

# **Chelmsford City Council Cabinet**

#### 15 November 2022

# Rural England Prosperity Fund (REPF)

#### Report by:

Cabinet Member for Connected Chelmsford

#### Officer Contact:

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## Purpose

To provide Cabinet with information about the Rural England Prosperity Fund (REPF) and details of the Council's work to identify how this funding can be used to support Chelmsford's rural businesses and community groups. To seek authority to submit the REPF addendum to Government by the stated deadline.

#### **Options**

- 1. To accept the recommendations as set out within this report
- 2. To make amendments to the recommendations set out within this report
- 3. To not accept the recommendations within this report

#### Preferred option and reasons

Option 1 is the preferred option. Due to the tight timeframes involved, any option other than option 1 may jeopardise the ability to submit the REPF addendum to Government for approval by the 30<sup>th</sup> November deadline. If the 30<sup>th</sup> November

deadline is missed, Chelmsford will not receive its allocation of REPF.

#### Recommendations

- 1. To note the publication of the prospectus for the Rural England Prosperity Fund.
- 2. To endorse Chelmsford's approach to identifying the interventions and priorities that are to be prioritised.
- 3. To support the pooling of Chelmsford's REPF to be used collaboratively in partnership with the North Essex Economic Board (NEEB), if that is found to be a worthwhile and viable option.
- 4. That authority is delegated to the Chief Executive, in consultation with the Leader of the Council and the Council's S151 Officer to take the necessary actions and decisions required approve the REPF addendum for submission to the Government for approval within the stated timeframes, including agreeing any subsequent arrangements for how a capital grant funding scheme would operate.

## 1. Background

- 1.1. The Rural England Prosperity Fund (REPF) was announced in September 2022 and supports the aims of the Government's Levelling Up White Paper and the Future Farming Programme.
- 1.2. The scheme will fund capital projects for small businesses and community infrastructure, aimed at improving productivity and strengthening the rural economy and rural communities.
- 1.3. The REPF is a top-up to the UK Shared Prosperity Fund (UKSPF). It succeeds EU Funding from LEADER and the Growth Programme which were part of the Rural Development Programme for England.
- 1.4. Chelmsford has been allocated £400,000 from the REPF. Funding for the REPF is available from April 2023 to March 2025

#### 2. Aims of the Rural England Prosperity Fund

- 2.1 The REPF objectives sit within the UKSPF investment priorities for:
  - Supporting Local Business
  - · Community and Place

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- 2.2The REPF can provide 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. The REPF can also be used to support new and improved community infrastructure, providing essential community services and assets for local people and businesses.
- 2.3 Capital grants must be for business or community purposes. Grants cannot be used to fund domestic property improvements, to purchase private vehicles or for revenue costs such as running costs or promotional activities.

#### 3. Local Allocation

- 3.1 Allocations have been determined at local authority level, using a funding formula, which takes account of rural population, rural businesses and the importance of farming in each authority. Not all local authorities meet the criteria to receive an allocation of REPF.
- 3.2 Chelmsford has been allocated £400,000 in REPF, the total sum of which will cover the financial years 23/24 and 24/25. It is expected that 25% of the allocation will be provided for the financial year 23/24, with the remainder being made available for 24/25, although unlike the UKSPF there is potentially some flexibility around this.
- 3.3 Any underspend at the end of each financial year will need to be returned.

#### 4. Delivery

- 4.1 In order to access the fund, local authorities need to complete a template, which is an addendum to the UKSPF Investment Plan. Information provided on the template will detail how CCC intends to use REPF to support rural businesses and communities.
- 4.2 For REPF purposes, rural areas are defined as:
  - Towns, villages and hamlets with populations below 10,000
  - 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
- 4.3 As with the UKSPF, a list of interventions has been provided. Local authorities are required to select the interventions and outcomes that are to be prioritised. Justification of the interventions selected is required, detailing how each intervention will address local challenges, market failures and opportunities.

- 4.4 Again, as with the UKSPF, it is expected that engagement will take place with relevant partners and groups to identify local challenges and priorities. Engagement with MPs is encouraged.
- 4.5 Local authorities are required to submit their REPF addendum by the 30 November 2022.

