

Regeneration and Property Committee	
Meeting Date	26 th September 2022
Report Title	Rural England Prosperity Fund
EMT Lead	Emma Wiggins Director of Regeneration and Neighbourhoods
Head of Service	Joanne Johnson Head of Regeneration, Economic Development and Property
Lead Officer	Kieren Mansfield Economic Development and External Funding Manager
Classification	Open
Recommendations	<ol style="list-style-type: none"> 1. To agree to prioritise interventions and outcomes which best support delivery of the Council's adopted strategy framework, informed by consultation with local stakeholders relevant to the Rural England Prosperity Fund. 2. To agree to the political membership of the Member Working Group and associated terms of reference appended to the report. 3. To delegate the submission of the final addendum to the UK Shared Prosperity Fund Local Investment Plan to the Head of Regeneration, Economic Development and Property, in consultation with the Chair of the Regeneration and Property Committee.

1 Purpose of Report and Executive Summary

- 1.1 This report sets out details regarding the Rural England Prosperity Fund (REPF), from which Swale Borough Council has received a funding allocation of £502,995. To access this funding the Council must produce an addendum to the Local Investment Plan it submitted for the UK Shared Prosperity Fund (UKSPF) in August 2022, by no later than 30th November.
- 1.2 This report makes recommendations as to the basis on which local priorities relevant to the REPF are chosen and put forward and seeks delegated authority for the final addendum to the Local Investment Plan to be submitted.

2 Background

- 2.1 On 3rd September the Government unexpectedly launched the £110 million Rural England Prosperity Fund. The REPF is integrated into the UKSPF which supports productivity and prosperity in places that need it most. For eligible local authorities, funding allocations are a rural top-up to UKSPF allocations. This is

the link to the published prospectus for the fund [Rural England Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/111111)

- 2.2 Swale's allocation is £502,995 for the financial years 2023/24 and 2024/25. DEFRA has used data to identify eligible authorities and allocations have been calculated on the basis of rural population, rural business and productivity and the importance of farming in each local authority area. At the time of writing no information was available as to how the funding is profiled across the two financial years that it will operate.
- 2.3 The REPF objectives sit within the UKSPF investment priorities for supporting Local Business and Community and Place. The funding allocation provides **capital** funding only for a more limited set of interventions that government has provided. These can be found at **Appendix 2** and are focused on:
 - supporting 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
 - supporting new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy
- 2.4 As with the UKSPF, there is no recommended split across the priorities, with areas invited to balance investment according to local need and opportunity. There is also a requirement to demonstrate how investment supports net-zero objectives. Match funding is not required, although lead authorities are strongly encouraged to consider match funding and leverage options.
- 2.5 The prospectus specifies that projects must be in a rural area, defined as:
 - towns, villages and hamlets with populations below 10,000 and the wider countryside
 - market or 'hub towns' with populations of up to 30,000 that serve their surrounding rural areas as centres of employment and in providing services
- 2.6 The above would indicate that most of the Borough would potentially be eligible, other than urban Sittingbourne. Clarification will be needed and sought from Government as to the coverage of grant eligibility. The statistical basis it uses to define settlements could impact on some locations, notably Minster on the Isle of Sheppey.
- 2.7 This funding should not replace funding plans for rural areas under the UKSPF submission already made, but rather is a top-up to help address the extra needs and challenges facing rural areas.
- 2.8 To access the funding Swale Borough Council must submit an addendum to the UKSPF Investment Plan submitted, between 3rd October and 30th November 2022. The online portal follows a similar format to that original document and should set out the context, issues and interventions that the REPF allocation will

be used for. The published timeline indicates that announcements of successful plans will be made in January 2023.

- 2.9 Whilst developing the plans, Local Authorities are expected to consult with the local partnership group established to support the UKSPF programme and with relevant local stakeholders. Local MPs should also be consulted.

3 Proposals

- 3.1 As with the UKSPF, the relatively limited size of the rural funding allocation means that there will be challenges in determining how the investment should be targeted and what interventions should be funded.
- 3.2 It is recommended that the approach is consistent with that undertaken for the core UKSPF funding allocation and that interventions and outcomes are considered against the Council's adopted strategy framework.
- 3.3 There is greater opportunity for this to be informed by consultation with relevant local stakeholders regarding the issues and priorities relevant to the Rural England Prosperity Fund. This would include Parish Councils, Swale Councillors, community organisations, relevant businesses and local MPs.
- 3.3 Consideration will also need to be given to the existing commitments identified through the UKSPF Local Investment Plan and how the two funding allocations will work together during the 2023/24 and 2024/25 financial years.

Distribution of funding

- 3.5 Unlike the UKSPF, the metrics used to determine the rural funding allocation for Swale do not readily provide a locally based equivalent approach to inform an indicative allocation of funds between the different parts of the Borough.
- 3.6 Subject to further clarification, and reflecting that the funding is all capital, it appears that the REPF Prospectus points local authorities more directly towards grant funding projects. This is consistent with the approach used for local, rural funding that has previously been made available through LEADER programmes, for which this funding is seen as a replacement.
- 3.7 At this stage it is therefore difficult to recommend an indicative geographical distribution of the funding, but in considering the interventions for which the money should be used, some degree of geographical balance may need to be considered.

Member and Local Partnership Inputs

- 3.8 A process is required to prioritise activity and projects within the available funding. It is recommended that a Member Working Group is, again, formed, supported by the Local Partnership Group that has been created for the UKSPF core allocation.

