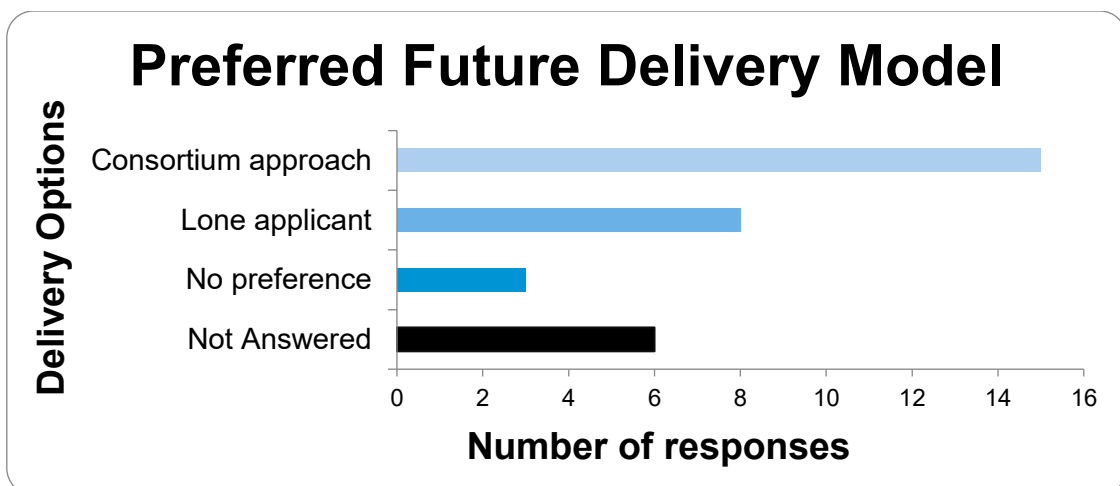
ICS received feedback and suggestions for how a future programme should look and various issues for consideration. Informed by the research findings, this section of the report focuses on the following:

- Future delivery model
- Geographical reach
- Impact on current UKSPF providers without a future Local Growth Fund

### 6.2 Future Delivery Model

When ICS asked about preferred delivery model in the survey for a future Local Growth Fund, **nearly half (47%) of respondents favoured a consortium approach**, while 25% preferred to apply as lone organisations. A small number had no preference. Feedback from consultations showed mixed views. Figure 7 shows the response in the survey.

**Figure 7: Local Growth Fund Preferred Delivery Method**

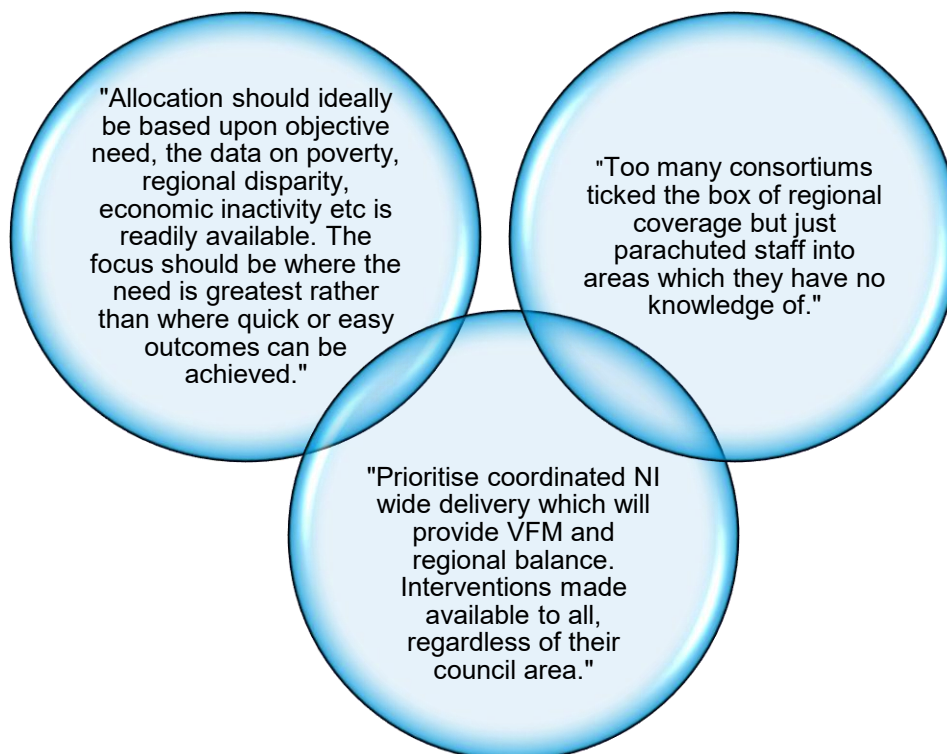


## 6.3 Future Geographical reach

To better address regional needs, respondents **emphasised the importance of reducing the focus on Belfast and prioritising rural and underserved areas**, such as the Southwest and Mid Ulster areas in NI. They highlighted the need to account for higher delivery costs and limited transport infrastructure in these regions.

**Local knowledge was seen as essential, with a preference for grassroots and community-based organisations to lead delivery**, particularly in deprived areas. Respondents also stressed the importance of ensuring equality and inclusion, with funding reaching marginalised groups and all regions, including all counties and council areas.

**Figure 8: Feedback from Delivery organisations of UKSPF**



Strategic alignment with local labour market partnerships (LMPs) and referral networks were recommended. Respondents called for application processes to include clear expectations on how regional needs will be addressed and for funding to be allocated based on objective need rather than ease of delivery.

An understanding of the differing needs of rural participants compared to urban participants needs to be allowed in relation to costings. Local knowledge needs to be taken into consideration as to who is best placed to potentially deliver in underserved areas with person-centred support that is tailored for individual needs.

Empowering participants through self-employment opportunities was seen as a way to build resilience and independence.

Disability inclusion was also highlighted, with a call for eligibility criteria that reflect individual circumstances.

Community engagement was recognised as vital, with local groups providing essential wrap-around services that enhance social inclusion.

Integrating health and wellbeing interventions into employment support programmes was viewed as critical to delivering holistic and effective support.

## 6.4 Impact on current UKSPF providers without a future Local Growth Fund

**Respondents expressed concerns about the consequences of losing the Local Growth Fund post-2026.** Many warned of significant job losses, with some organisations anticipating the loss of over 30 staff members. The withdrawal of funding could also lead to reduced or discontinued services. This could impact thousands of participants, especially in rural and deprived areas.

*"1300 young people furthest from the labour market would not have an essential service. Over 100 staff would lose jobs from the consortium."*

*"Our employment service, built over 30 years, supports those furthest from the labour market. Without future Local Growth fund, it would vanish, losing skilled workforce, abandoning participants, worsening economic inactivity."*

Respondents from some smaller organisations noted they would likely close without continued funding as many rely heavily on ESF replacement funds for core operations. Wider implications include increased economic inactivity, disruption to regeneration efforts, and a loss of community confidence. Groups most at risk from the loss of funding include women, people with disabilities, NEET youth, and marginalised communities. A full write up on these findings can be found in **Appendix VI**.

## 6.5 Prioritised Interventions for Post-2026 Funding

Respondents identified several key areas for future investment. There was support for long-term, tailored support for people with disabilities and those with complex needs, including reinstating higher cost-per-participant models. Youth and NEET support was also seen as a priority, with a focus on early intervention, personal development and education - not just employment outcomes.

Tailored, long-term employability support was seen as essential, with calls for multi-year funding, one-to-one support, and recognition of non-linear progression such as volunteering or further education. Business support, particularly for start-ups and mentoring, was also highlighted.

A community-led approach, with grassroots organisations seen as best placed to lead. Respondents also called for improved alignment with local labour market partnerships (LMPs) and existing networks to avoid fragmented delivery.

Respondents suggested broadening the definition of economic inactivity to include groups such as the underemployed, women in low-paid work, carers, migrant professionals, and those affected by the criminal justice system. Preferred outcomes for future funding included increased employment and self-employment, improved social inclusion, reduced economic inactivity, stronger community capacity, and enhanced employer engagement.

## 6.6 More inclusive future funding

To ensure future funding programmes are more inclusive, respondents recommended a **needs-based funding model** that reflects the varying levels of support required by different groups. This includes using data to allocate resources where they are most needed.

**Co-design and local participation** were also emphasised, with calls for providers to be involved in programme design and delivery. Simplifying application processes and reducing jargon would help smaller and rural organisations engage more effectively.

Inclusion should be embedded at the core of future programmes, with **broader eligibility criteria** that include unemployed, underemployed, and returners. Respondents also called for flexible, long-term support models that recognise non-employment outcomes such as volunteering or further education as valid progress.

Finally, **inclusive delivery models** should support NI-wide access while allowing for local tailoring. Consortium-based approaches involving specialist providers were recommended to ensure consistent service delivery across all regions and communities.

**Excluded groups** – respondents highlighted that several key groups were unintentionally left out. People with disabilities especially those with learning or hidden disabilities were frequently mentioned, as the fund’s focus on quick employment outcomes and low unit costs made it difficult to provide the required long-term support.

Unemployed and underemployed individuals, including those actively seeking work or in low-paid jobs, were also excluded due to the **narrow definition of “economically inactive”**. Young people, especially NEET youth and asylum seekers without work rights, were similarly affected.

**Women-focused projects** were seen as underrepresented, despite women being the largest economically inactive group. Some respondents also felt that charities and voluntary sector organisations were not adequately supported in delivery. Overall, the UKSPF’s rigid criteria and short-term focus were seen as barriers to inclusion.

