



## **Growth and Development Scrutiny Group**

**Wednesday, 4 January 2023**

**UK Shared Prosperity and Rural England Prosperity Fund**

### **Report of the Director Development and Growth**

#### **1. Purpose of report**

- 1.1. The UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) are part of UK government's Levelling Up agenda, replacing the previous European Structural Investment Fund. The primary goal of UKSPF and REPF is to build pride in place and increase life chances across the UK. This aligns with the Levelling Up White Paper mission, particularly: 'By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing'.
- 1.2. As the Council have received an allocation of UKSPF and REPF, it is important that Councillors are able to input into plans for the allocation of the funding. This report provides an update on spend in year one and draft proposals for year two for members of the Scrutiny Group to comment on.

#### **2. Recommendation**

It is RECOMMENDED that the Growth and Development Scrutiny Group:

- a) Review proposals for year two and make suggestions for additional priorities and projects to support
- b) Review the stakeholder engagement plan and identify any additional groups to engage with or ways to engage.

#### **3. Supporting Information**

##### **Background**

- 3.1. Funding has been allocated to areas rather than there being a competition and Rushcliffe Borough Council's allocation is £3,167,655 for three years (2022/23 to 2024/25) with all spend to be complete by March 2025. All areas have received UKSPF but not all have received REPF, as this is targeted at more rural Council areas (three districts in Nottinghamshire have been allocated REPF: Rushcliffe, Bassetlaw and Newark and Sherwood). The Government has allocated the funding across the three years as follows:

- 2022/23 - £312,071
  - 2023/24 - £773,189 (includes £149,048 of REPF)
  - 2024/25 - £2,082,395 (includes £447,145 of REPF).
- 3.2. UKSPF and REPF are split into investment priorities with a list of interventions sitting underneath (see Appendix A for full list of interventions) that areas can choose to allocate funding to. The three investment priorities are:
- Communities and place
  - Supporting local business
  - People and skills (this is an investment priority for UKSPF only, not REPF).
- 3.3. The Fund will focus on communities and place and local business interventions in 2022/23 and 2023/24, alongside numeracy skills support through the Multiply adult numeracy programme (County Council led). UKSPF investment to support people and skills will follow from 2024/25.
- 3.4. REPF has been more recently announced by Government and is a top up to UKSPF to help address the extra needs and challenges facing rural areas. It succeeds European funding from LEADER<sup>1</sup> which was part of the rural development programme. The allocations made have been based on rural population, rural business and productivity and the importance of farming in each authority area. The Rural Fund 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.
- 3.5. UKSPF is a mix of capital and revenue funding whereas the REPF is capital funding only. To secure funding the Council had to submit an investment plan for UKSPF which set out allocations of funding over the three years against the interventions. This is an indicative plan and funding was allocated against interventions not specific projects. This was submitted on 1 August 2022. The Council then had to submit an addendum to this plan for the REPF which followed a similar process; this was submitted on 30 November 2022.
- 3.6. As set out in a report to Cabinet in July 2022, in addition to the Government's objectives it is important for the Council to identify and agree the local principles that will apply for the allocation of funding. The identified principles are:
- The overarching principle is for alignment with the Government's levelling up objectives and the UKSPF objectives

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<sup>1</sup> The acronym 'LEADER' derives from the French phrase "Liaison Entre Actions de Développement de l'Économie Rurale" which means, 'Links between activities for the development of rural economy'.