- 3.9 It is recommended that the Member Working Group is comprised of Members that reflect the geographical coverage of the REPF (as we understand it at this time) and includes one representative from each administration group; one representative from Independents First and one representative from the Conservative Group.
- 3.10 Draft terms of reference for the Member Working Group can be found at **Appendix 1**, which is an amended form of that agreed by the UKSPF Member Working Group.
- 3.11 It is recommended that delegated authority for the sign off and submission of the final Addendum to the Local Investment Plan is given to the Head of Regeneration, Economic Development and Property, in consultation with the Chair of the Regeneration and Property Committee.

4 Alternative Options

- 4.1 Do nothing. This is not recommended as the submission of an Addendum to Local Investment Plan is required to unlock the funding allocation that has been made to Swale Borough Council.
- 4.2 An open invitation to external partners to bid against the funding allocation and themes could be extended. This is not recommended, but consultation with stakeholders about relevant issues and priorities can help inform the development of the approach taken and be considered against the Council's adopted policies. This does not imply an exclusively Council led programme of delivery, as there can be scope for external organisations to come forward with and/or deliver proposals that sit within the framework set.

5 Consultation Undertaken or Proposed

- 5.1 The report sets out recommendations for the involvement of the Local Partnership Group created to support the delivery of UKSPF funding and to consult with relevant local stakeholders on the issues and priorities relevant to the REPF. Internal dialogue with officers across services will also be held.

6 Implications

Issue	Implications
Corporate Plan	The report recommends that the Council's adopted strategy Framework, of which the Corporate Plan is the parent document, provides the basis upon which the Addendum to the Local Investment Plan is developed. Depending on the final choices made in respect of the interventions to be pursued, the REPF will contribute to multiple Corporate Plan Priorities.

Financial, Resource and Property	<p>The UKSPF does not require any match funding, but development and subsequent implementation and monitoring of the plan will require significant officer time. With no provision made for this in the funding, this will need to be managed within the existing staff resource in Economic Development, External Funding and Destination and Place teams. The preparation for and management of multiple funding streams will place a significant burden on the relevant staff.</p> <p>Once the REPF allocation is secured payments will be made annually in advance, after which REPF investments would need to be monitored for any potential overrun on spend and managed within the confines of the agreed funding allocation for the relevant financial year.</p>
Legal, Statutory and Procurement	<p>At the time of writing the implications of the REPF are unclear. It may be necessary to undertake significant procurements to deliver the plan, but the nature and scale of these is not yet known. Any plan agreed with Government will need to ensure compliance with subsidy control and any procurement and other rules set around the funding. Subject to the receipt of guidance further advice may be required.</p>
Crime and Disorder	None identified at this stage
Environment and Climate/Ecological Emergency	The UKSPF prospectus indicates that overall investment should demonstrate contribution to net zero and nature recovery objectives.
Health and Wellbeing	None identified at this stage
Safeguarding of Children, Young People and Vulnerable Adults	None identified at this stage
Risk Management and Health and Safety	<p>The primary risks are associated with the final approval of the addendum to the UKSPF Local Investment Plan, securing the funding and the subsequent management of budgets, outputs and outcomes within and between financial years. Compliance with subsidy control and any procurement and other rules set around the funding will also be necessary, subject to the receipt of further guidance.</p>
Equality and Diversity	None identified at this stage, although the Local Investment Plan and individual interventions will need to be considered as part of an equalities impact assessment.
Privacy and Data Protection	None identified at this stage, although the Local Investment Plan and individual interventions with individuals as beneficiaries will need to be considered in light of this.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- **Appendix I – Draft Terms of Reference for a REPF Member Working Group**
- **Appendix 2 - Rural England Prosperity Fund: interventions, objectives, outputs and outcomes**

8 Background Papers

i) [Rural England Prosperity Fund Prospectus](#)

APPENDIX 1: Draft Terms of Reference for the Rural England Prosperity Fund Member Working Group

<p>TERMS OF REFERENCE:</p>	<p>Rural England Prosperity Fund (REPF) – Member Working Group</p>
<p>CHAIRPERSON</p>	<p>Chair – Chair of the Regeneration and Property Committee</p>
<p>MEMBERSHIP:</p>	<ul style="list-style-type: none"> • One representative from each administration group • One representative from Independents First • One representative from the Conservative Group
<p>OPERATION OF GROUP</p>	<p>The Member Working Group will meet and/or review papers to consider and advise as to the content of the REPF addendum to the UKSPF Local Investment Plan. This is to be submitted to Government by 30 November 2022.</p> <p>At least two meetings to take place prior to the submission of the plan, and – given the timescales - there may be a requirement for ad hoc input via email.</p>
<p>PURPOSE:</p>	<ol style="list-style-type: none"> 1. To act as a working group for the Regeneration and Property Committee, with a focus on the development of the REPF addendum, up to its submission to Government. 2. To draw on the expertise of relevant local stakeholders and the Local Partnership Group formed as requirement of the core UKSPF funding. 3. To make recommendations to prioritise activity and projects for the REPF addendum, reflecting the views of partner organisations and other stakeholders as necessary
<p>CONDUCT OF MEETING:</p>	<p>Papers relevant for a meeting will be circulated at least 3 days prior to the meeting wherever possible</p> <ol style="list-style-type: none"> 1. Notes of any meetings will be circulated within 1 week of the meeting. 2. Officers or Members named for actions in the report will update the group on progress against these tasks. 3. Where decisions and/or recommendations are to be made, the group will seek to achieve this by consensus or by a clear majority view. Where no clear majority view is reached the mix of views will be considered by officers and the Chair for fair representation in the final REPF addendum submitted.