

The UK Shared Prosperity Fund Final Evaluation

Executive Summary

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In partnership with

KADA



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1. Introduction

The UK Shared Prosperity Fund (UKSPF or the Fund), launched in 2022, is a central pillar of the (then) UK government's 'Levelling Up' agenda and a significant component of its support for places across the UK. The original UKSPF programme provided £2.6 billion of new funding for local investment between March 2022 and March 2025. The programme has also been extended for an additional year, to March 2026.

The UKSPF is targeted at delivering a number of 'levelling up' objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency

In 2022, A total of £51.2m1 UKSPF funding was allocated to the North of Tyne area, to be invested over three years from 2022/23 to 2024/25, supporting projects within nine programmes across three Investment Priorities. In addition, the UKSPF programme included delivery of the Multiply numeracy programme. The fund was managed and administered by the North of Tyne Combined Authority (NTCA), which has since been replaced by the North East Combined Authority (North East CA). The UKSPF Programme has been extended for one further year to end March 2026, and the evaluation of the Programme will also extend to capture this additional year of investment.

In early 2024, the Combined Authority commissioned an independent evaluation of the North of Tyne (NoT) UKSPF programme. The key aims of the evaluation are to:

1. Evaluate impact and process, through understanding what the UKSPF has delivered; whether it has successfully achieved its own policy objectives and has contributed to wider NTCA goals; how effectively it has been implemented in North of Tyne and whether it has constituted good value for money.
2. To build the evidence and a narrative base on 'what works' for pride in place and life chances across North of Tyne and the wider North East region
3. To capture lessons learned from the programme to inform the development and long-term sustainability of the achieved results
4. To contribute to providing accountability that NTCA has delivered funding in the most effective way to support realisation of the UKSPF's outcomes.
5. To contribute to better policy making and delivery across the broader North East.

The assignment includes interim and final evaluations of the UKSPF Programme through evaluation of appropriate sampling of projects and beneficiaries within each theme. This report presents the findings of the evaluation of the full UKSPF programme from April 2022 to March 2025. The UKSPF Programme has been extended for one further year to end March 2026, and the evaluation of the Programme will also extend to capture this additional year of investment.

The evaluation followed a mixed methodology which combined desk research, analysis of monitoring data, primary data collection through two surveys and qualitative insight development via group sessions and one-to-one interviews. Primary data collection was focused on project delivery organisations and one set of project beneficiaries (including Multiply and a number of projects from each of the investment themes).

Extensive engagement with a wide range of stakeholders has been a central part of the work to inform the evaluation. This has involved Combined Authority staff across a number of teams, lead officers from the three local authorities and project leads for the portfolio of UKSPF-funded projects. Monitoring data was provided by the Combined Authority Programme Assurance Team (PAT), along with access to relevant project level documentation (business cases/proposals and latest quarterly project reports) and external evaluation reports.

1.2 Key evaluation findings

The UKSPF programme has made a substantial and demonstrable contribution to strategic goals across the North of Tyne area. Delivered across three core investment themes (Supporting Local Business, People and Skills, Communities and Place) and including the Multiply programme, UKSPF has enabled local organisations to build capacity to support inclusive growth, community resilience, and economic participation.

Key evaluation findings include:

- **Alignment with Local Strategy:** The programme aligned well with NTCA's strategic aims and local economic plans. It supported a mix of continuation projects and new initiatives, maintaining delivery momentum post-EU funding while enabling targeted innovation.
- **Flexible and Responsive Delivery:** Delivery partners welcomed the programme's more permissive design compared to predecessor funds such as ERDF. The Combined Authority's trust-based management approach, streamlined commissioning through the Dynamic Purchasing System (DPS), and openness to devolved grant-making (e.g. via community partnerships) created strong local ownership.
- **Targeted Inclusion and Participation:** Projects focused on economically inactive people, low-skilled adults, women, and disadvantaged groups achieved high levels of engagement. Person-centred and holistic delivery models, particularly within the People and Skills and Multiply themes, enabled tailored support that improved skills, confidence, and employability.
- **Enhanced Partnership Working:** The programme stimulated collaboration across sectors, especially between local authorities, VCSE organisations, and local employers. Linkages between employment support, community development, and business support became more prominent, laying the groundwork for a more integrated regional support ecosystem.
- **Efficient Use of Resources:** Despite the short delivery window and late confirmation of national guidance, most delivery partners reported efficient mobilisation. Monitoring and reporting processes were generally considered proportionate, though smaller VCSE organisations faced administrative pressure — especially where DfE-led systems (e.g. Individualised Learner Record for Multiply) were involved.
- **Challenges of Short-Term Funding:** One-year funding cycles limited sustainability, hindered staff retention, and constrained the ability to scale up or innovate. Delayed