## 6.7 Conclusions – *ICS observations*

ICS gathered extensive feedback on the future of the Local Growth Fund. Respondents expressed a preference for consortium-based delivery, though views varied, highlighting the need for flexibility. There was a clear call to expand geographical reach beyond Belfast, with greater investment in rural and underserved areas needed. Insights and inclusion for local knowledge and community-led delivery stressed.

Concerns were raised about the potential loss of the fund after 2026, with many organisations warning of job losses, service reductions, and increased economic inactivity. There would be an impact affecting vulnerable groups such as women, people with disabilities, and NEET youth. Smaller organisations that are reliant on UKSPF funding may face closure that would threaten established community services.

Future funding priorities include tailored, long-term support for people with complex needs, youth engagement, and business support. Respondents advocated for multi-year funding, one-to-one support, and recognition of alternative pathways to employment. A community-led approach and better alignment with local labour market partnerships were also recommended.

To improve inclusivity, stakeholders proposed a needs-based funding model, broader eligibility criteria, and simplified application processes. Several groups were seen as unintentionally excluded under current criteria, including people with hidden disabilities, underemployed individuals, asylum seekers, and women. Respondents stressed the importance of flexible, locally tailored delivery models that reflect diverse pathways to employment and inclusion.

The next section of the report takes this future focus for the Local Growth Fund further as to how SFD should consider these findings.

## 7. Considerations for SFD

### 7.1 Introduction

This section follows on from the *Future Focus for the Local Growth Fund* in the previous section and works through the key considerations for Strategic Funding Division.

### 7.2 Future Considerations

Table 3 outlines future considerations and the rationale from the findings and analysis for including in this section.

It is important to note that while some of the future considerations noted are treated as a single item in the table there are many cross-cutting elements to be cognisant of.

**Table 3: Future Considerations**

No	Area	Future Consideration	Rationale and analysis
<b>Funding Structure and Stability</b>			
1	Introduce multi-year funding	Move away from short-term funding to multi-year models, ideally 3–5 years	This is to enable strategic planning, staff retention, and sustainable service delivery by providers. This will also support the challenge that providers face in supporting participants into employment over short delivery period.  This would allow the providers to deliver consistently for participants and reduce the risk of start/stop delivery due to funding.
2	Unit cost structure	Revise unit cost structures to reflect the true cost of delivery, including support intensity, travel and rural delivery challenges	This will encourage collaboration across the providers of UKSPF and remove some of the legacy of the competitive nature of funding. The unit cost should be transparent and disclosed at the application stage.
3	Funding model	Retain the 100% funding model.	The 100% funding model was valued by all providers. It removed added complexity and delays in attaining match funding.
<b>Programme design and eligibility</b>			
4	Widen the eligibility criteria	Potential to widen the eligibility criteria to include participants who are forecast to change their employment status to economically inactive within a specified timeframe.	Findings from the consultations and survey show that there is a consistent message being reported about the need to wider the criteria for UKSPF. This message is coming from both VCS and Departments. However, careful consideration needs to be taken to minimise the risk of duplication across the employability landscape of NI.

No	Area	Future Consideration	Rationale and analysis
			Careful research and consultation need to be carried out prior to any implementation.
5	Segmented support models	Funding bands based on participant needs (e.g., disability, NEETs and long-term unemployed) to ensure tailored interventions.	<p>It was reported to ICS from the VCS that in ESF, the cohorts of employability had been segmented further than UKSPF. This was to reflect the level of support needed. This would allow the VCS to tailor their support for participants. This also links to unit cost structure in that the unit costs could be structured to align to these groupings of cohorts.</p> <p>There could be unintentional consequences and a shift in the offering to participants.</p>
6	Review employment outcomes	Opportunity to include volunteering, education, and wellbeing as valid outcomes to reflect diverse progression pathways.	A criticism of UKSPF when compared to ESF is that UKSPF class employment as the only outcome. ESF had employment, volunteering and education as positive outcomes. It was explained to ICS that for some participants employment is not a realistic or achievable outcome. However, volunteering or education are progression opportunities that moves participants closer to the labour market.
<b>Delivery and collaboration</b>			
7	Delivery model	Allow flexibility for providers to apply either as part of a consortium or as a lone applicant, based on capacity and local context.	During consultation there was an inconsistent message on the preferred delivery method to be used. In the survey when ICS asked providers to consider a future delivery model, while the consortium approach received the highest result (from the survey) there was a significant proportion of respondents that would prefer to use a lone application model instead (see section 6.2, Figure 7).
8	Strengthen local delivery capacity	Prioritise organisations with local knowledge and presence, especially in underserved and rural areas.	<p>This rationale is linked to the previous considerations on the delivery model. During the 2023/25 UKSPF delivery period there were areas of NI underserved, with some providers promoting themselves as serving NI wide. This requires further consideration as to how best to ensure that rural participants have the same access as urban participants.</p> <p>ICS encourage further analysis to ensure that underserved areas need to be given the highest priority to ensure equal service delivery across NI to citizens and how best to assess this as part of the application process.</p>
<b>Communication and guidance</b>			
9	Timing and transparency	Avoid issuing applications during holiday periods and provide clear timelines for decisions and funding allocations.	This was a key finding during the consultations from providers, the timing of the applications and the outcomes of the decisions. If these timeframes could be prevented it may result a higher standard of applications, especially when considering the time

No	Area	Future Consideration	Rationale and analysis
			needed to develop potentially new consortium members and partnership working.
10	Enhance guidance and support	Develop comprehensive operating manuals, clarify definitions (e.g., economic inactivity), and ensure consistent messaging across all stakeholders.	The providers were very vocal about the level of support received. While the role of a MHCLG Contract Manager was valued, ICS identified inconsistencies in the communication to the providers. Operating manuals need to be developed and communicated at an early stage to the successful applicants.
11	Contract Manager role	Maintain the UKSPF Contract Manager role post-2026, ideally with local presence to support providers effectively.	The role of the Contract Manager was valued by all providers of UKSPF and was a consistent message heard by ICS. The providers also valued that the role was NI based.
<b>Monitoring, evaluation, and data</b>			
12	Centralised data system	Enable tracking of participants across programmes to avoid duplication and improve outcome integrity.	ICS consider this to be a high priority to ensure that a future Local Growth Fund can have robust data that can support NI Departments and providers. This will also ensure that VFM can be demonstrated more efficiently.
13	Participant focused evaluation	Move beyond transactional audits to evaluations that support continuous improvement and sector development.	This is for the reporting of the UKSPF. Only targets on participants into employment are considered. Providers would value reporting that allows them to demonstrate continuous improvements and accommodations that are made for participants. This would support the challenge that they find in ensuring that funders understand the complex needs and multiple barriers into employment that participants may have.
14	Transparent reallocation of underspend	Establish clear processes for reallocating underspend, with consultation and visibility for all stakeholders.	This was a consistent concern from providers, and they would value transparency in underspend.
<b>Inclusion and equality</b>			
15	Embed social inclusion	Ensure funding models actively support marginalised groups, including women, people with disabilities, and ethnic minorities.	This future consideration can be linked no 6 to the structure of the fund and accessibility and outcomes for all.
16	Community engagement	Encourage grassroots organisations to deliver wraparound services within a consortia/programme leads to address holistic needs and promote social cohesion.	This will allow further collaboration between providers and grassroots organisation to develop and promote a comprehensive service for participants.

## 7.3 Summary of future considerations

**Multi-year funding** cycles and retention of the 100% funding model are important to consider further to enable strategic planning, staff retention, and consistent service delivery for providers. It is the view of providers that short-term funding undermines their ability to support participants effectively.

**Revise unit cost structures** should account for the differences in support required including rural challenges and additional participant needs. Tailored funding bands based on participant profiles (e.g., disability, NEETs) will enhance impact and equity.

**Widening the eligibility criteria** to include participants that may be newly entering the status of 'economically inactive' and recognising volunteering and education as valid outcomes will better reflect the more accurate progression pathways. This approach aligns with feedback received from providers, stakeholders and Government Departments.

**Flexibility in delivery models** to deliver either as part of a consortia/programme leads or as a lone applicant. Prioritisation should be given to organisation with local knowledge to ensure that underserved areas are not left behind or underserved.

**Timely and transparent communication**, especially around application periods and funding decisions, is vital. Comprehensive guidance and consistent messaging will reduce confusion and may improve application quality.

**Moving beyond transactional audits** to evaluations that support continuous improvement will help funders understand the complex barriers participants encounter. A centralised data system will improve tracking, reduce duplication of outcomes/outputs and support VFM assessments.

**Embedding social inclusion and supporting grassroots organisations** within consortia/programme leads will promote support and social cohesion. These efforts will ensure that funding reaches marginalised groups and reflects the diversity and complexity of participant needs.

### Final thoughts

UKSPF aimed to deliver employment support for individuals that are furthest from the labour market. While providers reported good performance from UKSPF there is the potential for the Local Growth Fund to acknowledge lessons learned and to adopt a best practice model for applicants that better supports the participants on their programmes.

