



Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>CABINET – 11 JANUARY 2023</b>
Subject	<b>UK SHARED PROSPERITY FUND AND RURAL ENGLAND PROSPERITY FUND UPDATE</b>
Wards affected	All
Accountable member	Cllr Tony Dale, Cabinet Member for Economy and Transformation Email: <a href="mailto:tony.dale@cotswold.gov.uk">tony.dale@cotswold.gov.uk</a>
Accountable officer	Claire Locke, Assistant Director (Property and Regeneration) Email: <a href="mailto:democratic@cotswold.gov.uk">democratic@cotswold.gov.uk</a>
Report author	Paul James, Economic Development Lead Email: <a href="mailto:paul.james@cotswold.gov.uk">paul.james@cotswold.gov.uk</a>
Summary/Purpose	To update Cabinet on the progress of the UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund projects, to approve the recommendations of the UKSPF Assessment Panel for 2024-25 projects and to seek delegated authority for the use of the remainder of the funding.
Annexes	A - Approved UKSPF Projects 2023/24 B - Recommendations of the UKSPF Assessment Panel
Recommendation(s)	That Cabinet resolves to: <ol style="list-style-type: none"><li>1. Note the progress of UKSPF projects and the current position with REPF;</li><li>2. Approve the recommendations of the UKSPF Assessment Panel for 2024-25 projects;</li><li>3. Delegate authority to the Chief Executive in consultation with the Cabinet Member for the Economy and Transformation to approve the use of the remaining UKSPF funding.</li></ol>
Corporate priorities	<ul style="list-style-type: none"><li>● Responding to the challenges presented by the climate crisis</li><li>● Helping residents and communities access the support they need for good health and wellbeing</li></ul>



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	<ul style="list-style-type: none"><li>Supporting businesses to grow in a green, sustainable manner, and to provide high value jobs</li></ul>
Key Decision	YES
Exempt	NO
Consultees/ Consultation	Gloucestershire Rural Community Council, Cotswold National Landscape, Cotswold Economic Advisory Group, Farm491, Royal Agricultural University, UKSPF Partnership Group.



## 1. EXECUTIVE SUMMARY

- 1.1 As Cabinet will be aware from previous reports, the Government has awarded Cotswold District Council two pots of funding - the UK Shared Prosperity Fund (UKSPF) and the Rural England Prosperity Fund (REPF). Following earlier reports to Cabinet, projects are being progressed in respect of the UKSPF and applications for the various elements of the REPF are in various stages of the process, as set out in more detail below.
- 1.2 Cabinet is asked to note the progress to date, to approve UKSPF projects which have been recommended by the Assessment Panel for 2024/25 and to delegate authority to the Chief Executive, in consultation with the Cabinet Member for the Economy, to allocate the remaining funding.

## 2. BACKGROUND

- 2.1 In April 2022, the Council was provisionally awarded £1 million over three years from the UK Shared Prosperity Fund (UKSPF), subject to the approval of a Local Investment Plan by the Government. This was approved in December 2022. In addition, in September 2022 the Government announced a further £764,292 from the Rural England Prosperity Fund (REPF) subject to approval of an addendum to the Local Investment Plan which was approved in April 2023.
- 2.2 Cabinet has previously received a number of reports on the UKSPF (in [July 2022](#) & [March 2023](#)) & REPF (in [November 2022](#) and [July 2023](#)), to approve the Council's proposed approach to each fund prior to the submission to Government and to delegate authority to Officers, in consultation with the Cabinet Member for the Economy and Transformation, to allocate funding to projects. These are covered in more detail below.

## 3. UK SHARED PROSPERITY FUND UPDATE

- 3.1 The UKSPF funding is a mix of capital and revenue, which can be spent in line with the approved Local Investment Plan on a range of 'interventions', and is broken down over the three-year period as shown in the following table.



Financial year	2022/23	2023/24	2024/25
Funding allocation	£109,563	£219,127	£671,310
Capital funding carried forward from prior year		£2,145	
Revenue funding carried forward from prior year		£57,956	
<b>Total funding available</b>	<b>£109,563</b>	<b>£279,228</b>	
Minimum capital %	10	13	20
Minimum capital	£10,956	£30,632	£134,262
Maximum revenue	£98,607	£248,596	£537,048
Spend in Year: Capital	£ 9,000	£ 5,050*	
Spend in Year: Revenue	£ 40,462	£ 76,757*	
<b>Total Spend in Year</b>	<b>£49,462</b>	<b>£81,807*</b>	

\* As at 30th September 2023.

- 3.2** At the July 2022 meeting, Cabinet agreed to give authority to Officers, in consultation with the Cabinet Member for Economy and Transformation, to approve projects from the 2022-23 funding allocation. Following a meeting of the UKSPF Assessment Panel, a number of projects were approved and these have now been completed. A list is shown on the Council's website at [www.cotswold.gov.uk/spf](http://www.cotswold.gov.uk/spf). The Assessment Panel includes a Cabinet Member, the Council's Chief Executive, Section 151 Officer or Monitoring Officer, the Assistant Director (Property and Regeneration) and at least one external member drawn from the UKSPF Partnership Group.
- 3.3** At its meeting in March 2023, Cabinet noted the progress of Year One projects. It also gave approval for up to £135,000 of funding for the Cirencester Growth Hub for 2023/24 and the same amount for 2024/25, subject to satisfactory performance. It also delegated authority to the Chief Executive, in consultation with the Cabinet Member for the Economy and Transformation, to approve projects in respect of the remaining 2023/24 funding, having



regard to the recommendations of the Assessment Panel. A list of approved projects is shown at Annex I.

