



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 6 FEBRUARY 2025
Subject	UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF) update
Wards affected	All
Accountable member	Councillor Tristan Wilkinson Cabinet Member for Economy and Environment Email: tristan.wilkinson@cotswold.gov.uk
Accountable officer	Joseph Walker, Head of Economic Development and Communities Email: Joseph.Walker@Cotswold.gov.uk
Report author	Paul James, Economic Development Lead Email: Democratic@Cotswold.gov.uk
Summary/Purpose	To update Cabinet on the delivery of UK Shared Prosperity Fund and Rural England Prosperity Fund projects to date and seek approval for the approach to the delivery of UKSPF projects in 2025/26 along with the necessary delegations.
Annexes	Annex A – UKSPF Spend/Allocations to date Annex B – REPF Spend/Allocations to date
Recommendation(s)	That Cabinet resolves to: <ol style="list-style-type: none">1. Note the progress with the delivery of UKSPF and REPF projects to date.2. Note that the Council has been awarded UKSPF funding of £327,146 for 2025/26.3. Agree to allocate up to £140,000 of funding for 2025/26 to Cirencester Growth Hub and up to £50,000 to a local employment and skills project4. Delegate authority to the Chief Executive, in consultation with the Cabinet Member for Economy and Environment, to allocate the remaining funding, having regard to the



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	recommendations of the UKSPF Assessment Panel.
Corporate priorities	<ul style="list-style-type: none">• Responding to the climate emergency• Supporting communities• Supporting the Economy
Key Decision	YES
Exempt	NO
Consultees/ Consultation	Consultation has taken place throughout the running of the UKSPF and REPF programme, through the Cotswold Economic Advisory Group, the UKSPF Assessment Panel and the UKSPF Partnership Group, all of which contain key stakeholders.



1. EXECUTIVE SUMMARY

- 1.1** The Council was awarded £1 million of funding from the Government's UK Shared Prosperity Fund in 2022, spread over three financial years from 2022-23 to 2024-25. In addition, the council was awarded a further £764,292 from the Rural England Prosperity Fund over two years (2023-24 and 2024-25).
- 1.2** Cabinet has received a number of reports about the approach to and the progress with the use of these two funds. Projects supported by this funding are progressing well, delivering on agreed outputs and outcomes and making a real difference across the district. The vast majority of funding has been allocated and Officers will be working hard to ensure as much of the funding as possible is spent before the 31 March 2025 as the Government has made clear that any underspend will need to be returned.
- 1.3** The Government announced in the Autumn Budget that the UKSPF would be extended for a further year in 2025-26 at a reduced rate. The Council's allocation is £327,146. This report sets out the proposed approach for the use of these funds, including continuing to support the Cirencester Growth Hub and a local employment and skills-related project.

2. BACKGROUND

- 2.1** The Council was advised in April 2022 that it has been provisionally awarded £1 million over three years (2022-23, 2023-4 and 2024-5) from the Government's UK Shared Prosperity Fund (UKSPF), subject to the approval of a Local Investment Plan setting out how the funds would be used. The fund had three themes – Communities and Place, Supporting Local Business and People & Skills and the funding had to be spent on activities from a menu of 'interventions' set out by the Government. The Local Investment Plan was approved in December 2022. In addition, the Council was awarded £764,292 in September 2022 from the Rural England Prosperity Fund (REPF), which is a linked fund targeted at improving rural productivity and connectivity. This was subject to approval of an addendum to the Local Investment Plan, which took place in April 2023.



2.2 UK Shared Prosperity Fund

Funding from the UKSPF was split across the three years as follows: £109,563 in 2022/23, £219,127 in 2023/24 and £671,310 in 2024/25.

2.3 Cabinet has received reports on the UKSPF, in [July 2022](#), [March 2023](#) and [January 2024](#). The January 2024 report was a joint UKSPF/REPF update. These reports set out the Council's approach to the use of funds, approved funding for certain projects and delegated authority to allocate the remaining funds to the Chief Executive in consultation with the Cabinet Member.