# Appendix I - List of abbreviations, tables and figures

## List of abbreviations

Abbreviation	In Full
<b>ADHD</b>	Attention-Deficit/Hyperactivity Disorder
<b>ASD</b>	Autism Spectrum Disorder
<b>DAERA</b>	Department of Agriculture, Environment and Rural Affairs
<b>Dept</b>	Department
<b>DfC</b>	Department for Communities
<b>DfE</b>	Department for the Economy
<b>DLUHC</b>	Department for Levelling Up, Housing and Communities
<b>DoF</b>	Department of Finance
<b>ECNI</b>	Equality Commission Northern Ireland
<b>EI</b>	Economically Inactivity
<b>ERDF</b>	European Regional Development Fund
<b>ESF</b>	European Social Fund
<b>EU</b>	European Union
<b>FP IDWG</b>	Funding Policy Inter Departmental Working Group
<b>FTE</b>	Full Time Equivalent
<b>GB</b>	Great Britain
<b>ICS</b>	Innovation and Consultancy Services
<b>IDWG</b>	Inter-Departmental Working Group
<b>IPPO</b>	International Public Policy Observatory
<b>JBO</b>	Job Centre Offices
<b>LGBTQI+</b>	Lesbian, Gay, Bisexual, Transgender, Queer and/or Questioning, Intersex +
<b>LMP</b>	Labour Market Partnerships
<b>MHCLG</b>	Ministry of Housing, Community and Local Government
<b>NEET</b>	Not in Employment, Education or Training
<b>NI</b>	Northern Ireland
<b>NICS</b>	Northern Ireland Civil Service
<b>NIO</b>	Northern Ireland Office
<b>PfG</b>	Programme for Government
<b>SFD</b>	Strategic Funding Division
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threat
<b>UK</b>	United Kingdom
<b>UKG</b>	United Kingdom Government/UK Government
<b>UKSPF</b>	United Kingdom Shared Prosperity Fund
<b>VCS</b>	Voluntary and Community Sector
<b>VFM</b>	Value For Money

## List of Tables

<b>Table 1: Terms of Reference</b> .....	8
Table 2: Response by Organisational Type.....	17
Table 3: Future Considerations .....	39
Table 4: Improvements needed for Processes Guidance and Reporting.....	49
Table 5: Improvement for Funding/Other Funding.....	50
Table 6: Improvements for Participants and Delivery .....	51
Table 7: Improvements for Geography.....	51
Table 8: Improvements for Multiply .....	52
Table 9: Suggested Improvements .....	53
Table 10: Question and Answers with Neil Gibson and SFD.....	54
Table 11: How the initial period of UKSPF was funded by providers .....	61
Table 12: Application process findings .....	62
Table 13: Staffing Analysis of Findings .....	64
Table 14: How best to address the needs across all geographical regions of NI .....	67
Table 15: Impact to the organisation without any future Local Growth Fund.....	68
Table 16: Prioritised Intervention Examples for post 2026 funding .....	69
Table 17: Recommendations to ensure future funding is inclusive within NI.....	71

## List of Figures

Figure 1: SWOT Analysis.....	5
Figure 2: Methodology .....	10
Figure 3: Consultation Groupings.....	11
Figure 4: The Journey of the UKSPF .....	14
Figure 5: Themes from the findings.....	18
Figure 6: How clear was the guidance for the UKSPF during the 2023/25 period .....	21
Figure 7: Local Growth Fund Preferred Delivery Method.....	34
Figure 8: Feedback from Delivery organisations of UKSPF.....	35
Figure 9: Event Schedule.....	48
Figure 10: Delivery of UKSPF by Council area.....	60
Figure 11: How clear was the guidance for the UKSPF during the 2023/25 period.....	62
Figure 12: Local Growth Fund Preferred Delivery Method.....	66

## Appendix II - Consultee List

No	Name/Contact	Role and Purpose
<b>Delivery Organisations of UKSPF</b>		
01	Maretta Nicholson	People First
02	Norman Sterritt	Triangle Housing
03	Conor Heaney	Success North West (NW)
04	Alex McKee	Network Personnel
05	David Cowan Phil McFall	Ulster Supported Employment Ltd (USEL)
06	Audrey Allen David Babington	Action Mental Health (AMH)
07	Stuart Green	Bryson Group
08	Anne McVicker	Women's Resource and Development Agency (WRDA)
09	Helen Kerr Lynn Carvill Rachel Miles	Women's Tec
10	Rosemary McCusker	Upper Springfield Development Trust (USDT)
11	Clare Conlon Claire Meenehan Ruth Cooper	Youth Action – Consortia/programme leads Include Youth – Partner organisation Kings Trust– Partner Organisation
12	Gareth Eannetta Fiona Greene	Northern Ireland Association for the Care and Resettlement of Offenders (NIACRO)
13	David Taylor	South West College (SWC)
14	Shirelle Mclvor Stephen Edwards Micheal McQuillan	Enterprise Northern Ireland (ENI)
15	Catriona Clifford	Extern Group
16	Sinead McKinley Tracy Rice	Southern Regional College (SRC)
<b>Wider Stakeholders</b>		
17	Michelle Furphy and Team Leads	Department for Communities (DfC), JBO's
18	Sinead O'Regan Kevin Donaghy	Belfast City Council
19	Dr Ka Ka Tsang	On behalf of the International Public Policy Observatory (IPPO)
20	Chris Moore Chris Taylor	The Ministry for Housing, Community and Local Government (MHCLG) as current Government Department responsible for UKSPF
21	Davina McCay	Department for the Economy (DfE)
22	Celine McStravick Jonny Currie	Northern Ireland Council for Voluntary Action (NICVA)
23	Edyth Dunlop	Northern Ireland Union of Supported Employment (NIUSE)
24	Sheldon Loughlin and Team	Strategic Funding Division Team
25	Joanne Doherty	The Executive Programme on Paramilitarism and Organised Crime (EPPOC)
26	Deirdre Ward Shauna Robinson	Department for Communities (DfC)



**ICS**

Innovation &  
Consultancy Services

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No	Name/Contact	Role and Purpose
	Stephen McGlew	
27	Gareth Edge Lynne Davidson	Department of Education (DE)
28	Nigel Chambers Debbie Sharpe Dolores. Palmer	Department of Health (DoH)
29	Deirdre McCloskey	Department of Agriculture, Environment and Rural Affairs (DAERA)

## Appendix III - Event Attendees

Number	Organisation Name	Role/Purpose
01	Action Mental Health	Consortia/programme leads
02	Ashton Centre	Partner Organisation
03	Belfast City Council	Stakeholder
04	Bryson Group	Consortia/programme leads
05	Bytes	Partner Organisation
06	Cedar Foundation	Partner Organisation
07	Clanrye group	Partner Organisation
08	Co3	Stakeholder
09	Compass Advocacy Network	Partner Organisation
10	Department of Agriculture, Environment and Rural Affairs (DAERA)	Department
11	Derry Youth and Community Workshop	Applicant
12	Department for Communities (DfC)	Department
13	Department for the Economy (DfE)	Department
14	Disability Action	Partner Organisation
15	Department of Health (DoH)	Department
16	East Belfast Mission	Partner Organisation
17	Enterprise NI	Consortia/programme leads
18	EPPOC	Cross-Departmental
19	Fermanagh and Omagh District Council	Partner Organisation
20	Kilcooley Womens Centre	Applicant
21	Mencap	Partner Organisation
22	Network Personnel	Consortia/programme leads
23	NIACRO	Consortia/programme leads
24	NICVA	Stakeholder
25	Northern Ireland Local Government Association (NILGA)	Stakeholder
26	Northern Ireland Office (NIO)	Stakeholder
27	NIUSE	Stakeholder
28	NOW Group	Partner Organisation
29	Orchardville	Partner Organisation
30	People First	Consortia/programme leads
31	Specialisterne	Partner Organisation
32	Southern Regional College (SRC)	Consortia/programme leads
33	Start360	Partner Organisation
34	Stepping Stones NI	Partner Organisation
36	Success NW	Consortia/programme leads
36	South West College (SWC)	Consortia/programme leads
37	The Executive Office (TEO)	Department
38	Training for Women Network	Partner Organisation
39	Triangle Housing	Consortia/programme leads
40	Upper Springfield Development Trust (USDT)	Consortia/programme leads
41	Ulster Supported Employment Ltd (USEL)	Consortia/programme leads
42	Women's Support Network	Partner Organisation
43	Womans Tec	Consortia/programme leads
44	Women's Resource and Development Agency (WRDA)	Consortia/programme leads
45	Youth Action NI	Consortia/programme leads

## Appendix IV – Event findings

### Event Schedule

The event took place from 10am until 4pm and the schedule is shown at Figure 9.

**Figure 9: Event Schedule**

- Tea and coffee on arrival
- Introduction from Strategic Funding Division (SFD)
- Presentation of findings from Innovation & Consultancy Services (ICS)
- Exercise: Discussion on themes and findings with ICS
- Recap from the morning session & look ahead to the afternoon session
- Scene setting from Strategic Funding Division
- Neil Gibson, Permanent Secretary for the Department of Finance
- Questions and Answer session with Neil Gibson and SFD
- Exercise: Future funding considerations
- Review from the Exercise
- Next steps & Close

### Findings from facilitated exercises

The room was arranged into eight tables to facilitate group discussion during the exercises and promote networking opportunities throughout the event. After an introduction from SFD to start, ICS presented initial key findings from the consultations. ICS then facilitated exercises on the findings from the consultations.

The first exercise was to validate the six themes from the ICS presentation.

### Findings from Exercise: Discussion on the themes from ICS

Each of the six themes were discussed in turn and the feedback from each of the themes are contained in the following sections.

ICS instructed the attendees to consider the themes individually to identify the following –

- Any gaps or surprises in the findings; and
- Opportunity for improvements.

Then discuss as a group/table, jotting notes on post-its and displaying on correx boards before reporting back to the wider group.

## Theme: Processes, Guidance & Reporting

Key insights from attendee feedback -

- Lack of clarity in interventions - there is a lack of clarity regarding the outcomes and outputs of interventions.
- Economic inactivity criteria - additional guidance is needed to share the evidence required to define "economic inactivity" for participants.
- Evaluation process – MHCLG are currently carrying out an evaluation that many of the attendees contributed to. The attendees have concerns that the evaluation is transactional and does not focus on the learning or quality.
- Data sharing – attendees reported that data is not being shared effectively. This is linked to the previous insight on the evaluation process. It is unknown the result of the contribution to multiple evaluations and reviews.