- Initiatives must demonstrate how they contribute towards supporting delivery of the Council's corporate priorities:
    - Quality of life
    - Efficient services
    - Sustainable growth
    - The environment.
  - Supporting communities and businesses across the Rushcliffe, reflecting the diverse needs of the whole Borough
  - Projects need to demonstrate they are deliverable within the required timeframes, and this is particularly important in year one of the funding where timescales are tight
  - Projects will need to demonstrate value for money which may include requirements for match funding where appropriate
  - Projects should add value and not duplicate other support available
  - Projects should be able to demonstrate the need for the chosen intervention and what outputs and outcomes will be delivered.
- 3.7. Government have stated that 4% of the total UKSPF allocation (this only applies to UKSPF and not REPF) can be used to support the management and monitoring requirements. It has been agreed therefore that the Council will recruit a Project Implementation Officer to work with teams across the Council and external stakeholders to support the delivery of projects. Officers are exploring the opportunity to share this post with Broxtowe Borough Council.
- 3.8. Government have also encouraged areas to work with neighbouring local authorities to jointly commission projects, particularly on the business support and people and skills priorities. UKSPF and REPF replace the ESIF which was allocated by the D2N2 Local Enterprise Partnership which covers Derby, Derbyshire, Nottingham and Nottinghamshire and so previous [?] business support and employment and skills programmes have been delivered across this geography. Officers are working closely with colleagues from across Nottinghamshire to see what could be commissioned jointly and a specification for business support has been produced.

### **Year One projects**

- 3.9. As set out above the priority for projects to be delivered in year one is deliverability as there is a short timescale available to spend the funding. Proposals for year one spend were agreed by Cabinet in July 2022. There have been some changes to the projects however due to deliverability of the projects and restrictions on the funding.
- 3.10. The following is a comprehensive list of projects that have been allocated funding in year one, some has already been spent and some is just allocated at this time, but all recipients of funding understand the requirement to spend by the end of March 2023.
- Benches and awning/shelter at Rushcliffe Country Park to further enhance the offer there

- Community support delivered across Rushcliffe through workshops and one to one advice covering a range of topics including, cost of living, energy efficiency, employment support and digital inclusion
- Energy audit of some of the Council's operational properties to identify areas for future investment to reduce the Council's carbon footprint
- Reed clearance at Grantham canal to enable further work to be undertaken to help with water retention
- A business support digital tool kit to give businesses access to support and advice online including webinars and one to one advice
- Additional Police patrols for a period of 6 weeks around Ratcliffe on Soar to deal with the issue of car cruising
- Improvements to the electricity in the bollards at Bingham Market Place
- Required feasibility studies to explore the opportunity for a long stay car park in Bingham
- Central Avenue, West Bridgford accessibility study.

### **Proposals for year two**

- 3.11. Plans for year two of UKSPF and the first year of REPF are currently being developed and so there is an opportunity for Councillors to provide input into proposals and suggest any additional areas of focus.
- 3.12. The proposal for REPF, which is capital funding only, is to split the money between grants for community groups and grants for businesses. In year one of REPF there is an indicative allocation of £149,048, this would be split as follows:
- Grant pot for businesses: £80,000 which could support:
    - Diversification projects
    - Net zero infrastructure
    - Rural business hubs
    - Visitor economy
  - Grant pot for community projects: £69,000 which could support:
    - Infrastructure support for local civil society and community groups
    - Creation/improvement to green spaces
    - Active travel
    - Cultural, historic and heritage institutions and activities.
- 3.13. The eligibility criteria and application process for both of these grant funding allocations will be developed by officers ready for launching in late February/early March. This will enable projects to submit applications and be ready to start in the new financial year.
- 3.14. Based on feedback from stakeholders, we would require match funding against both community and business grants and the recommendation was a 60/40 split (60% from business or community group). This is not finalised yet however so it could change and possibly operate flexibly to reflect the project and its total value.
- 3.15. UKSPF ideas for projects in year two include:

- Improvements in town centres – Bingham Market place and West Bridgford
- Capital Grants for neighbourhood infrastructure projects e.g. community centres, community support, active travel, green spaces, play areas etc.
- Improvements to green / blue spaces eg Compton Acres watercourse and further Grantham Canal works
- Projects focussing on Heritage assets
- Tourism / inward investment initiatives
- Business support package, both joint commissioning across N2 and local initiatives including grants
- Projects supporting decarbonisation
- Continued support with cost of living.

