

# Chichester District Council

Council

27 September 2022

## Rural England Prosperity Fund

### 1. Contacts

#### Report Author:

Diane Shepherd – Chief Executive

Tel: 01243 534710 Email: dshepherd@chichester.gov.uk

#### Cabinet Member:

Eileen Lintill – Leader of the Council

Tel: 01798 342948 Email: elintill@chichester.gov.uk

### 2. Recommendations

- 2.1 That Council agrees an addendum to Chichester District Council's UK Shared Prosperity Investment Plan is submitted to enable the release of the Rural England Prosperity Fund**
- 2.2 That Council agrees delegated authority is approved for Chief Executive, Director for Corporate Services and the Director for Growth and Place to submit the addendum in consultation with the Leader of the Council and the Leader of the Opposition.**

### 3. Background

- 3.1 The Rural England Prosperity Fund (REPF) has been recently announced as a successor to EU funding from the LEADER and Rural Development programmes. The fund builds on and complements the UK Shared Prosperity Fund (UKSPF), acting as a top-up funding for eligible rural areas. Chichester has been identified as eligible and has been given an indicative allocation of £718,472 for a two-year period from April 2023. This is in addition to the £1m the Council have already been provisionally allocated from the UK Shared Prosperity Fund (UKSPF) for a three-year period commencing this year when awarded
- 3.2 CDC's UKSPF Investment Plan was submitted in July 2022, to access the additional funding in the form of the REPF further information must now be submitted as an addendum to this plan.
- 3.3. The REPF fund aims to strengthen the rural economy and rural communities, addressing the particular challenges rural areas face, including poorer connectivity, lower productivity and poorer access to services. It can be used to fund capital projects for small businesses and community infrastructure to

benefit the wider local economy in rural areas. This includes support for new and existing businesses to develop new products and facilities and support for new and improved community infrastructure and assets. REPF funding can provide additional funding for projects already identified in our UKSPF investment plan, where the objectives are the same.

- 3.4 Our addendum must outline how the Council can use the new funding to support rural businesses and communities and justify those plans, including local evidence of challenges we face, market failures and opportunities.
- 3.5 Local Authorities will be responsible for distributing this funding and can deliver projects directly, or provide grants to third parties, as is the case with the UKSPF. A process for distributing the UKSPF funding as grants from April 2023 onwards is being developed, which could be extended to include REPF funding. Ongoing monitoring of delivery under the REPF will also be combined with the reporting and monitoring processes set out for the UKSPF.
- 3.5 The REPF is all capital with no revenue expenditure allowed, unlike the UKSPF. Any grants provided must be spent on assets such as buildings or equipment. The guidance is clear that we cannot fund running costs or promotional activities with REPF money. We also cannot fund projects that have already benefitted from other current DEFRA funding.
- 3.6 Unlike the UKSPF, not all local authorities are eligible for the Rural England Prosperity Fund. For West Sussex, Chichester and Horsham District Councils are the only two local authorities who have been identified as meeting the criteria to receive the fund.
- 3.7 The guidance requires us to set out how we will ensure value for money, how we have considered environmental factors (e.g., Net Zero, nature recovery) and additionality (that the outcome would not have been achieved without the intervention). Any underspends will need to be returned at the end of each financial year and projects are all expected to complete by 31<sup>st</sup> March 2025. The deadline for the submission of the addendum is 30 November 2022.
- 3.8 The Rural Fund objectives sit within the UKSPF investment priorities for Supporting Local Business, and Community and Place. They also relate to two of the Levelling Up White Paper Missions – Living Standards and Pride in Place. 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.

A list of interventions, objectives, outputs and outcomes has been provided. Most of these are the same as the UKSPF interventions for Supporting Local Business and Communities and Place. There are also 2 extra interventions

providing funding for small scale investment in micro and small enterprises in rural areas and rural circular economy projects.

#### 4. Proposal

- 4.1 It is proposed that an addendum to the UKSPF investment Plan to cover the requirements of the REPF is submitted to DLUHC.
- 4.2 Due to the tight timescales it is proposed that the Chief Executive, Director of Corporate Services and Director of Growth and Place, under delegated authority, in consultation with the Leader of the Council and the Leader of the Opposition party agree the final addendum to be submitted.

#### 5. Resource and Legal Implications

- 5.1 Officers who have previously been involved in producing the UKSPF Investment Plan will undertake the work required to meet the requirements of the funding process.
- 5.2 On approval of the REPF, the allocation will be given to CDC to manage. This will include assessing and approving applications for a share of the fund to other organisations, processing payments, day-to-day monitoring, contracting, evaluation, and ongoing stakeholder engagement, the additional resource applied for under the UKSPF for Administration will assist with this process.

#### 6. Community Impact and Corporate Risks

- 6.1 The allocation of funds to Chichester District will have a positive impact on the area.

#### 6.2 Other Implications

Are there any implications for the following?		
	Yes	No
<b>Crime and Disorder</b>		X
<b>Climate Change and Biodiversity</b> A number of the projects will have a positive impact	Yes	
<b>Human Rights and Equality Impact</b>		X
<b>Safeguarding and Early Help</b>		X
<b>General Data Protection Regulations (GDPR)</b>		X
<b>Health and Wellbeing</b>		X

#### 7. Appendices

- 7.1 None

#### 8. Background Papers

- 8.1 None