**Table 4: Improvements needed for Processes Guidance and Reporting**

Improvement Needed	What needs to be done?	What problem will this solve?
Clarity of interventions	Develop clear guidelines and frameworks for defining and measuring intervention outcomes	Supports the need for clarity in interventions
Define economic inactivity criteria	Provide detailed guidance on the criteria and evidence required to classify economic inactivity	Supports the need for clarity on economic inactivity criteria
Improve evaluation processes	Shift focus from transactional audits to evaluations that prioritise learning and quality improvement	Addresses the current shortcomings in evaluation processes
Facilitate data sharing	Develop a centralised database or platform for sharing data to support informed local decision-making	Supports the need for better data sharing practices

## Theme: Funding/Other Funding

Key insights from attendee feedback –

- Insufficient funding for women's groups/issues - the allocation for the women's sector has decreased significantly, highlighting the need for better funding strategies. Attendees considered that women's allocation is insufficient at 3%<sup>8</sup>, necessitating increased funding.
- Allocation process - there is no clear process for reallocating underspend externally, and insufficient consultation in allocating these funds. There was a lack of transparency as to how this was reallocated. The direct money from the UK Government left providers to deliver without adequate Departmental support/involvement. When comparing the current state to previous ESF processes when match funding from Departments was required

<sup>8</sup> This figure was provided by attendees at the event and has not been verified by ICS.

attendees considered that the ESF process ensured local (NI) input and control. Although match funding Departments can be challenging to access, they feel it is a necessity.

- Unit costs - current unit costs do not account for the level of engagement from the provider or length of this engagement. It also does not take account of the distance travelled by participants as they move closer to the labour market. Therefore, UKSPF is not full cost recovery resulting in providers having to cover additional costs, such as transport.
- Progression challenges - there is no funding for community-based training and education from NI Departments this leads to gaps in funding for participant travel and childcare with duplication in funding and projects remaining a concern.

**Table 5: Improvement for Funding/Other Funding**

Improvement Needed	What needs to be done?	What problem will this solve?
Increase funding for women	Prioritise increasing the allocation to women's sectors to at least previous levels of 8% <sup>9</sup>	Observed decrease in funding and the need for better support for women
Develop clear re-allocation processes	Establish transparent processes for reallocating underspend and ensure consultation with relevant stakeholders including providers	Current lack of clarity and will improve fund distribution efficiency
Unit cost structures	Implement a unit cost structure that accounts for varying levels of support and intervention lengths and is transparent	Will enable additional costs to be included and support participants more effectively
Match funding Opportunities	Facilitate access to match funding across Departments and encourage local input	This will empower providers to have more control over their funding strategies and include local NI Government involvement. ICS have explored this further in the survey.
Community based funding	Develop a strategic approach to funding community-based training and education	Ensuring full cost recovery for providers and address gaps in participant support

## Theme: Participants & Delivery

Key insights from attendee feedback -

- Widening the eligibility criteria - current eligibility does not adequately support the unemployed, underemployed, and asylum seekers.
- Social inclusion gaps - there is a significant gap in addressing the needs of people with complex disabilities and those furthest from the labour market.

<sup>9</sup> This figure was shared by attendees at the event and quoted as being the level of support for women during ESF and ICS were unable to verify this.

- The voice of the participant - the voice of the participant, including those experiencing support services, is crucial.
- Regional competition and collaboration – providers are competing rather than collaborating, which undermines regional efforts.

**Table 6: Improvements for Participants and Delivery**

Improvement Needed	What needs to be done?	What problem will this solve?
Widen the criteria	Expand eligibility to include a wider cohort of participants, such as the unemployed, underemployed, and asylum seekers	This should be prioritised to ensure inclusivity and equal opportunities for all
Support for disabilities	Develop targeted programmes that address the needs of people with complex disabilities	This is critical to ensure that all individuals have access to necessary support
Strengthen participants involvement	Incorporate participants feedback into programme design and delivery	Ensure that services meet the actual needs of participants
Promote regional collaboration	Encourage organisations to collaborate rather than compete	Fosters a more unified approach

## Theme: Geography

Key insights from attendee feedback -

- Regional reach and true costs – the need for providers to prove their regional reach and recognise the true costs in rural areas. Differentiation is needed to address these costs effectively.
- Geographical gaps - identifying geographical gaps is crucial for the next round of strategic planning.
- Rural challenges - transportation is a significant challenge in rural areas, particularly for individuals who cannot drive, and do not have access to a vehicle and face poor public transport options.
- Underserved areas - certain areas, such as Ards North Down and rural border counties, are underserved. This is linked to geographical gaps and the need to ensure regional reach to minimise the risk of areas being underserved.

**Table 7: Improvements for Geography**

Improvement Needed	What needs to be done?	What problem will this solve?
Enhance regional reach	Providers should develop strategies to demonstrate their effective reach. Government should ensure this is captured and assessed to enable NI wide delivery and planning and enable the prioritisation of underserved regions	This supports the need for a true regional approach

Improvement Needed	What needs to be done?	What problem will this solve?
Address rural costs	Implement differentiated strategies to recognise and address the true costs incurred in rural areas	Costs and budgets should consider areas with significant cost disparities
Improve transport solutions	Develop transport solutions tailored to the needs of rural residents, especially those with disabilities	This should be prioritised to enhance accessibility to programmes and employment opportunities
Focus on underserved areas	Allocate resources to improve services in underserved areas, for example, Ards North Down and rural border counties	This should be a high priority to ensure equitable service delivery

## Theme: Multiply

Key insights from attendee feedback -

- Loss of Multiply - the loss of Multiply has had a negative impact on full cost recovery for providers.
- Lack of consultation – the providers reported that there was a lack of consultation regarding the loss of Multiply, yet there remains an expectation for providers to continue supporting clients.
- Need for funding - the necessity for funding reinstatement is crucial to address the gaps left by the absence of Multiply and to ensure continued support for clients.

**Table 8: Improvements for Multiply**

Improvement Needed	What needs to be done?	What problem will this solve?
Engage stakeholders	Initiate consultations with stakeholders to understand their needs and expectations	Addresses the lack of consultation highlighted
Develop support strategies	Create strategies to ensure providers can continue supporting clients effectively, despite the absence of Multiply.	VCS reported that they have continued to deliver Multiply without funding, and this would allow the added value of Multiply to be realised

## Theme: Suggested Improvements

Key insights from attendee feedback -

- Long-term support and individual approach - there is a need to provide sustained support tailored to individual needs.
- Self-employment and resilience - empowering individuals with tools for self-employment fosters resilience and self-determination.
- Disability inclusion – accommodations for individual needs on economic inactivity programmes should be catered for.

- Community engagement - community groups provide valuable wrap-around services that enhance social inclusion.
- Wellbeing focus - health and wellbeing interventions are integral to successful employment support.

**Table 9: Suggested Improvements**

Improvement Needed	What needs to be done?	What problem will this solve?
Implement person-centred support	Develop individualised support plans that focus on skills and job matching	Addresses the diverse needs of the participants
Enhance self-employment opportunities	Provide resources and training for self-employment to foster resilience	This supports the empowerment of participants
Strengthen disability inclusion	Ensure programme eligibility is based on individual needs	This is crucial for equitable access to employment
Leverage community engagement	Collaborate with community groups to provide comprehensive support services	This should be prioritised to enhance social inclusion
Integrate wellbeing interventions	Incorporate health and wellbeing sessions into employment support programmes	This is essential for holistic support

## A summary note of Neil Gibson's speech

Conversations are important between the providers and Departments. There is a need to be open and share what has and hasn't been working and hearing what could work in the future. UKG has a greater role than NI Departments in the next phase of funding. Whatever intelligence DoF gleans, it will be handed over to UKG or the relevant responsible body. The Northern Ireland Executive is clear in their principles of engagement and why there is a need for these to exist. The Minister is clear that DoF wants to have control of spending in the local landscape with regard to the different methods and processes involved. DoF have hard ideas to go up against.

The spending review did not give clarity or shed light on the details. NICS teams engage with the NIO to understand roles and what is happening.

The financial situation is a challenge, but this is a real opportunity regardless of who ends up practically managing the future Local Growth Fund. How it needs to work and how it aligns with other funding packages and provide feedback to UKG as they are in danger of losing sight of what NI are trying to deliver.

Funding is insufficient and in the long term there are funding constraints – working to a cliff edge and quantum of funding. Although it is difficult to see far into the future, the Executive will be debating its first multi-year budget that will be a challenge for the Departments.

It is for this reason that DoF needs co-design as there is no one better understanding the needs of the sector and the Minister is open to UKG involvement. Efficient and effective funding is needed. How to monitor and track the funding before it comes is a job in itself.

The top priority is for the big picture direction of travel.

Lessons learned are important and DoF needs the VCS to understand what is needed to ensure that what is received is what is needed. The Minister is focused on future funding and wants to know what can be done and as we all think about what comes forward remember the value that the VCS are all adding. Reconnecting the value of what the VCS delivers and thanks for what the VCS do. I am assuring all attendees that they are involved in making a difference.

