

Rother District Council

Report to: Cabinet

Date: 17 July 2023

Title: UK Shared Prosperity and Rural England Prosperity Fund

Report of: Joe Powell, Head of Housing and Regeneration

Cabinet Member: Councillor Bayliss

Ward(s): All

Purpose of Report: To present details of the UK Shared Prosperity Fund and Rural England Prosperity Fund Investment Plan and Revenue and Capital Budget Allocation. Request approval to progress the project to both procurement, contract, and delivery stages.

Decision Type: Non-Key

Officer

Recommendation(s): **Recommendation to COUNCIL:** That:

- 1) the Rural England Prosperity Fund with a value of £603,963 be added to the Capital Programme;
- 2) the Revenue Budget be updated to include the 2023/24 allocation of £232,490 UK Shared Prosperity Fund, and the 2024/25 allocation of £514,572 to be noted for next year. An additional £40,000 per annum for 2023 – 2025 from the Homelessness Prevention Grant will be added to the People and Skills Budget;
- 3) the principles of the Investment Plan and the approach to distribution as described be noted;
- 4) delegated authority be granted to the Director – Place and Climate Change, in consultation with the Portfolio Holder for Regeneration and Economic Development and the Portfolio Holder for Planning and Member Training Champion, to agree the final rural business grant awards, based upon the recommendations of the Partnership Panel;
- 5) delegated authority be granted to the Director – Place and Climate Change, in consultation with the Portfolio Holder for Regeneration and Economic Development and Portfolio Holder for Planning and Member Training Champion, to agree the final community grant awards; and
- 6) delegated authority be granted to the Director – Place and Climate Change, in consultation with the Portfolio Holder for Regeneration and Economic Development and Portfolio Holder for Planning and Member Training Champion, to enter into the necessary agreements for the procurement of services and the distribution of all remaining funding.

Reasons for

Recommendations: To enable the UKSPF and REPF Investment Plan to progress.

Introduction

1. Rother District Council (RDC) has been allocated £1,000,000 through the UK Shared Prosperity Fund (UKSPF) and £603,963 from the Rural England Prosperity Fund (REPF) to support the levelling up aims:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging.
- Spread opportunities and improve public services, especially in those places where they are weakest.
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost.
- Empower local leaders and communities, especially in those places lacking local agency.

The funding is split into three priority themes as defined by the Department of Levelling Up, Housing and Communities (DLUHC):

- Community and Place
- Supporting Local Business; and
- People and Skills

2. The timeframe set by DLUHC is for all funds to be spent by March 2025. The original timeframe for UKSPF was April 2022 to March 2025 and REPF April 2023 to March 2025. However, DLUHC has agreed to carry forward the UKSPF funding for 2022/23 into the 2023/24 budget allocation due to delays with funding agreements. The Memorandum of Understanding for both funds was signed off by the RDC Interim Chief Executive and the RDC Interim Chief Finance Officer in June 2023.

3. RDC's UKSPF allocation is a mix of revenue and capital funding and can be spent anywhere in the Rother District.

UK SHARED PROSPERITY FUND				
	2022/23	2023/24	2024/25	Total
Revenue	£78,539	£153,951	£514,572	£747,062
Capital	£9,937	£23,000	£220,000	£252,937
Total	£88,476	£176,951	£734,572	£1,000,000

4. REPF is all capital expenditure. £603,963 is funding allocated for community and local businesses in rural areas. It can be spent anywhere in rural Rother with populations under 10,000 people, therefore the Bexhill area including Little Common and Sidley is excluded from accessing the REPF.

RURAL ENGLAND PROSPERITY FUND				
	2022/23	2023/24	2024/25	Total
Capital	-	£230,000	£373,963	£603,963

