

Dyddiad/Date: 15 May 2022

Thank you for your letter of 9<sup>th</sup> May 2023.

I think it is fair to say that the requirements on lead authorities in Wales are more complex than for many parts of the UK, given the need to co-ordinate across a number of individual councils on a regional level.

To date the key challenges faced by Rhondda Cynon Taf CBC as lead local authority for the South East can be summarised as follows:

- The delayed approval of the regional investment plan caused inevitable delays to the start of the programme and the ability to spend the Year 1 allocation.
- There has been uncertainty regarding the carry forward of funding between financial years therefore making forward planning extremely difficult.
- Although now confirmed that requests for carry forward of funds from Year 1 into Year 2 will be considered, the timescale for determining the outcome of the requests and the subsequent issuing of grant determination letters for the Year 2 allocations is unknown.
- Clarification regarding the ability to adopt flexibility in the use of the Multiply funding has been an ongoing issue. Some flexibility has now been applied to the Year 1 underspend, but restrictions still apply to the Years 2 and 3 allocations where the funding is ring-fenced for the sole use of Multiply. Without ongoing flexibility, full spend within the limited programme period is challenging.
- The limited programme period of three years, further condensed by the delayed approval, makes planning and delivery of local economic interventions much more challenging.

It is however worth noting that these are common challenges faced by each of the four Welsh Regions and at all times and in collaboration with the WLGA we have conveyed consistent messages to UK Government.

Despite delays in decision making within the UK Government and the Treasury, officials from the four lead authorities and WLGA have met regularly with officers from DLUHC which has proved beneficial.

Direct written representation has also been made to Secretary of State for Levelling up, Housing and Communities by me as WLGA Leader and Councillor Rob Stewart, Deputy Leader WLGA and in our roles as Leaders of two of the four lead local authorities for the Shared Prosperity Fund in Wales – Rhondda Cynon Taf and Swansea.

Notwithstanding such challenges, I would like to highlight that there are very positive aspects of the UKSPF programme including, the localised agenda and the ability for Councils and their partners to identify local needs and opportunities and to tackle complex challenges facing our communities is most welcomed. We are already delivering significant levels of SPF activity and positive outcomes through projects in South East Wales with our SPF Regional Investment Plan.

Also, the fact that the programme has been wholly allocated by formula, rather than competitive bidding, again ensuring that funding is delivered where the need is greatest, and maximum benefit can be derived.

I hope this provides some further context for the Economy, Trade and Rural Affairs Committee inquiry into post EU funding, but should you wish to discuss further please do not hesitate to get in touch.

Yours sincerely



**Y Cynghorydd Andrew Morgan**  
**Arweinydd Cyngor Bwrdeistref Sirol Rhondda Cynon Taf**  
Councillor Andrew Morgan  
Leader of Rhondda Cynon Taf County Borough Council

**Swyddfa'r Cabinet**  
**Cabinet Office**

Y Pafiliynau, Cwm Clydach, Tonypany, CF40 2XX  
The Pavilions, Clydach Vale, Tonypany CF40 2XX

Ffôn/Tel: 01443 424065  
E-bost/Email: Cabinet@rctcbc.gov.uk  
Rhyngwladol/International: +441443424065/6

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