

# Communities in Wales handed control of £585 million to level up in Wales

- Funding will match what was previously spent in Scotland, Wales, Northern Ireland and each part of England
- New approach will slash bureaucracy and give control to locally elected leaders

Communities in Wales will benefit from £585 million of funding being allocated today to help spread opportunity and level up the country.

The UK Shared Prosperity Fund will see places in Wales that need it most draw up plans this year to deliver on their local priorities, based on a conditional allocation of funding over the next three years. This could include regenerating rundown high streets, fighting anti-social behaviour and crime, or helping more people into decent jobs – helping to revive communities, tackle economic decline and reverse geographical disparities in Wales and across the UK.

Spreading opportunity and prosperity to all parts of the UK through community-led investment, local areas in Wales will see £585 million made available under the fund.

The funding delivers on the UK Government's commitment to match the previous EU funding from the European Social Fund and European Regional Development Fund. However, the fund will be much more flexible and locally led, freeing communities in Wales from the bureaucratic, rigid and complex processes of the EU Structural Funds.

Bureaucracy will be slashed, and there will be far more discretion over what money is spent on. EU requirements for match funding, which impacted on poorer places, will be abolished. Instead of regional agencies, funding decisions will be made by elected leaders in local government, with input from local members of parliament and local businesses and voluntary groups.

The new fund also includes over £101 million for Wales for an adult numeracy programme, Multiply, which will support people with no or low-level maths skills get back into work. The scheme will offer free personal tutoring, digital training, and flexible courses to improve adults' confidence and numeracy skills.

Driving forward the missions in the government's Levelling Up White Paper, the UK Shared Prosperity Fund is in addition to other levelling up funding for Wales, including the Community Ownership Fund and the Levelling Up Fund, which has already invested £121m into Wales, and £790 million for city and growth deals.

This is in addition to the record £18 billion per year block grant settlement announced by the UK Government for Wales – the largest since devolution over 20 years ago and an increase of £2.5 billion.

**Secretary of State for Levelling Up Rt Hon Michael Gove MP said:**

We have taken back control of our money from the EU and we are empowering those who know their communities in Wales best to deliver on their priorities.

The UK Shared Prosperity Fund will help to unleash the creativity and talent of communities that have for too long been overlooked and undervalued.

By allocating more than half a billion pounds for communities up and down Wales, we will help to spread opportunity, increase prosperity and level up every corner of the UK.

**Secretary of State for Wales Simon Hart said:**

This is a huge boost for people across Wales, who will now have access to this fund to level up their communities and make decisions about where they want to see the money spent. The Shared Prosperity Fund will bind together the whole of the UK, while tackling inequality and deprivation across all four nations.

I'm sure that the proposals for spending the fund will lead to substantive improvements to people's lives in Wales, especially in areas where there is the greatest need.

People in every nation and region want to see politicians acting together on the common challenges we all face and I look forward to working closely with the Welsh Government.

The allocation formula for UK Shared Prosperity Fund takes into account both the local population data, and a broadly based measure of need, including factors like unemployment and income levels. This is to ensure the most amount of money is going to areas which will truly benefit from the fund.

Funding for the UK Shared Prosperity Fund across the UK will be £2.6 billion between 2022 and 2025, with this figure reaching £1.5 billion per year by March 2025, delivering on the UK Government's commitment to match the average spending of EU structural funds over the previous programme.

Previous EU programmes ramped up and down, and areas will continue to receive EU funding until the end of 2024. Similarly, UK Shared Prosperity Fund will be increased from £400 million in 2022/23 to £1.5 billion in 2024/25, at which point it will match the EU funds it has replaced.