Details of the proposals

5. In June 2022, the Council gathered community partners, local businesses and local authority leaders to create a Rother Shared Prosperity Fund Local Partnership Group (RSPFLPG) to inform the process for managing the UKSPF funding and developing an Investment Plan. The Partnership is chaired by the Leader of RDC, with representation from the Cabinet Portfolio Holder for Regeneration and Economic Development, the Chair of the Overview and Scrutiny Committee (OSC) and the Rother MPs. The partnership met on the 6 June 2022 and agreed the Terms of Reference and the process for overseeing UKSPF.
6. A second RSPFLPG meeting was held on 8 June 2023 where the Investment Plan was discussed and endorsed by the Partnership.
7. There will be two methods of distributing the grant funding, one through East Sussex County Council (ESCC) working on behalf of the districts and boroughs for East Sussex-wide projects and the second by RDC for projects with a Rother focus.
8. Funding in the Investment Plan has been allocated through the submission of projects by external organisations and partners, and through consultation with local authority colleagues and community organisations. Projects were prioritised under the three DLUHC priority themes and assessed against RDC's Corporate Plan, The Anti-Poverty Strategy, The Economic Recovery Action Plan and the Environment Strategy. The Investment Plan, including its deliverables were developed and submitted to DLUHC in Autumn 2022 and approved in January 2023. See Appendix A for a list of the deliverables against the interventions.
9. The proposed UKSPF allocation of funding, as set out in the Investment Plan for approval, can be found at Appendix B.
10. Intervention E33 Employment support will include an additional £40,000 per annum from the Homelessness Prevention Grant to fund an additional role to embed employability within the prevention of homelessness which will be added to the UKSPF budget of £186,000 to provide a total budget of £226,000.
11. The REPF was announced in Autumn 2022 and RDC added an addendum to the UKSPF Rother Investment Plan to include REPF investment. This was submitted in November and approved by DEFRA and the DLUHC in April 2023.
12. The proposed REPF allocation of funding as set out in the Investment Plan for approval can be found at Appendix C.
13. It is proposed that the grant is awarded following an open application process to procure services or award grant, as appropriate. Officers are working with the Procurement Hub and Legal Services to develop these processes. It is proposed that grant awards and procured services are monitored and administered through either existing Council grant processes or administered by ESCC utilising their processes, with assessment sitting with the grant panel and a newly formed grant advisory panel.

Risks

14. The proposed Investment Plan has been developed in collaboration with the RSPFLPG as required by the conditions of the UKSPF and REPF grants respectively. The process has provided RDC with an Investment Plan that is endorsed by local partners and stakeholders. There is a risk that if the Investment Plan is not approved, it could result in delays and the possible clawback of funding from the DLUHC.
15. Further, by accepting both grants and their respective conditions from DLUHC, RDC is committing to overseeing the successful delivery of the Investment Plan and the stated outcomes. There is a risk of grant clawback if these conditions are not met. RDC has therefore recruited a dedicated officer to oversee the monitoring of the Investment Plan. The officer will continue to report the performance of the Investment Plan to the RSPFLG. It is proposed that periodic updates on the performance of the Investment plan are made to the OSC.

Conclusion

16. The investment planning process to allocate funding has involved partner consultation with many community and business organisations. The Investment Plan aligns with council policies: the Council's Corporate Plan, The Anti-Poverty Strategy, The Economic Recovery Action Plan and the Environment Strategy and will be delivered in partnership with ESCC and neighbouring Wealden District Council and Eastbourne and Lewes District Council, where appropriate, for a Sussex wide offer.
17. This report requests the approval of the capital and revenue funding programme to be included in the Councils' budgets, and for the authority for the delivery and mobilisation of the Investment Plan as outlined in the report to be delegated to the Director – Place and Climate Change.

Financial Implications

18. The financial implications of proceeding with the capital and revenue grant allocations are detailed within the report. The officer resource allocated to the project will be responsible for ensuring that the grant conditions are met, and the monitoring of the projects will form part of routine revenue and capital budget monitoring. Periodic project performance updates will be made to OSC.

Legal Implications

19. Legal services and the Procurement Hub are working with officers to ensure all funding allocations have appropriate grant agreements in place on use of the funding and reporting on performance evaluation.

Environmental

20. The Investment Plan has been developed in consultation with the RDC Environment Strategy Officer to ensure that it delivers on the RDC and DLUHC environment strategies and policies.

Sustainability checks will take place as part of the procurement of services and will be included in the business and community grant schemes at the

application stage to ensure funding is demonstrating and complying with environmental practices.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	Yes	Access to Information	No
Risk Management	No	Exempt from publication	No

Chief Executive:	Lorna Ford (Interim Chief Executive)
Report Contact Officer:	Joe Powell
e-mail address:	joe.powell@rother.gov.uk
Appendices:	A – UKSPF and REPF Interventions List B – UKSPF Investment Plan Summary C – REPF Investment Plan Summary
Relevant Previous Minutes:	
Background Papers:	N/A
Reference Documents:	N/A