## **Communication and engagement**

- 3.16. Government have identified that a Partnership Board is required to support delivery of UKSPF and REPF. As the Council already have a Strategic Growth Board it has been agreed that this will act as the Partnership Board and for meetings which focus solely on UKSPF and REPF additional attendees will be invited to join as required.
- 3.17. In addition to this, the Council is keen to engage with a range of stakeholders and has therefore produced a communication and engagement plan (Appendix B). This sets out the engagement activity that is planned for the three years of the funding.

## **4. Risks and Uncertainties**

- 4.1. There is a risk that funding will not be spent/allocated within the required timescales. There is a project management framework that is supporting delivery of UKSPF and REPF and additional resources are being recruited to try and avoid this. Government have also indicated there will be some flexibility in the allocations for each year.
- 4.2. There is a risk that groups and businesses will not have the capacity to apply for any grant funding that is available. Officers from the Council will be able to support groups and additional resources are being planned to provide business and community support from UKSPF allocation.
- 4.3. There is a risk that existing business support and people and skills provision (funded by ESIF) will end before an alternative option is available. Officers from the Council are working with colleagues from across Nottinghamshire to, where possible, jointly commission new programmes of support to meet the needs of communities and businesses across the area.

## **5. Implications**

### **5.1. Financial Implications**

5.1.1. UKSPF and REPF will be paid at the start of each financial year or on sign off of investment plans for year one. As set out above the breakdown of funding over the three years is as follows:

- 2022/23 - £312,071
- 2023/24 - £773,189 (includes £149,048 of REPF)
- 2024/25 - £2,082,395 (includes £447,145 of REPF).

5.1.2. Government has advised that Local Authorities can allocate up to 4% of the UKSPF allocation only over the three years to management/administration costs. For Rushcliffe this amounts to £102,858 and some of this will be used to recruit a new Project Implementation Officer and the remainder will be offset against existing staff costs.

5.1.3. All activity outlined will be covered by the Borough Council's allocation of UKSPF and REPF. A dedicated cost code has been set up to support monitoring and reporting on spend. Adjustments to budgets and the capital programme will be made as required over the three years.

## 5.2. Legal Implications

5.2.1. There are no legal implications associated with this report.

## 5.3. Equalities Implications

5.3.1. An Equalities Impact Assessment has been completed for the delivery of UKSPF and REPF. As outlined above one of the principles the Council has agreed for the funding is that it should support businesses and communities across the Borough, reflecting the diverse needs of the area.

## 5.4. Section 17 of the Crime and Disorder Act 1998 Implications

5.4.1. There are no crime and disorder implications associated with this report.

## 6. Link to Corporate Priorities

Quality of Life	UKSPF is part of Government Levelling Up agenda and its primary goal is to build pride in place and increase life chances across the UK.
Efficient Services	There is no contribution from the UKSPF or REPF initiatives towards this corporate priority.
Sustainable Growth	The UKSPF and REPF will support businesses across the Borough with a range of opportunities across the life of the funding.

The Environment	The Environment and sustainability are key areas of focus for UKSPF and REPF and Rushcliffe's investment plan identified funding to support communities and businesses. Including support on how to reach net zero and grants to make required improvements e.g., to buildings.
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## 7. Recommendations

It is RECOMMENDED that the Growth and Development Scrutiny Group:

- a) Review proposals for year two and make suggestions for additional priorities and projects to support
- b) Review the stakeholder engagement plan and identify any additional groups to engage with or ways to engage.

<b>For more information contact:</b>	Leanne Ashmore Director of Development and Economic Growth LAshmore@rushcliffe.gov.uk
<b>Background papers available for Inspection:</b>	UKSPF report to Cabinet July 2022
<b>List of appendices:</b>	Appendix A - UKSPF and REPF interventions Appendix B - Stakeholder engagement plan