## Summary of the questions and answers with Neil Gibson and SFD

**Table 10: Question and Answers with Neil Gibson and SFD**

Question	Response
<p>How can we ensure a joined-up approach from the NI executive in dealing with this most crucial issue - economic inactivity</p>	<p>There is a big wrestle for the departments as to who has primary responsibility; is it.....</p> <ul style="list-style-type: none"> <li>• DfC in relation to local</li> <li>• DfE in relation to skills</li> </ul> <p>There is a less cluttered landscape however we are still seeing repetition in monitoring and tracking in what is done. There are ways that we could have more central serving and not ask the same question. Ministerial direction makes a difference and ongoing political challenges.</p> <p>However, can we streamline to show where the overlaps are and make it a little bit more straightforward.</p>
<p>How can we ensure existing structures are used to coordinate in local council areas?</p>	<p>There are ways to characterise things. Propositions need to be easy to grasp. The Minister and Neil might receive up to 400 emails and there needs to be a clear grasp of what the ask is. It is always easier when people come together. We need to look at the existing structures and need people to be honest about the systems that work and support trying to make things better.</p>
<p>Quantum of funding - Departmental match funding; how is shared prosperity taken into account; how can we do better?</p>	<p>The multi-year budget will support what more funding can do. Also, to realign funding. The financial situation is poor. Fundamentally we have an economy growing at 2% per annum with public sector expenditure growing at 6-8%. It is simple math's; there is not enough money. What priority order do we put it in?</p> <p>It is a fragmented sector. The important part is productivity, and we need to have a productive way as to how money is spent. We need to find a better way of measuring very particular needs to tell individual stories of the participants. Turning everything into pounds is not the best metric.</p> <p>The flat has £46m rising costs with no real concern on the impact. The match funding and understanding where that went when ESF ended. Essentially Departments are responsible for their own budgets.</p> <p>There is a need for engagement with MHCLG more locally.</p>
<p>Do you think that preparing a plan for the local growth fund for consideration by the</p>	<p>Multi-year budgets should be clearer in September. Whatever mechanism is needed and supported to deliver within the time we have.</p>

Question	Response
autumn gives enough time and assurance to VCS providers?	DoF are doing everything they can and working with UKG.
How will DoF use the new partnership agreement and funding principles to underpin the development of a new programme?	Having that close to hand will make sure we don't deviate from them. Presents an opportunity to look at things like what we can bring together.
Thinking about the delivery, will there be a lump sum of the £46m put aside?	We can't guarantee anything or the criteria around it; we won't know until we have that clarity from UKG.

## Findings from Exercise: Future Funding Considerations

The aim of this exercise was to generate ideas on what a good intervention might look like. Similar to the previous exercise, the attendees worked in their tables. ICS asked them to consider it individually first and then share their ideas as a group and report back per table to the wider group.

Key insights - attendees found this to be a challenging exercise with the result being that the VCS specifically did not generate specific inventions. The attendees did provide themes to be taken into consideration for interventions –

- **Sustainable and long-term funding** - short-term funding cycles are limiting. Sustainable, long-term funding (e.g., 10 years) would allow for proper investment and planning. What's needed is stability, not constant reinvention.
- **Lessons Learned** - positive elements from ESF and UKSPF should be retained, such as focusing on employment outcomes without unnecessary qualification requirements. There's value in building on what worked rather than starting from scratch. Emphasis on workforce development, shared learning, and strong relationships with the business community. Practice-based knowledge is crucial for effective intervention design.
- **Definitions of success** - interventions should not only aim for employment but also improve quality of life, well-being, and reduce dependency on statutory services. Programmes should support personal development, not just job readiness. Funding models should prioritise individual outcomes, especially in tackling poverty and supporting young people. There's a call for recognition of the long-term value of education and qualifications.
- **Tailored approaches** - one-size-fits-all models are ineffective. Programmes should be flexible and responsive to individual needs, especially for vulnerable groups. A non-linear model of progression is more realistic people move at different paces.
- **Employer engagement and sector-specific training** - collaborations with industries (e.g., hospitality) can lead to targeted interventions for example, anti-harassment training. Programmes should meet both employer and participant needs.

- **Transparency and fairness in funding** - concerns about competitive funding processes discouraging openness from the sector. There's a need for clarity, fairness, and recognition of the sector's contributions.
- **Efficiency and accountability** - questions raised about whether current funding mechanisms (e.g., milestone payments) are the best use of resources. Programmes should be designed to maximise impact and minimise waste.

ICS observed that during the exercise and from conversations throughout the event that this was a challenging exercise for the VCS to take part in, due in part to the competitive nature of the UKSPF and a possible reluctance to share ideas.

During consultation the competitive application process was noted as a concern along with working in silos. This presents a potential risk for any future Local Growth Fund, as effective collaboration and integrated planning will be essential. However, the existing competitive dynamics may pose a significant barrier.

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## Appendix V - Survey Question Set

The survey had skip logic applied to filter out responses for unsuccessful. Therefore, not all questions will have had 32 responses.

### Background Page

1. Which response option best describes your organisation's role in the UK Shared Prosperity Fund Northern Ireland?
2. Was your organisation successful in your UK Shared Prosperity Fund Northern Ireland?
  - o Skip logic applied - why was your application to the UK Shared Prosperity Fund Northern Ireland unsuccessful?
  - o What was the impact to your organisation/sector of not being awarded the UK Shared Prosperity Fund Northern Ireland?
  - o The survey then skips to question 11 to be answered.

*Note: For those respondents who selected yes to question 2, they continue to this question.*

### Current state Page

3. Please select the council area(s) your organisation delivered UK Shared Prosperity Fund Northern Ireland during the two-year period? Tick all that apply.
4. In the 2025/26 transition year, what percentage of the total funding, did your organisation lose as a result of not being awarded Multiply?
5. In your opinion, how well did your organisation achieve the following aspects of UK Shared Prosperity Fund Northern Ireland during the first two years.....
  - o Outcomes for the participant
  - o Outputs on/from the programme
  - o Reporting to the Lead Consortium
  - o Reporting to MHCLG
  - o Carrying out auditing and monitoring
  - o Working as part of a consortium
6. Please prioritise the following strengths of the UK Shared Prosperity Fund Northern Ireland in order of importance to your organisation with 1 being the least important and 4 being the most important. The four options are –
  - o Working within a consortium
  - o 100% funding provided from a single funder
  - o Flexibility to design a programme of work
  - o Flexibility to set own outputs and outcomes

7. Please prioritise the following challenges that your organisation experienced in delivering the UK Shared Prosperity Fund Northern Ireland during the first two years. Priority 1 being the least challenging and 6 representing the most challenging. The six options are –
- Reporting process
  - Communication process
  - Auditing process
  - Application process
  - Competitive funding process
  - Timescales for application
8. How did your organisation fund the first six months of the UK Shared Prosperity Fund Northern Ireland (within the two-year period). Tick all that apply from the options below –
- Reserves
  - Loan from a financial institution
  - Loan from another member of the consortium
  - Grant from Government Department

## Staffing Page

9. Do you have a working knowledge of the staffing levels required by your organisation to deliver the UK Shared Prosperity Fund Northern Ireland?
- Skip logic applied – if the answer was no
  - How many staff did your organisation put on protected notice while waiting for the outcome of your application for the 2023/25 period of the UK Shared Prosperity Fund Northern Ireland? Please add the number of staff (if nil =0)
  - How many staff did your organisation **LOSE** at the 2023/25 period of UK Shared Prosperity Fund Northern Ireland? Please add the number of staff (if nil =0)
  - How many **NEW** staff did your organisation recruit at the start of the 2023/25 period to deliver UK Shared Prosperity Fund Northern Ireland? Please add the number of staff (if nil =0)
  - How many staff within your organisation in 2023/25 delivered on the UK Shared Prosperity Fund Northern Ireland? Please add the number of staff (if nil =0)
  - How many staff did your organisation put on protected notice at the start of the **TRANSITION** year (2025/26) UK Shared Prosperity Fund Northern Ireland? Please add the number of staff (if nil =0)
  - How many staff within your organisation **CURRENTLY** in 2025/26 deliver on the UK Shared Prosperity Fund Northern Ireland? Please add the number of staff (if nil =0)

## Current state Page

10. How clear was the guidance for UK Shared Prosperity Fund Northern Ireland during the 2023/25 period? Rate each of the following guidance –
- Application guidance
  - Monitoring guidance
  - Reporting template

- application process thoughts
- delivery model
- Other - for future delivery model

*Note: Responses from respondents that select to be unsuccessful are linked back into the rest of the survey from this question.*

11. What are your thoughts on the application process for the UK Shared Prosperity Fund Northern Ireland?
12. If completing a future application for the Local Growth Fund what would be your organisation's preferred delivery method

### **Future state Questions**

13. How might a future Local Growth Fund address the needs across all geographical regions of Northern Ireland?
14. What would the impact be to your organisation/sector without any future Local Growth Fund?
15. Please give an example of an intervention that should be prioritised for post 2026 funding.
16. What groups/cohorts does your organisation feel were unintentionally excluded or under-served as a result of the UK Shared Prosperity Fund Northern Ireland approach?
17. What recommendation(s) could ensure future funding programmes are more inclusive for all groups/cohorts within Northern Ireland

# Appendix VI – Survey findings

## Findings on the current state of UKSPF

This section of the survey considered the following aspects of UKSPF –

1. Geography
2. Multiply
3. Performance
4. Finance
5. Guidance
6. Application process

### Geography

ICS wanted to find out the geographical spread of UKSPF delivery across NI. For the successful applicants they were asked to select the council areas that they delivered UKSPF. 38% of responses (12 responses) deliver UKSPF across all council areas. To note the same respondents did not additionally select the individual council areas too. Respondents could select multiple councils and a breakdown per council area can be found in Figure 10.