contracting and payment in arrears also placed financial strain on smaller delivery organisations.

- **Economic Impact.** The economic impact assessment indicates that the programme generated measurable gains in economic activity and social value:
 - Conservative estimates suggest a net additional GVA impact of £219 million (Net Present Value - NPV, across five years) resulting from employment, business growth, and skills interventions supported through UKSPF.
 - Employment outcomes contributed significantly to this impact, particularly where participants moved from inactivity to sustained work or training.
 - Business support interventions under Supporting Local Business helped improve productivity, diversify income, and stimulate local procurement.
 - Projects such as the Rural Asset Multiplier Pilot (RAMP) in Northumberland and integrated support offers across the North of Tyne demonstrate effective blending of UKSPF with other funds (e.g. REPF and Investment Fund), enhancing regional leverage.
- **Legacy and Innovation:** Several projects piloted new models, including devolved micro-grants, hyper-local activity, thematic specialisation (e.g. for carers, young people), and co-produced interventions. These approaches offer potential for replication and scaling under future regional development programmes.

Overall, the programme has delivered strong results across multiple dimensions of impact: strategic fit, delivery effectiveness, economic value, and community engagement. Its success reflects both the capability of local delivery partners and the adaptive, enabling role played by the Combined Authority.

1.3 Key Lessons Learned

The evaluation highlights a number of important lessons for the design and delivery of future programmes of this kind:

1.3.1 For Programme design and commissioning:

- Build in more time for design and mobilisation. The compressed national timescales limited scope for strategic planning, community engagement, and effective project onboarding.
- Flexibility is essential. A more enabling approach allowed delivery partners to tailor activity to local and sector-specific needs.
- Balance continuity and innovation. While continuing previous interventions helps sustain momentum, innovation should also be encouraged through ringfenced support and piloting mechanisms.

1.3.2 For delivery and capacity:

- Trust-based management works. Partners appreciated a supportive, responsive Combined Authority approach, which enabled faster problem-solving and stronger relationships.
- Smaller organisations need predictable and secure funding prior to hiring and mobilising staff. Delayed contracting, in-year payment profiles, and short-term grants create risks for VCSE organisations.

- Administrative demands must be proportionate. Overly complex monitoring (especially where required by central departments) undermined delivery capacity in some areas.

1.3.3 For Social Impact and Inclusion:

- Place-based delivery enhances engagement. Using community partnerships and trusted local actors increased reach into excluded and underserved populations.
- Integrated support drives better outcomes. Projects linking business support, employability, and community development were especially effective in addressing systemic disadvantage.
- 1.4.4 For governance and strategy:
- Multiple funding streams can be aligned. The successful blending of UKSPF with REPF and Investment Fund resources demonstrates the potential for integrated funding models.
- Sustainability needs multi-year funding. Greater impact and stronger legacies could be achieved with longer-term financial settlements and continuity planning.
- Monitoring systems must capture qualitative value. Social value, inclusion, and progression are not always visible through standard output metrics.

These lessons are vital as the North East region enters a new phase of strategic development under the North East Combined Authority. Embedding these insights will help ensure future programmes are more equitable, resilient, and impactful.

1.4 Recommendations

The evaluation identifies several high-level recommendations to inform future programme development:

1.4.1 For UK Government

- Provide earlier and clearer national guidance: Ensure that future programmes are launched with sufficient lead-in time and comprehensive guidance to enable local design, commissioning, and mobilisation.
- Support multi-year funding structures: Move away from annualised allocations and instead offer multi-year commitments to facilitate sustainability, strategic planning, and staff continuity.
- Simplify and align monitoring systems: Streamline reporting requirements and reduce complexity across departments (e.g., DLUHC and DfE), especially for smaller or VCSE delivery partners.
- Promote more place-responsive funding frameworks: Enable Combined Authorities to tailor delivery outcomes to reflect local needs and challenges, while maintaining accountability through a shared core framework.
- Embed expectations for inclusion and social value: Require all delivery frameworks to reflect how interventions will support underrepresented communities, and incentivise work that promotes social inclusion and equity.

