

Guidance

UK Shared Prosperity Fund: procurement (8)

This page provides information on procurement for the UK Shared Prosperity Fund.

From: [Department for Levelling Up, Housing and Communities](#)

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8.1 The overarching public procurement guidance within section 7.6.2 of the Prospectus launched on 13 April 2022 remains applicable to the UK Shared Prosperity Fund (UKSPF).

8.2 Lead local authorities (LLAs) are best placed to decide the most beneficial approaches to maximise

Related content

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the impact of the UKSPF interventions within their local area. We know LLAs have the necessary experience and knowledge of delivering such projects in a legally compliant way. With the opportunity to undertake competitions for grant funding, commissioning and procurement activities, or use in-house teams to achieve objectives, senior representatives need to be assured that the following minimum standards and legal obligations will be compliantly followed by their authority in delivery of this fund:

- Constitution of the Authority including any local Grant / Contract rules, processes or procedures;
- Public Contracts Regulations (PCR) 2015 or Public Contracts (Scotland) Regulations 2015 including any amendments or any subsequent legislation that replaces the Act;
- All other applicable legislation to activity undertaken, such as Modern Slavery Act 2015, IR35 (Intermediaries Legislation), Equality Act 2010, Subsidy Control Act 2022, etc; and
- [The Government Grants Functional Standard \(https://www.gov.uk/government/publications/grants-standards\)](https://www.gov.uk/government/publications/grants-standards) with specific focus to compliance on following areas:
 - [Fraud Risk Assessment \(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf\)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf) (FRA) – pages 15-19
 - [Due Diligence \(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf\)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf) - pages 20-24

8.3 LLAs should also consider and implement wherever possible:

- sustainability and green measures in procurement plans, aligned with the government's [net zero strategy](#)

[shared-prosperity-fund-assurance-and-risk-5\)](#)

[UK Shared Prosperity Fund: additional information](#)

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[UK Shared Prosperity Fund: reporting, monitoring and performance management \(3\)](#)

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[management \(3\)](#)

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Collection

[UK Shared Prosperity Fund: additional information](#)

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<https://www.gov.uk/government/publications/net-zero-strategy>);

- innovative procurement, including the factoring in of social value into procurement; and
- government initiatives, guidance and policy such as the Sourcing and Consultancy Playbooks, Construction Playbook, the Outsourcing Playbook and government guidance on Resolution Planning.

8.4 It will be the responsibility of every LLA to ensure that minimum standards stated in 8.2 are applied, monitored and maintained throughout the 3-year period of the UKSPF grant.

8.5 Where non-contracting authorities are involved in UKSPF project delivery, they should adopt such policies and procedures that are required in order to ensure that value for money has been obtained in the procurement of goods or services funded by the Grant. This should include adopting the following minimum procedures unless different thresholds have been approved internally via the LLAs appropriate internal governance process, such as Cabinet:

Value of contract	Minimum procedure
£0 - £2,499	Direct award
£2,500 - £24,999	3 written quotes or prices sought from relevant suppliers of goods, works and / or services
Over £25,000	Formal tender process

8.6 LLAs shall be responsible for ensuring that these policies and procedures are applied by non-contracting authorities as appropriate, reported upon and monitored.

Fraud Risk Assessment (FRA)

8.7 LLAs shall be responsible for ensuring that Fraud is a key consideration in all spend activity and that the following minimum standards are met:

- follow [Grants Functional Standards on Fraud Risk Assessment](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf) (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf) (PDF, 695 KB) (FRA) – pages 15-19.
- undertake FRAs at an appropriate level to each individual project dependent on risk.
- ensure that UKSPF spend is undertaken in accordance with effective authority fraud prevention policy and procedure, and via engagement with colleagues specialising in this area.
- ensure that relevant evidence and data to prevent fraud is gathered as part of due diligence undertaken ahead of releasing funds.
- implement reporting and monitoring requirements that will identify irregularities or issues in use of funds which can be investigated further.
- store and file all work undertaken on FRA in the event of any issues or audit requirements.

Due Diligence

8.8 LLAs shall be responsible for ensuring that proportional due diligence is applied to all UKSPF spend and that the following minimum standards are met:

- follow [Grants Functional Standards on Due Diligence](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf) (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1070064/2022-20-11-Grants-Standard-SEVEN-v2.3.pdf) (PDF, 695 KB) – pages 20-24.
- undertake due diligence at an appropriate level to each individual project dependent on risk.
- ensure that UKSPF due diligence is undertaken in accordance with effective authority rules and

procedures through Teams specialising in this area.

- ensure that key areas of due diligence identified for projects in which you invest are reported on and monitored throughout the term of delivery.
 - store and file all work undertaken on due diligence in the event of any issues or audit requirements.
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