## 5. Chelmsford City Council Approach

- 5.1 Work has been undertaken to identify Chelmsford's rural areas using the REPF definition, to understand those areas eligible to receive REPF.
- 5.2 Engagement has taken place with a range of internal and external partners to identify key challenges and priorities for rural businesses and communities. External partners include the Rural Community Council of Essex (RCCE) and the Country Land and Business Association (CLA).
- 5.3 Conversations have also taken place with the North Essex Economic Board (NEEB) which is a partnership committed to promoting wider economic growth, consisting of the following local authorities; Braintree District Council, Colchester Borough Council, Chelmsford City Council, Essex County Council, Maldon District Council, Tendring District Council and Uttlesford District Council. All of the other NEEB members have also received a REPF allocation and discussions are taking place to understand if there is any opportunity for collaboration, with the potential to reduce duplication and resource implications linked to the delivery of this fund across the north of Essex.
- 5.4 There are three possible options open to Chelmsford City Council in terms of taking forward Chelmsford's allocation. The option chosen will depend on the outcome of discussions taking place internally and with external partners and stakeholders. There three options are:
  - The fund is managed by Chelmsford City Council, with the fund implementation, governance and monitoring being locally decided. Support and advice may be sought from an external organisation with greater grant management experience to assist with this.
  - 2. The fund is managed by Chelmsford City Council, with the criteria, application process and promotion agreed in collaboration with NEEB.
  - 3. The funding is pooled as part of the NEEB partnership, and a grant programme is centrally managed across the NEEB area.
- 5.5 The approach is likely to take the form of a grant funding scheme to support rural businesses and community organisations in the defined rural areas given that REPF is a capital fund. Details of any grant funding scheme will

be developed over the coming months in anticipation of the funding being confirmed for 2023/2024 and 2024/2025.

#### 6. Conclusion

- 6.1 The REPF was launched in September 2022 and allocated £400,000 to Chelmsford to support the rural economy and rural communities.
- 6.2 Engagement has taken place with a range of internal and external stakeholders and partners to identify the challenges and opportunities that exist within rural communities and to understand how funding can be best allocated to improve productivity and strengthen the rural economy and rural communities.
- 6.3 Work will continue with partners and stakeholders to refine and finalise the REPF addendum ready for submission by the 30<sup>th</sup> November deadline.
- 6.4 To ensure that Chelmsford's Investment Plan can be submitted by the Government's deadline of 30<sup>th</sup> November, Cabinet are asked to approve the recommendations as set out within this report.

## List of appendices:

None

#### Background papers:

REPF Prospectus - Rural England Prosperity Fund: prospectus - GOV.UK (www.gov.uk)

REPF Allocations - Rural England Prosperity Fund: allocations - GOV.UK (www.gov.uk)

REPF Interventions, objectives and outputs and outcomes list -Rural England Prosperity Fund interventions objectives outputs and outcome s list.pdf (publishing.service.gov.uk)

### **Corporate Implications**

Legal/Constitutional: None

Financial: No financial resource has been made available for the delivery of REPF –

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all funding allocation is required to be spent on capital interventions.

Potential impact on climate change and the environment: Climate change and environmental impacts will be fully considered as part of all related REPF

interventions.

Contribution toward achieving a net zero carbon position by 2030: As part of the process in determining how REPF will be allocated, consideration will be given to how

investments contribute to achieving net zero by 2030.

Personnel: Delivery of the REPF will require significant staff resources from the

Economic Development Team, as well as other Council departments.

Risk Management: As with the UKSPF, there will be an ongoing need for robust programme management to ensure that the projects identified are delivered.

Equality and Diversity: The REPF is intended to support the key objectives of the Levelling up White Paper, with the aims of creating stronger communities and increasing life chances across the country. The delivery of the REPF will have a

positive impact in this area.

Health and Safety: None

Digital: None

Other: None

Consultees:

Chief Executive

- **Director of Sustainable Communities**
- **Director of Public Places**
- **Director of Connected Chelmsford**
- The Economic Development Team
- Chelmsford City Culture Services Manager
- External consultees as set out within this report

# Relevant Policies and Strategies:

Our Chelmsford Our Plan - Our Chelmsford, Our Plan

Levelling Up the United Kingdom - Levelling Up the United Kingdom - GOV.UK (www.gov.uk