1.4.2 Recommendations for Combined Authorities and Other Funders

- Maintain trust-based, flexible delivery models: Build on the strengths of the UKSPF approach by sustaining supportive, proportionate management that empowers delivery partners.
- Develop and expand devolved funding routes: Continue using models like community partnerships to reach communities with low engagement, and empower trusted intermediaries to manage grants locally.
- Encourage thematic integration: Strengthen connections across employment, business support, and community development to deliver joined-up, place-based interventions.
- Freeze a single indicator dictionary aligned to the national UKSPF logic model: Doing so will avoid parallel recoding and improve cross-programme dashboards.
- Strengthen capacity-building support: Offer targeted resources and guidance for delivery partners, especially VCSE organisations, to help with monitoring, digital compliance, and project management skills.
- Provide pre-emptive guidance on outcomes: Work with delivery organisations to co-produce expectations on reporting and outcomes, including how qualitative and social value will be evidenced.
- Increase coordination of evaluations within and across the Combined Authority and project delivery partners.
- Create a regional evaluation registry and mandate project-level evaluation summaries: A live database of studies, fieldwork windows and instruments will prevent survey clashes and enable evidence harvesting.
- Improve funding flexibility for VCSE sector: Where feasible, offer upfront payments or simplified claims processes for organisations with limited reserves or delivery capacity.
- Resolve process and monitoring issues as soon as possible to support delivery in the 2025/26 extension year.

1.4.3 Recommendations for Project Delivery Partners and Strategic Stakeholders

- Build on partnership momentum: Maintain and deepen cross-sector collaborations initiated under UKSPF — including links between employers, community organisations, and local authorities.
- Prioritise inclusive delivery models: Continue to develop specialist and person-centred approaches for harder-to-reach groups, including women, carers, NEET young people, and those furthest from the labour market.
- Continue to prioritise person-centred, segmented support: Tailored diagnostics in business advice and holistic employability mentoring deliver higher conversion rates than generic provision.
- Embed learning and adaptive management: Use insights from delivery to evolve support models, strengthen delivery logic, and share what works across the sector.
- Plan for sustainability early: Use remaining programme time to develop exit strategies, diversify funding, and secure commitments for project continuation where possible.
- Strengthen peer-learning networks: Cross-sector consortia and employer route-way forums proved effective for sharing practice and pooling vacancies; partners should institutionalise these groups beyond UKSPF.

1.5.4 Recommendations for Programme Evaluators

- Develop shared, flexible evaluation frameworks: Co-produce evaluation methodologies with funders and delivery partners that capture both quantitative and qualitative outcomes, including progression and community engagement.
- Align frameworks with the national logic model and the CA indicator dictionary. Use the agreed glossary and output set to ensure comparability and reduce re-coding.
- Enhance data capture on inclusion and equity: Strengthen data systems to record the reach, retention, and impact of interventions on underrepresented groups, ensuring a more inclusive evidence base.
- Support real-time learning: Build in light-touch, continuous learning approaches that help delivery teams adjust activity mid-programme.
- Promote peer and collaborative evaluation models: Facilitate shared learning across projects and encourage the development of embedded evaluator roles to support formative insights and adaptive practice.
- Consider ways to capture qualitative social-value metrics alongside headline counts: Case studies, beneficiary narratives and community-cohesion indicators make visible the “quality, not quantity” outcomes highlighted in cultural projects.
- Identify lessons from evaluation of the initial Programme to be implemented in the evaluation extension for 2025/36 – particularly around beneficiary engagement and coordination with other evaluation projects.

These recommendations provide a clear path forward for local and regional partners to build on the achievements of UKSPF and enhance the impact of future investment programmes. A high level action plan is provided to assist in the implementation of the recommendations.