- 3.4** The UKSPF Assessment Panel met on 9th November 2023, following an open grant application process which closed on 27th October. The panel has made a number of recommendations in relation to the 2024/25 funding which are listed in Annex 2 and Cabinet are asked to approve these. A number of other projects were reserved for future consideration by the panel pending receipt of further information. Once these projects have been considered, a decision can be taken as to whether a further open call for applications will be necessary. Cabinet is asked to delegate authority to the Chief Executive, in consultation with the Cabinet Member for the Economy and Transformation, to approve projects in respect of the remaining 2024/25 funding, to ensure timely approvals can be given to enable spending within that financial year.

#### **4. RURAL ENGLAND PROSPERITY FUND UPDATE**

- 4.1** The REPF is purely capital funding and is designed to improve rural productivity and connectivity. The allocation awarded to Cotswold District is £191,073 in 2023/24 and £573,219 in 2024/25.
- 4.2** At its meeting in July 2023, Cabinet endorsed the approach being proposed by the Council for the way in which funding would be used. This can be summarised as per the table below:

	2023/24	2024/25	Total
Business Grants	£140,000	£270,000	£410,000
Active Travel		£100,000	£100,000
Cultural and heritage buildings		£150,000	£150,000
Village Hall and community buildings	£51,073	£53,219	£104,292
Total	£191,073	£573,219	£764,292

- 4.3** At the July 2023 meeting, Cabinet also delegated authority to the Chief Executive, in consultation with the Cabinet Member for the Economy and Transformation, to agree



details of the grant schemes and make final decisions on funding, having regard to the recommendation of the Assessment Panel, and to enter into contracts with third party providers for administering the grant schemes.

- 4.4** Jointly with the Forest of Dean District Council, the Council undertook a procurement process to identify a delivery partner to assist with the administration of the Business Grant scheme. The successful bidder was ALP Synergy Ltd. Again jointly with the Forest of Dean District Council, the Council appointed Gloucestershire Rural Community Council (GRCC) to administer the village hall and community building grant scheme. The costs of engaging ALP Synergy and GRCC have largely been met by the £20,000 UKSPF capacity payment made by the Government, with a small balance being taken from UKSPF general funding.
- 4.5** Applications for business grants, which were offered in the range of £5,000 to £50,000, opened on 25th September and closed on 10th November. Valid applications for over £470,000 of grants were received. An Assessment Panel was held on 8th December 2023, made up of internal and external stakeholders, with each application being scored by two panel members before being discussed by the entire panel. The panel recommended approval of a number of projects, some with conditions attached. The recommendations will now be considered by the Chief Executive in consultation with the Cabinet Member for the Economy and Transformation and, once approved, the projects will be progressed.
- 4.6** Applications for grants for village halls and community buildings, known as the Community Infrastructure Grant, opened on 20th November 2023 and will close on 8th January 2024 in respect of 2023/24 funding and on 12th July 2024 in respect of 2024/25 funding. Grants are for between £2,000 and £10,000 and 20% match funding is required. As with the other elements of UKSPF/REPF funding, an Assessment Panel will make recommendations to the Chief Executive, who will make decisions in consultation with the Cabinet Member for Economy and Transformation.
- 4.7** Applications for projects relating to active travel and community & heritage buildings opened on 23rd October and closed on 30th November. These are in the range of £10,000 to £50,000, with the ability to award more in exceptional circumstances. These applications are being administered internally and will be subject to review by the Assessment Panel before being decided by the Chief Executive in consultation with the Cabinet Member for Economy and Transformation.

## **5. CONCLUSIONS**



**5.1** The UK Shared Prosperity Fund and Rural England Prosperity Fund are welcome sources of funding to support communities and businesses. Good progress is being made with the delivery of projects under the UKSPF and in identifying projects to be funded through the REPF. Both should bring significant benefits for communities and businesses throughout the District. Delivery of projects is monitored regularly by the Economic Development Lead and Project Manager and is reported to the UKSPF Delivery Board.

## **6. FINANCIAL IMPLICATIONS**

**6.1** 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 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, 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.

## **7. LEGAL IMPLICATIONS**

**7.1** The Council require 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).

## **8. RISK ASSESSMENT**

**8.1** Each project will be assessed in terms of risks and managed using the Project Management Framework.

## **9. EQUALITIES IMPACT**

**9.1** Each project supported by the UKSPF & REPF will be assessed for its equalities impact.

## **10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

**10.1** 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 are 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.



## **11. ALTERNATIVE OPTIONS**

**11.1** The Council could choose to fund different projects, but having been through an open call for applications and having had each one evaluated by an Assessment Panel, including external members, Officers are confident that the projects put forward for approval represent an appropriate use of the funding and will help to deliver the outputs and outcomes in the Local Investment Plan, for which the Council will be held accountable by Government. Any further delays would risk the spend not being achieved by the end date of 31st March 2025 meaning that some of the funding would have to be returned to the Government.

## **12. BACKGROUND PAPERS**

**12.1** None.

(END)