

<b>Agenda Item No:</b>	<b>5</b>	
<b>Committee:</b>	<b>Cabinet</b>	
<b>Date:</b>	<b>12 June 2023</b>	
<b>Report Title:</b>	<b>Rural England Shared Prosperity Fund</b>	

## **1 Purpose / Summary**

- 1.1 The Government has allocated Fenland £436k Rural England Shared Prosperity Fund (RESPF).
- 1.3 RESPF must be allocated for business or community purposes and used to fund capital projects such as a buildings or equipment.

## **2 Key Issues**

- 2.1 The two-year RESPF allocated for Fenland will be paid on an annual basis by DLUHC/DEFRA to the CPCA.
- 2.2 As the District Council is accepting RESPF funding from the CPCA a decision is required to accept the funding.

## **3 Recommendations**

- 3.1 Cabinet is requested to consider and recommend acceptance of £436k Rural England Shared Prosperity Funding from the Cambridgeshire & Peterborough Combined Authority for a two-year period commencing in 2023-24 and ending in 2024-25.
- 3.2 Due to the tight delivery timescale, it is recommended that the 2023/24 RESPF monies should be allocated exclusively for business growth purposes. The split of the fund to be spent in 2024/25 between business growth and community will be determined at a future meeting of the Cabinet.
- 3.3 Given the limited funds available for projects in 2023/24, Officers should prioritise bringing forward opportunities for approval in the following areas:
- Grants towards equipment and premises for smaller businesses which will promote business growth.
  - Grants to rural areas
  - Grants which will create and sustain rural jobs by assisting the diversification of income streams for farmers.
- 3.4 To delegate to Officers responsibility for approving and finalising with the CPCA the RESPF Grant Funding Agreement; and
- 3.5 To note that a further report will be presented to Cabinet for approval of the detailed proposals in relation to the projects, procedures and documentation associated with the onward administration of the funding.

Wards Affected	All
Forward Plan Reference	
Portfolio Holder(s)	Cllr Boden Cllr Ian Benney
Report Originator(s)	Anna Goodall, Assistant Director Simon Jackson, Economic Growth Manager
Contact Officer(s)	Simon Jackson, Economic Growth Manager
Background Papers	Rural England Shared Prosperity Fund: prospectus - GOV.UK ( <a href="https://www.gov.uk/government/publications/rural-england-prosperity-fund-prospectus/rural-england-prosperity-fund-prospectus#Introduction">https://www.gov.uk/government/publications/rural-england-prosperity-fund-prospectus/rural-england-prosperity-fund-prospectus#Introduction</a> )

## Report:

### **1 BACKGROUND AND INTENDED OUTCOMES**

- 1.1 The Rural England Shared Prosperity Fund (RESPF) builds on, and is complementary to, the UK Shared Prosperity Fund (UKSPF). The RESPF is a top-up to the UKSPF and is available to eligible local authorities in England. It succeeds European Union funding from LEADER and the Growth Programme which were part of the Rural Development Programme for England.
- 1.2 The RESPF objectives sit within the UK Shared Prosperity Fund investment priorities for:
- Supporting Local Business
  - Community and Place
- 1.2 The RESPF provides capital funding to support new and existing rural businesses to develop new products and facilities that will be of wider benefit to the local economy. This includes farm businesses looking to diversify income streams support new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy.
- 1.3 The RESPF sits alongside existing Defra schemes, including:
- The Farming in Protected Landscapes programme
  - The Farming Investment Fund
  - The Platinum Jubilee Village Hall Improvement Grant Fund

- 1.4 The Government has allocated £3.2m RESPF for the four rural districts of Cambridgeshire over a two-year period commencing 2023/24. The allocation for Fenland is £436k with £109k in 2023/24 and £327k in 2024/25. The allocation is based on factors developed in line with the scheme objectives including the size of rural populations.
- 1.5 Examples of the types of opportunities the RESPF prospectus sets out for each sector are:

### **Opportunities for Businesses**

- A key investment priority will be to enable our smaller businesses to 'grow locally' investing in entrepreneurship to unlock barriers to growth through grants for equipment and premises. Growing businesses locally links to UKSPF business support for start-ups and scaling-up of businesses, allowing them to develop new products and facilities that will be of wider benefit to the local economy.
- REPF funding will enable us to achieve better reach into rural areas where we know there is increasing austerity and declining prosperity. We will particularly support where there is evidence of likely market failure due to rurality and to allow for the increasing/sustaining of jobs.
- We will invest to allow the fast tracking of business modernisation towards Net Zero targets in processing and premises, encouraging businesses to act as demonstration projects across the area leading the way in new approaches and technologies.
- We will look to invest farm businesses looking to diversify income streams creating and sustaining rural jobs and support the transition from the Common Agricultural Policy.
- We will respond to the need to revitalise service centres for economic prosperity at a time where more than ever we value 'place'; enabling local people to become more involved in leading and developing a local approach to 'place branding' that is focused around reaching new visitors and increasing local distinctiveness.
- A we will invest into economic growth in tourism, food and farming businesses (especially looking to build on local, distinctive products and markets) and increasing of support for creative and arts that play a significant part in rural economics and rural identity (Place).

### **Opportunities for Communities**

- Responding to the cost-of-living crisis and taking opportunities presented by the REPF, we will nurture rural talents and leadership investing in social enterprise and community-led business as a sector of growing importance, as more communities choose to run their own pubs, village shops/produce markets, health and social care and other key facilities.
- We will invest to support new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy. This adds value to our UKSPF aspirations through supporting community-led business and innovation that often fill gaps when market failure occurs, using volunteers and innovative

approaches to support the delivery of vital rural services and to benefit the local economy.

- We will invest to improve and widen the use of rural community buildings including village halls; including fast tracking of modernisation towards Net Zero targets in improving premises, allowing them to act as demonstration sites and making their running costs more affordable.
- We will invest to improve availability of broadband connectivity in rural places to alleviate the issues of poor network coverage and lacking public accessibility in some places.
- We will invest in active travel plans to enable better access through cycling and walking to rural services centres.

- 1.6 A further report will be presented to Cabinet for approval of the detailed proposals in relation to the projects, procedures and documentation associated with the onward administration of the funding.

## **2 REASONS FOR RECOMMENDATIONS**

- 2.1 The two-year RESPF allocation for Fenland will be paid on an annual basis by DLUHC/DEFRA to the CPCA. In accordance with the standard CPCA Funding Agreement the District Council will claim in monthly arrears the funding for each of the projects delivered in Fenland from the CPCA.
- 2.2 The Grant Funding Agreement with the CPCA is expected to be a standard agreement and will be satisfactorily completed and signed off.
- 3.6 As the District Council is accepting RESPF funding from the CPCA a decision is required to accept the funding and to comply with constitutional requirements. Once these arrangements are in place and in order that the onward transmission of the funding is appropriately determined and recorded, separate procedures and documentation will be drawn up and presented to Cabinet for approval at the earliest future opportunity.

## **4 CONSULTATION**

- 4.1 Engagement with partners such as Cambridgeshire ACRE and evaluation on previous projects such as Growth Works and Growth HUB Start & Grow pilot will enable external views and policies to be incorporated into the RESPF projects.

## **5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 The RESPF is a specific funding opportunity with no comparable alternative options. Acceptance of the funding provides an opportunity to deliver the outcomes specified in the RESPF Prospectus. Entry into the CPCA's RESPF Grant Funding Agreement is a requirement of receiving the funding and will be subject to appropriate legal oversight to ensure that Fenland District Council's position is adequately protected.

## **6 IMPLICATIONS**

### **Legal Implications**

- 6.1 The CPCA's RESPF Grant Funding Agreement is a standard document with ongoing negotiation taking place in relation to the fund specific clauses relating to this arrangement. Presently it is considered that resolution of these final points will be achieved, and the Agreement will be fit for purpose from a legal perspective.
- 6.2 Subject to Cabinet's agreement of the recommendations set out in this Report, it is now appropriate for officers to finalise the associated processes and documentation necessary to ensure that the future administration of the funding is transparent and complies with Fenland District Council's general legal and governance obligations to include procurement and subsidy control.

### **Financial Implications**

- 6.3 The RESPF is external funding that FDC has been successful in securing via the CPCA from Central Government and as such whilst FDC will be responsible for administering the various projects there are no significant implications for the FDC budget. A further report to Cabinet will set out the projects, proposed procedures and documentation required to provide for the appropriate oversight and reporting in relation to the future administration of the funding.

### **Equality Implications**

- 6.4 All individual projects and services have been assessed to ensure equality of access, etc.

## **7 SCHEDULES**

None