UKSPF INVESTMENT PLAN SUMMARY

UKSPF PRIORITY THEME	UK SPF INTERVENTION	PROJECT	BUDGET
Communities and Place	E2: Funding for new, or improvements to existing, community and neighbourhood infrastructure projects	Capital grant funding allocated for delivery of Rother net zero village hall infrastructure works with urban parish councils.	£80,000 (Capital)
Communities and Place	E6: Support for local arts, cultural, heritage and creative activities.	Grant funding to support cultural projects which feed into the Turner Prize exhibition of events. Match funded by East Sussex Arts Partnership. (£35,000)	£35,000 (Revenue)
Communities and Place	E11: Investment in capacity building and infrastructure support for local civil society and community groups	Community coastal biodiversity interpretation project, delivery through RDC.	£30,000 (Revenue)
Supporting Local Businesses	E17: Funding for the development and promotion (both trade and consumer) of the visitor economy, such as local attractions, trails, tours and tourism products more generally.	3-year investment in the roll out of the wine investment plan in Rother working in collaboration with Sussex Modern. Delivering car free itineraries and wine and tourism trails in Rother.	£40,000 (Revenue)
Supporting Local Businesses	E21: Funding for the development and support of appropriate innovation infrastructure at the local level.	Delivery of Rye Fisheries Project, investment in a developmental kitchen to secure a local fishing industry. Education and marketing reinvested as match funding. Approved by Cabinet 27 March 2023	£172,937 (Capital)
Supporting Local Businesses	E23: Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.	Delivery costs for a Rother business network and events to be created, supporting and connecting local businesses and networks.	£35,838 (Revenue)
Supporting Local Businesses	E24: Funding for new and improvements to existing training hubs, business support offers, 'incubators' and 'accelerators' for local	Start up and Specialise Programme delivered by ESCC delivering a diagnostic of business needs and referral to specialise services.	£100,000 (Revenue)

UKSPF PRIORITY THEME	UK SPF INTERVENTION	PROJECT	BUDGET
	enterprise (including social enterprise) which can support entrepreneurs and start-ups through the early stages of development and growth by offering a combination of services including account management, advice, resources, training, coaching, mentorship and access to workspace.	Partnership programme across East Sussex.	
Supporting Local Businesses	E29: Supporting decarbonisation and improving the natural environment whilst growing the local economy. Taking a whole systems approach to invest in infrastructure to deliver effective decarbonisation across energy, buildings and transport and beyond, in line with our legally binding climate target.	Procurement of services for the delivery of decarbonisation business support and resources, and bespoke action planning and grants.	£150,000 (Revenue)
Supporting Local Businesses	E30: Business support measures to drive employment growth, particularly in areas of higher unemployment.	Procurement of a business support programme providing 121 support sessions and grants for businesses to support employment growth.	£101,190 (Revenue)
People and Skills	E33: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills.	Rother delivery of the Moving On Up project by ESCC. To support individuals who currently reside in temporary housing, supported accommodation and refuges, as well as those who are furthest from the workplace and those who are at risk of homelessness. An additional £80,000 (2023-2025) will be allocated from the Homelessness Prevention Grant to provide	£186,000 (Revenue) Plus £80,000 from the Homelessness Prevention Grant.

UKSPF PRIORITY THEME	UK SPF INTERVENTION	PROJECT	BUDGET
		a Homeless Prevention Employability Broker role for Rother. Partnership programme across East Sussex.	
People and Skills	E38: Support for local areas to fund local skills needs.	Funding to support cultural delivery of emerging artist pathways programme in Rother.	£35,000 (Revenue)

REPF INVESTMENT PLAN SUMMARY

PRIORITY THEME	UK SPF INTERVENTION	PROJECT	BUDGET
Communities and Place	Funding (capital grants) for investment in capacity building and infrastructure support for local civil society and community groups.	Capital grant scheme delivered by Rother District Council utilising existing community grant processes. For the provision of net zero infrastructure for rural communities and to support rural tourism activity.	£100,000 (Capital)
Communities and Place	Funding (capital grants) for creation of and improvements to local rural green spaces.	Capital grant scheme delivered by Rother District Council utilising existing community grant processes. To establish or enhance rural green and blue infrastructure.	£100,000 (Capital)
Supporting Local Businesses	Funding (capital grants) for small scale investment in micro and small enterprises in rural areas. Including capital funding for net zero infrastructure for rural. Creation and expansion of rural leisure and tourism businesses. Funding (capital grants) for growing the local social economy and supporting innovation.	Capital grant scheme delivered by ESCC for Rother in partnership with Wealden District Council. Grants	£303,963 (Capital)
Supporting Local Businesses	Funding (capital grants) for the development and promotion (both trade and consumer) of the visitor economy	Capital investment in visitor economy infrastructure in partnership with Sussex Modern.	£100,000 (Capital)