2.4 The use of UKSPF funding is set out in Annex 1, but some of the main items of expenditure have included:

Cirencester Growth Hub – up to £135,000 a year over two years to operate an outreach service for businesses across the district.

The Grace Network - £75,000 to help bring the former House of Fraser building in Cirencester Market Place back into use.

Gloucestershire Employment and Skills Hub Outreach (ESHO) project – £70,000 to help bring economically inactive people back into work, training or volunteering.

2.5 Rural England Prosperity Fund

Cabinet has also received reports on the REPF, in [November 2022](#) and [July 2023](#) and the joint report in January 2024 referred to in para 2.2 above. The REPF funding was used in a number of different ways, as follows:

Business Grants - £410,000 was allocated for business grants with £402,616.60 awarded from a single round of applications. Individual grants were for between £5000 and £50,000 and applicants were required to give a minimum of 50% match funding.

Village Hall Grants – £104,292 was allocated over two years for improvements to village halls, with a particular focus on sustainability. Of this allocation, £87,391 has been awarded to date through three application rounds. This scheme has been administered on behalf of the Council by GRCC (formerly Gloucestershire Rural Community Council) who have contacted every village hall in the district several times. Projects have included solar panels, improved lighting and insulation.



Active Travel – A number of active travel schemes have been approved, including improving and extending paths in Lechlade and Fairford.

Cultural and heritage buildings – A number of schemes have been approved for cultural and heritage buildings, including a new heating system for Holy Ascension Church at Oddington and solar panels at Bowmoor Sailing Club in Lechlade.

The individual awards under the REPF are set out in Annex 2.

2.6 Applicants for both funds were required to deliver agreed outputs and outcomes in line with the Government's objectives. At the time of writing, the vast majority of funding has been allocated but, inevitably, with the number of individual projects involved it was always likely that some would take longer to deliver than anticipated.

2.7 For example, it had been thought that a new crossing on the Spine Road in the Cotswold Lakes area would be a strong candidate for funding but issues with the historic bridge adjacent to the proposed crossing point has meant the project cannot be delivered within the UKSPF/REPF timescale. Following confirmation from the Government that funding for 2024/25 must be spent by the 31 March 2025, funds which had been earmarked for the crossing have been allocated to other projects. It should be noted, however, that the ambition to deliver the Spine Road crossing remains. Design work is already underway and other sources of funding will be needed to complete the project.

3. FUTURE WORK

3.1 Officers will be working over the coming weeks to ensure as much of the Council's allocations under UKSPF and REPF is spent, with the aim of spending the whole amount, although it should be noted that as most projects are delivered by external partners this is, to a large extent, out of our control.

3.2 The Government announced in the Autumn Budget on 30 October that the UKSPF would be continued for another year in 2025-26 at a reduced level and confirmed in December 2024 that the Council's allocation would be £327,146, being £60,401 capital and £266,745 revenue funding. This level of funding is only very slightly less than the average over the previous three years. As with previous years of UKSPF funding, the Council can use 4% of the fund for management and administration costs. For the 2025-26 funding, this would equate to £13,086.



3.3 The Council is not required to submit a new Local Investment Plan. The new Government is retaining the three priorities of Communities and Place, Supporting Local Business and People & Skills but have introduced five sub-themes to align with their missions. These are 'healthy, safe and inclusive communities', 'thriving places', 'support for business', 'employability' and 'skills'. A number of sub-themes sit under these headings.

4. PROPOSED APPROACH FOR 2025-26

4.1 In reality, the changes at Government level will have a fairly minimal impact on the use of funds locally as determination of local priorities is a matter for the council. The kinds of projects the council has funded to date would still fit neatly within the Government's amended themes.