**Figure 10: Delivery of UKSPF by Council area**

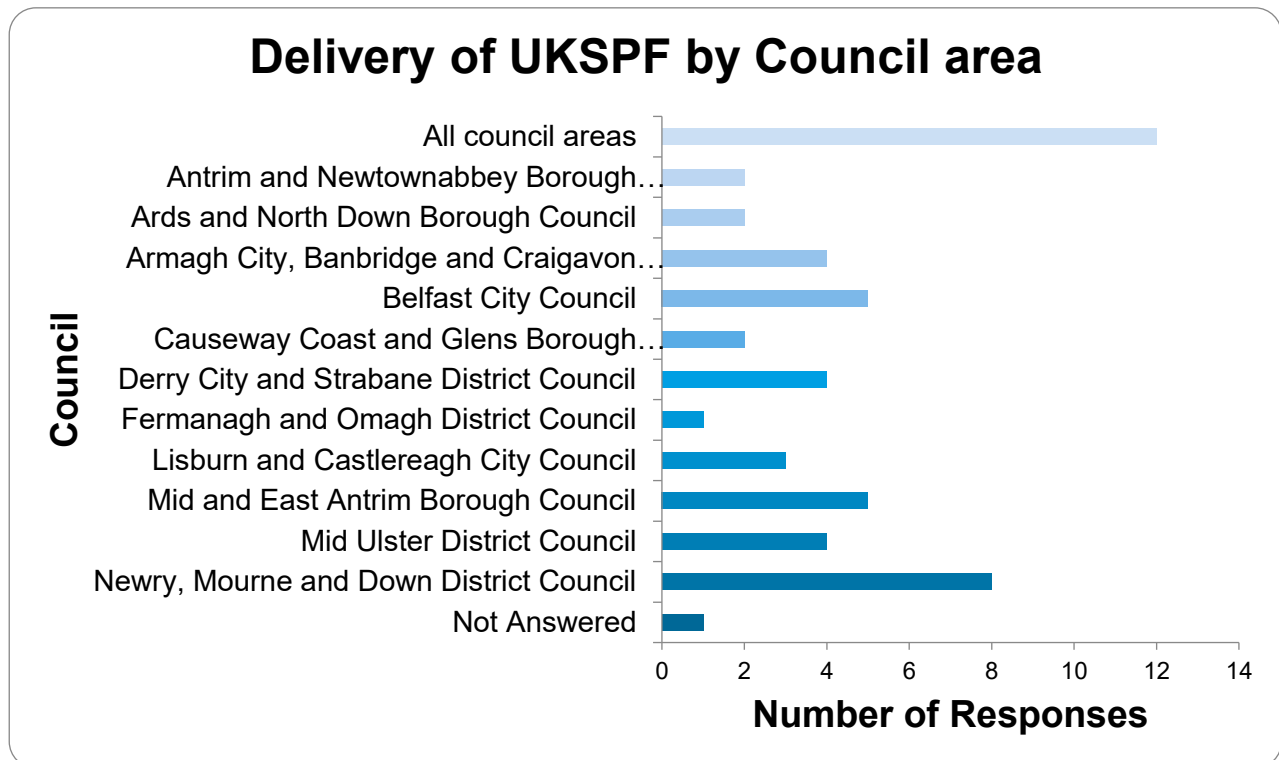


Figure 10 shows that twelve respondents indicated that they delivered in all council areas.

In terms of individual councils, Newry Mourne and Down District Council had the highest level of delivery, with 25% of respondents (8 responses) delivering in the area. This is followed by Belfast City Council and Mid and East Antrim Borough Council.

## Multiply findings

ICS asked what percentage of total funding the organisations lost during the transition year as a result of not being awarded Multiply. 16 respondents provided an answer, with the remaining choosing not to answer/or leaving it blank. There was no consistent response coming back from the respondents on Multiply, with answers ranging from 0% to 40%.

## Performance

ICS asked the opinion of how well the VCS delivered aspects of the UKSPF. ICS provided the following six options –

- Outcomes for the participant
- Outputs on/from the programme
- Reporting to the Consortia/programme leads
- Reporting to MHCLG
- Carrying out auditing and monitoring
- Working as part of a consortium

The majority of respondents reported their performance to be “*very well*” or “*well*” across all aspects of UKSPF.

## Finance

ICS asked how the organisations funded the first six months of the UKSPF (within the 2023/25 period). In total, 30 responses were received to this question.

**Table 11: How the initial period of UKSPF was funded by providers**

How did your organisation fund the initial period of UKSPF?	No. of Responses
Reserves	27
Loan from a financial institution	1
Loan from another member of the consortium	1
Grant from Government Department	1
Not Answered	3
<b>Total</b>	<b>30</b>

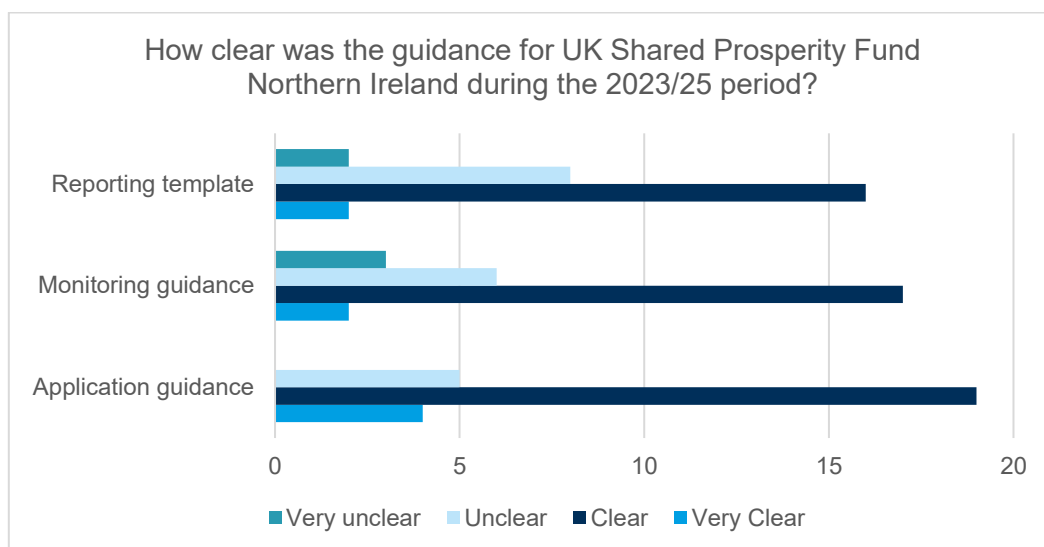
Table 11 shows that the majority of organisations had reserves in place for the initial funding period of UKSPF. Although this was raised during consultation, this may have been an isolated view.

## Guidance

ICS identified inconsistencies in the consultation findings when considering the guidance available throughout the process of UKSPF. It was for this reason that the survey focused on the guidance.

Figure 11 shows mixed views on guidance for the three aspects of UKSPF that ICS explored. The three aspects were generally considered to be “clear/very clear”, however almost one third of respondents rated the reporting template and monitoring guidance as “unclear/very unclear”.

**Figure 11: How clear was the guidance for the UKSPF during the 2023/25 period**



## Application Process

ICS provided an open text question to glean insights from providers on the current application process. The feedback has been grouped with supporting evidence in blue text.

**Table 12: Application process findings**

Theme/area	ICS Findings	Quote
Timing and deadlines	This was the most frequent concern. The process was described as ‘rushed’, ‘last-minute’, and ‘challenging’. Funding decisions and approvals came too late, affecting planning, staffing, and delivery. Many consultees emphasised the need for longer lead-in times and earlier communication.	<p><i>“It was very rushed and challenging especially given that consortia/programme leads had to be formed which presented many difficulties.”</i></p> <p><i>“Length of time taken from the application stage to letter of offer was poor with no communication or updates.”</i></p> <p><i>“Timing, Timing and Timing. Communication regarding the application process/how to complete the application. Needs good clear guidelines to assist with the application.”</i></p>
Clarity and communication	There was a lack of clear guidance on the outputs and outcomes, reporting requirements, the	<i>“The biggest challenge we found was interpreting the outputs and outcomes – what constituted achieving an output/outcome.”</i>

Theme/area	ICS Findings	Quote
	consortia/programme leads roles and expectations and the assessment criteria (e.g., value for money, eligibility), Communication was often described as <i>vague, frustrating, or non-existent</i> during key stages	<i>“Ambiguous output/outcome definitions and competitive environment led to over-selection of outcomes, complicating delivery and reporting.”</i>
Application complexity	The application form was viewed as both lengthy and appendix heavy. Some found it confusing at first, though manageable with effort. The feedback shows the need for simplification and better structure. Some consultees felt that past experience should be more heavily weighted within the application form. While a few raised concerns that good application writing was prioritised over actual delivery capability.	<p><i>“The application form was lengthy with a lot of appendices required.”</i></p> <p><i>“On initial glance, it was long and confusing at times, however once worked through... it wasn’t too bad.”</i></p> <p><i>“I think there should be questions, or an emphasis put on applicant’s past experience... some applicants are just really good at writing applications.”</i></p> <p><i>“Focus was on ability to deliver as opposed to outcomes for individuals.”</i></p>
Consortium challenges	The forming and management of the consortia/programme leads were both difficult and time-consuming. The VCS felt that there was a lack of recognition for the investment in effort involved in coordinating multiple partners.	<p><i>“It was very rushed and challenging especially given that consortiums had to be formed which presented many difficulties...”</i></p> <p><i>“Lack of recognition to the work involved in consortium collating information: outcomes, outputs, areas of work.”</i></p>

### Overall feedback Application Process

A few respondents appreciated the template-based approach and support from local councils. Compared to previous programs (e.g., ESF, ERDF), some noted a more streamlined and collaborative process. For one consultee the single point of contact approach for transition year was a positive.

The feedback on the application process was extremely challenging, especially around timing, clarity, and administrative burden. Constructive suggestions were offered, indicating a desire to improve future rounds.

The following questions on Staffing asked in the survey, along with the findings, can be found in Table 13.