4.2 It is proposed that funding is continued for the Cirencester Growth Hub to maintain their outreach services to businesses across the district. They are on track to deliver their output and outcome targets and they have been the best-performing Growth Hub in the county in this respect. It is felt important to maintain the business support service that they offer. Further negotiation is needed with the Growth Hub to agree the final details, but it is recommended that, making a small allowance for inflation, that funding of up to £140,000 is agreed.

4.3 It is also recommended that the council continues to support a local employment and skills programme, to build on the progress of the ESHO initiative delivered in conjunction with The Churn Project in the Cotswold district. It is recommended that up to £50,000 is allocated for this activity.

4.4 If the two above items are agreed and the 4% allowance for management and administration is taken, slightly over £100,000 of the funding remains, £60,000 of which would need to be capital spend. It is acknowledged that overall this is a relatively small amount of money, particularly when spread across the district. The Growth Hub and employment and skills items relate to the Supporting Local Business and People & Skills priorities, so it is recommended that the remaining funding is concentrated on the Communities and Place priority.

4.5 It is recommended that expressions of interest are invited for the remaining funding. These will be evaluated by Officers and taken to the UKSPF Assessment Panel who will make recommendations. It is recommended that authority is delegated to the



Chief Executive in consultation with the Cabinet Member for Economy and Environment to make the final decision on funding allocations.

5. ALTERNATIVE OPTIONS

- 5.1** The Council could choose not to allocate funding to the Cirencester Growth Hub and the employment and skills project, but this would risk failing to build upon the progress achieved by these two initiatives to date.
- 5.2** The Council could invite expressions of interest for the entire funding allocation for 2025-26 but this would risk not spending the funding by the end date of March 2026. It would also mean that the two projects recommended for funding would lose momentum and potentially close with the loss of the staff involved in delivering them. This would make it more difficult to achieve the desired outputs and outcomes if it was subsequently decided to support the projects.

6. CONCLUSIONS

- 1.1.** The UKSPF and REPF have been valuable sources of funding for the Cotswold district over the past 2-3 years. They have supported a significant number of projects within the district, leveraging in additional investment, safeguarding and creating jobs and have helped the council towards its climate objectives.
- 6.1** The extension of the UKSPF for another year is also welcome and will enable the council to continue to support key projects and invite applications for the remaining funding, which will also bring benefits to businesses, communities and individuals in the district.

7. FINANCIAL IMPLICATIONS

- 7.1** Projects funded by both the UKSPF and REPF have been included in the Council's capital programme and will be funded from the Council's allocation of funding from the Government. The Government has thus far allowed underspends at the end of each financial year to be carried forward to the next financial year where a credible plan is in place to use the funding. However, in relation to the 2024/25 financial year all funding will need to be spent by 31st March 2025 otherwise any unspent portion will need to be returned to Central Government. Regular monitoring of spend and reporting to Government is being undertaken by the UKSPF Project Manager in conjunction with the Economic Development Lead and other relevant Officers.



8. LEGAL IMPLICATIONS

8.1 The Council has required project promoters to enter into a legal agreement with the Council. The Council undertakes due diligence before grants are awarded. The Council also ensures that grants are awarded in line with rules on Subsidy Control (formerly State Aid). It can take up to two months to complete all necessary checks and finalise the details of grant agreements. This should be factored into the decision when to seek input from Legal Services if 31st March is the deadline for awarding funding.

9. RISK ASSESSMENT

9.1 Each project has been assessed in terms of risks and managed using the Project Management Framework.

10. EQUALITIES IMPACT

10.1 Each project supported by the UKSPF & REPF has been assessed for its equalities impact.

11. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

11.1 The UKSPF & REPF prospectuses state that councils should consider how any investments from the funds contribute to nature recovery and Net Zero objectives, including reaching Net Zero by 2050, resilience to natural hazards and the 25 Year Environment Plan. Applicants were asked to demonstrate how their projects contribute to delivery of the Council's climate change objectives and form part of the consideration of application by the Assessment Panels, using a scoring matrix.

12. BACKGROUND PAPERS

12.1 None.

(END)