**Table 13: Staffing Analysis of Findings**

Question	Response Detail
1. How many staff did your organisation put on <b>PROTECTED NOTICE</b> while waiting for the outcome of your application for the 2023/25 period of the UK Shared Prosperity Fund Northern Ireland?	<p>91% of respondents had a working knowledge of their organisations' staffing levels. Of this 91% (29 responds) –</p> <ul style="list-style-type: none"> <li>• 48% of responses (14 responses) reported putting 0 staff on protected notice.</li> <li>• 27% of responses (8 responses) reported putting 10 or less staff protected notice.</li> <li>• 14% of responses (4 responses) issued protected notice to 10 or more staff with 25 staff members being the highest response.</li> </ul>
2. How many staff did your organisation <b>LOSE</b> at the 2023/25 period of UK Shared Prosperity Fund Northern Ireland?	<p>28 responses were received (to note that three responses were not eligible for this answer) –</p> <ul style="list-style-type: none"> <li>• 39% (11 responses) lost 0 staff.</li> <li>• 50% (14 responses) lost staff. Of this 50%, 35% (4 responses) lost over 10 staff.</li> <li>•</li> </ul>
3. How many <b>NEW</b> staff did your organisation recruit at the start of the 2023/25 period to deliver UK Shared Prosperity Fund Northern Ireland?	<p>29 responses were received for this question –</p> <ul style="list-style-type: none"> <li>• 24% of responses (7 responses) recruited 0 new staff.</li> <li>• 10% of responses (3 responses) recruited 10 or more staff.</li> </ul>
4. How many staff within your organisation in <b>2023/25 DELIVERED</b> on the UK Shared Prosperity Fund Northern Ireland?	<p>29 responses were received for this question –</p> <ul style="list-style-type: none"> <li>• 10% of responses (3 responses) had 30 or more staff.</li> <li>• 3% of responses (1 response) had between 20 and 29 staff.</li> <li>• 34% of responses (10 responses) had between 10 and 19 staff.</li> <li>• 24% of responses (7 responses) had between 5 and 9 staff members.</li> <li>• 28% of responses (8 responses) had 4 or less staff members.</li> </ul>
5. How many staff did your organisation put on protected notice at the start of the <b>TRANSITION YEAR</b> (2025/26) UKSPF?	<p>29 responses were received for this question –</p> <ul style="list-style-type: none"> <li>• 72% of responses (21 responses) have had to put 0 staff on protected notice.</li> <li>• 21% of responses (6 responses) had to put 5 or less staff on protected notice.</li> <li>• (2 responses) had to put all and 15 staff members on protected notice.</li> </ul>
6. How many staff within your organisation <b>CURRENTLY in 2025/26</b> deliver on the UK Shared Prosperity Fund Northern Ireland?	<p>29 responses were received for this question –</p> <ul style="list-style-type: none"> <li>• 14% of responses (4 responses) had between 20 and 29 staff.</li> <li>• 31% of responses (9 responses) had between 10 and 19 staff.</li> <li>• 17% of responses (5 responses) had between 5 and 9 staff members.</li> <li>• 38% of responses (11 responses) had 4 or less staff members.</li> </ul>

## Overall feedback on Staffing

Table 13 shows that nearly half of respondents (48%) did not place any staff on protected notice for the 2023-25 period. This compares with 72% at the start of the transition year and may indicate that the VCS were content not to issue protected notices after delivering two years of UKSPF.

However, 50% of organisations reported losing staff during the 2023–25 period, with some losing more than 10 staff members. Recruitment was limited, with only 10% hiring 10 or more new staff. Most organisations delivering UKSPF had between 10–19 staff, though no organisation reported having 30 or more staff in the current transition year—down from 10% in the previous period.

In relation to the staff levels currently working on UKSPF, there are no organisations that have 30 or more staff delivering on UKSPF. During the 2023/25 period this figure accounted for 10% of the organisations that responded. The more common staffing levels for both periods were between 10-19 staff members working on UKSPF.

Overall, the data reflects a cautious staffing approach, shaped by funding uncertainties and administrative delays, with many organisations relying on existing teams and reserves to maintain delivery.

## Findings on the Strengths and Challenges of UKSPF

ICS posed the question by asking providers to prioritise the strengths of the UKSPF in order of importance to their organisation in order of the most important. ICS provided the strengths from the findings gathered during consultation and the facilitated event.

Strengths in order of importance to providers -

- 100% funding provided from single funder
- Flexibility to design programme of work
- Flexibility to set own outputs and outcomes
- Working within a consortium

The results show that accessing 100% of funding from a single funder is regarded as the most important to providers compared to the impact of working within a consortium is regarded as the least important strength of UKSPF.

ICS then asked a similar prioritisation question for the challenges of the UKSPF. ICS provided the challenges from the findings gathered during consultation and the facilitated event.

Challenges in order from most challenging to least challenging for providers -

- Timescales for application
- Application process
- Competitive funding process
- Reporting process
- Auditing process
- Communication Process

These results align with the previous question about the views on the application process in relation to the timing of the application process being a key challenge.

## Findings from future focus

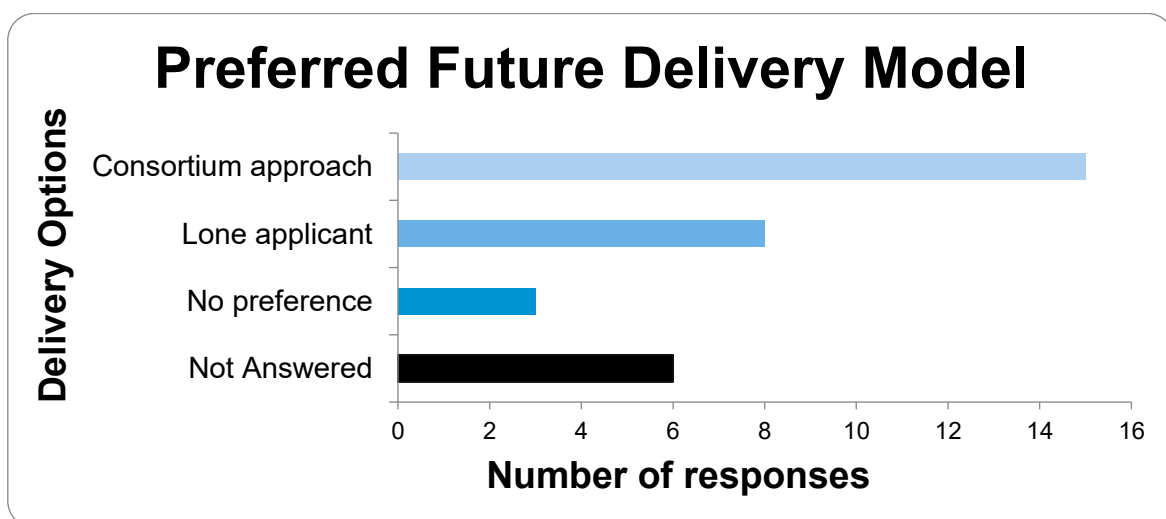
The future focus section of the survey included six questions - each will be reported on in turn.

1. If completing a future application for the Local Growth Fund what would be your organisation's preferred delivery method?
2. How best to address the needs across all geographical regions of NI
3. The impact to the organisation of not being awarded the future Local Growth Fund.
4. Provide an example of an intervention that should be prioritised for post 2026 funding.
5. What groups/cohorts does your organisation feel were unintentionally excluded or under-served as a result of the UK Shared Prosperity Fund Northern Ireland approach?
6. What recommendation(s) could ensure future funding programmes are more inclusive for all groups/cohorts within Northern Ireland?

### If completing a future application for the Local Growth Fund what would be your organisation's preferred delivery method?

This section provides the analysis from the above on the preferred delivery method for the Local Growth Fund.

**Figure 12: Local Growth Fund Preferred Delivery Method**



There was a total of 26 responses to this question, with six respondents not answering.

47% (15 responses) prefer a consortium approach, 25% (8 responses) prefer to be a lone applicant and 9% (3 responses) said they had no preference. There were mixed responses from

consultation on the delivery method to be adopted. This will be reflected upon further in the SWOT analysis and future considerations.

## How best to address the needs across all geographical regions of NI?

This section provides the key insights and analysis from the question as to how a future fund could better address the needs across all geographical regions of Northern Ireland.

**Table 14: How best to address the needs across all geographical regions of NI**

Theme/area	ICS Findings	Quote
Regional balance	Responses show that there needs to be less focus on Belfast with strong calls to shift the focus towards rural and underserved area, especially in the Southwest and Mid Ulster areas of Northern Ireland. There is also a need for the higher delivery costs and limited transport infrastructure in rural areas to be recognised.	"Consideration should be given to supporting people in rural areas particularly those with disabilities. The funding should allow for the increased costs associated with reaching people who have little to no access to public transport."  "Prioritise coordinated NI wide delivery which will provide VFM and regional balance. Interventions made available to all, regardless of their council area."
Local knowledge	There is a preference for organisations based in and familiar with the area to be used for local consortia/programme leads. Grassroots organisations and the voluntary sector should be central to delivery, especially in deprived communities.	"Too many consortiums ticked the box of regional coverage but just parachuted staff into areas which they have no knowledge of."
Equality and Inclusion	Ensure funding reaches marginalised groups: women, people with disabilities, LGBTQI+ individuals, and ethnic minorities. Address the needs of the economically inactive and NEET (Not in Education, Employment, or Training) youth across all regions.	"By ensuring there is a presence and delivery of activity across all counties (6), Council areas (11) and Parliamentary constituencies and having due regard to equality considerations".
Strategic Alignment and Evaluation	Alignment needed with Local LMPs and existing referral networks. Scoring matrixes should value local knowledge, regional delivery capacity, and track record. There was a need to include clear expectations at the application stage that outlines how organisations will address regional needs.	"Allocation should ideally be based upon objective need, the data on poverty, regional disparity, economic inactivity etc is readily available. The focus should be where the need is greatest rather than where quick or easy outcomes can be achieved."

### Overall feedback

Table 14 provides a summary of the responses as to how to address the needs of all participants across NI. An understanding of the differing needs of rural participants compared to urban participants needs to be allowed in relation to costings. Local knowledge needs to be taken into consideration as best placed to potentially deliver in underserved areas.

## Impact to the organisation without any future Local Growth Fund?

This section provides the insights and analysis from the views on the impact if no future fund is available –

**Table 15: Impact to the organisation without any future Local Growth Fund**

Theme/area	ICS Findings	Quote
Job losses	There was widespread concern about mass redundancies, with some organisations citing the loss of 30+ staff. Redundancies would affect both frontline workers and experienced specialists, leading to a loss of institutional knowledge.	<i>"1300 young people furthest from the labour market would not have an essential service. Over 100 staff would lose jobs from the consortium."</i>
Loss of service and support	Many warned of reduced or halted services, especially in employability, training and community support. This would affect thousands of participants, particularly those in deprived or rural areas.	<i>"This would be very difficult for the people we serve. We are able to provide tailored support to people to get into jobs, without this very specific support participants would not be able to achieve their goals."</i>
Funding dependency	Many organisations were heavily reliant on ESF replacement funding. Without it, they face financial instability and inability to deliver strategic plans.  Several small and medium-sized organisations stated they would cease to exist without future funding with the loss of core funding making continued operations financially unviable.	<i>"We are a small organisation, and we would close, our core funding depends too much on the ESF replacement that the business wouldn't function".</i>
Wider economic and social repercussions	Loss of economic momentum and community confidence. Disruption of regeneration programmes. A widening of regional disparities, especially in rural areas. Increased economic inactivity levels and strain on other government departments.	<i>"Our employment service, built over 30 years, supports those furthest from the labour market. Without future Local Growth fund, it would vanish, losing skilled workforce, abandoning participants, worsening economic inactivity."</i>

Table 15 highlights the impact to providers if there was no future Local Growth Fund, post 2026. It was reported to ICS in the survey that the absence of funding could disproportionately affect –

- Women (especially through women's centres);
- People with disabilities;
- NEET youth; and
- Marginalised communities.

## Intervention example to be prioritised post 2026 funding

This section provides key insights and analysis from the question to provides views on what interventions should be prioritised for funding post-2026 –

**Table 16: Prioritised Intervention Examples for post 2026 funding**

Theme/area	ICS Findings	Quote
Social inclusion, disability and complex needs	<p>There was a strong emphasis on a need for longer-term, tailored support for people with disabilities. There was also a call to reinstate higher cost-per-participant models, which the VCS were used to previously in ESF.</p> <p>This will enable the VCS to reflect the complex needs of the individual. There was also support for a supported employment model and wrap-around services.</p>	<p><i>"Disability – this was a targeted area within ESF which was awarded a higher cost per participant given the complexities of the group and additional time required. UKSPF does not currently address this, and organisations are struggling to meet their needs."</i></p> <p><i>"Theme funding similar to ESF – Disability, NEETS and Long term unemployed rather than economic inactivity which include all areas."</i></p>
Youth and NEET support	<p>There is a need to prioritise early, preventative interventions for young people with interventions that support the youth work models (e.g., YouthStart) and build transversal skills. It was also emphasised that outcomes should also focus on education and training and not just employment.</p>	<p><i>"NI-wide delivery of personalised, employability and personal development support for young people to avoid longer term movement into economic inactivity."</i></p>
Tailored, long-term employability support	<p>Multi-year budgets, personalised delivery/service for participants, one-to-one support is also reported to be essential. There needs to be a recognition of the progression journeys (e.g., volunteering, further education) as valid outcomes with the potential to include soft skills, confidence building, and digital skills.</p>	<p><i>"Acknowledged that 'towards employment' is an outcome for some." "Support for those furthest from the labour market for whom a 6-month intervention doesn't work. "Flexible time scales to provide support after employment commences, 12–18 months."</i></p>
Business support	<p>There needs to be continued support for the startup businesses including on the Go Succeed programme (currently provided by Local Government), Mentoring and pre-start. There needs to be a focus on resilience, scaling, and innovation for local businesses.</p>	<p><i>"Continued funding opportunities to support business clients with Growth Mentoring support. As businesses continue to adapt to economic shifts and innovation demands, expert guidance is key".</i></p>
Community led approach	<p>Grassroots organisations and VCS need to be funded to lead local change.</p>	<p><i>"A future fund must support transformational, place-led regeneration that brings together culture, heritage, tourism and civic engagement."</i></p>

There was also a need cited to promote consortium-based delivery with local expertise. Alignment to LMPs and existing networks to avoid fragmented delivery. This would help provide a seamless programme that can be operated NI-wide.

The respondents also noted that the current definition for economically inactive is too narrow with the following groups to be included in the eligibility –

- Unemployed and underemployed;
- Women in low-paid work;
- Migrant professionals;
- Carers; and
- People affected by the criminal justice system.

When considering future delivery, the preferred outcomes were also noted to include –

- Increased employment and self-employment;
- Improved social inclusion;
- Reduced economic inactivity;
- Strengthened community capacity; and
- Enhanced employer engagement.

## Which groups/cohorts are unintentionally excluded or underserved as a result of the UKSPF approach

This section provides insights and analysis from the question to provides views on which groups were unintentionally excluded or underserved by the UKSPF approach -

1. People with disabilities - this was the most frequently mentioned group. Especially those with learning disabilities, hidden disabilities (e.g., ASD, ADHD), and those requiring longer-term, intensive support. The focus of UKSPF is on fast employment outcomes and lower unit costs which made it difficult to serve this group effectively. "Those with significant disabilities, in particular learning disabilities were largely abandoned in respect of support to enter the labour market following the end of ESF."
2. Unemployed and underemployed individuals - many consultees noted that the economically inactive criterion excluded –
  - Unemployed people actively seeking work;
  - Underemployed individuals seeking more hours or better pay; and
  - Young people, including asylum seekers without work rights.

These groups were seen as ready and willing to engage but were ineligible under UKSPF rules. "Approach excluded individuals who were unemployed (those actively seeking work) and those who were underemployed. Many of those individuals could have benefited from the service and moved into economic activity but they were denied this opportunity because they were not EI."

3. Young people - young people are excluded, especially those who are unemployed but not classed as 'economically inactive'. There is a lack of wraparound support post-ESF and this was highlighted as a gap. Some consultees mentioned young asylum seekers and NEET youth as particularly underserved. *"Young unemployed people who could benefit have been excluded such as young asylum seekers who do not currently have their right to work status, underemployed young people etc. The criteria is currently too restrictive".*
4. Women - despite being regarded as the largest economically inactive group, women-focused projects were seen as underrepresented in the UKSPF portfolio. *"Whilst our org works with women, when looking at the portfolio of projects, I feel women targeted projects were under-served, despite women being the largest economically inactive group."*
5. Charities and the voluntary sector - some consultees felt that third sector organisations were not adequately supported or included in delivery models.
6. Systemic issues identified - the narrow definition of "economically inactive" led to the exclusion of many who could benefit. A focus on short-term employment outcomes disadvantaged those needing longer-term, holistic support.

## Recommendations that could ensure future funding programmes are more inclusive for all groups/cohorts within NI

This section provides the key insights and analysis from the question to provides recommendations that could ensure future funding is more inclusive for all groups/cohorts within NI.

**Table 17: Recommendations to ensure future funding is inclusive within NI**

Theme/area	ICS Findings	Quote
Needs based and segmented funding	A tailored funding model to reflect the different levels of support required by various groups (e.g., people with disabilities, NEETs, long-term unemployed). A recognition that some groups require additional time, resources, and specialist support. Use objective data (e.g., poverty, regional disparity, LMP assessments) to allocate funding where it's most needed.	<i>"Construct a programme with fixed unit price banding according to needs/categories of participants. Adjust the scoring weighting to reflect the experience and quality of service provision rather than focusing on price and volume."</i>
Co-design and local participation	Involve the VCS in the design, governance, and delivery of programmes. Ensure grassroots voices and local expertise support and shape interventions. Provide pre-application support and reduce jargon and complexity to help smaller or rural organisations participate.	<i>"Ensure there is a co-design and co-production approach going forward to avoid duplication. Harness the strengths and resources of organisations who already employ an inclusive approach to support delivery."</i>
Equity and inclusion at the core	Design programmes with equity as a foundational principle. Address barriers to participation (e.g., transport, digital access, rural isolation). Avoid overly narrow	<i>"Open to all people who are facing difficulties accessing meaningful, and sustained employment opportunities, and not just targeted at one particular cohort—"</i>

Theme/area	ICS Findings	Quote
	definitions (e.g., only “economically inactive”) and instead include unemployed, underemployed, and returners	<i>i.e. economically inactive.” “An ESF social inclusion approach built into the core of the program. How many reports demonstrate its effectiveness?</i>
Flexible, Long-Term Support	Offer multi-year funding and longer support durations (e.g., 12–18 months post-employment). Allow for re-entry into programmes as circumstances change. Recognise non-employment outcomes (e.g., volunteering, further education) as valid progress.	<i>“Greater funding and for a longer period. Very difficult to turn around someone who has been inactive—needs time and care.”</i>
Inclusive delivery models	Support NI-wide delivery with local tailoring. Use consortium model to reduce competition and ensure consistent access across regions. Ensure specialist providers are involved for groups like people with learning disabilities, women, and carers.	<i>“Theme funding similar to ESF—Disability, NEETs and Long-term unemployed rather than economic inactivity which include all areas.”</i>

It was also reported in the survey the need to introduce fixed unit price banding based on participant needs. Adjust scoring criteria to prioritise quality and experience over price and volume and to ensure match funding from NI departments to sustain impact.



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