

# ***Report to the Cabinet***

**Report reference: C-033-2022/23**

**Date of meeting: 6 February 2023**

**Portfolio: Finance Portfolio Holder**



**Epping Forest  
District Council**

**Subject: To update members on the current situation on the UK government's Shared Prosperity Fund programmes.**

**Responsible Officer:** Duncan Haslam / John Houston (01992 564094).

**Democratic Services:** Adrian Hendry (01992 564246).

## **Recommendations/Decisions Required:**

**That the Cabinet:**

- 1. Endorse the approach taken on the Rural Prosperity Fund and the submission as defined in appendix one.**
- 2. Note the current position of the UK Shared Prosperity Fund £1 million investment bid submitted at the end of July 2022.**

## **Executive Summary:**

The UK Government has put in place a series of funds to support local economies and communities following the withdrawal of European Union funds and national support to businesses and local areas throughout the Covid pandemic and national lockdowns.

The UK Shared Prosperity Fund (UKSPF) was announced on 13 April 2022. It allocated a potential fund of £1 million (the bulk of which can be used for revenue spend) to Epping Forest District with funds to be drawn down in this financial year and the next two, with the largest allocation of funding in year three. The EFDC bid, following extensive consultation, was approved by Cabinet on 18 July 2022 and was then submitted to government. This submission focused on four key themes; Investment in deprived areas and communities, rural regeneration, supporting local business and establishing pathways to work/skills education and training. An initial technical approval of the Council's bid was received in August. Formal approval of the Council's investment plan as well as clarity over timescales for funding provision were expected to have been received by early October. Final approval and additional guidance from government was received on the 5<sup>th</sup> of December. Unlike a number of other areas, the Epping Forest submission was agreed in full. The late approval, however, has caused disruption to planning and delivery in the remainder of this year. Officers are taking steps to ensure in year delivery is compliant and funds are spent.

A Rural Prosperity Fund was announced on 3<sup>rd</sup> September. This allocated a further £437,136 of capital funding to the district, with a similar operational approach to the Shared Prosperity Fund and a submission date of 30<sup>th</sup> November 2022. The fund required the district council to submit a plan in a similar way to the UKSPF, which if agreed by central government would unlock funding. Spending for the rural fund is capped at (25%) for 2023-24 and (75%) for 2024-25 and can be spent on projects associated with supporting local communities and local business, but not in relation to people and skills as was the case with the first UKSPF bid. Given the tight timescales involved, learning from consultations and discussions in the first round of funding was used to compile the second submission. Detailed technical guidance on qualifying parish council areas was not received until two weeks before submission by the government. Epping Forest District had allocated significant sums from the first Shared Prosperity Fund investment programme to rural projects following member direction and these have been built upon for the Rural Fund submission where appropriate to the criteria of this capital fund. The corporate plan was used to help prioritise issues and initiatives and the Epping Forest submission, following consultation with local MPs and local groups was sent to central government by deadline.

### **Reasons for Proposed Decision:**

UK Shared Prosperity funds have extensive rules and regulations which define purpose and delivery. The programmes identified meet these criteria while also focusing on member priorities and responses to consultation undertaken.

### **Other Options for Action:**

To decline to participate in these funding programmes which would mean the district would lose out on a potential £1.5 million in central government funding. Progress on member priorities would therefore have to be met from EFDC revenue and capital funds.

### **Report:**

Two thematic/local priority areas have been identified to help frame and scope the approach taken with the Rural England Prosperity Fund. This scoping exercise has helped officers with selecting appropriate interventions, outputs, and outcomes to adopt as part of the Council's investment bid to be submitted to the UK Government.

Discussions have taken place with the RCCE (Rural Community Council of Essex), the Country and Land Association (CLA), FSB (Federation of Small Businesses) and the National Farmers Union (NFU) on challenges facing rural businesses and communities in Essex. An article asking residents and businesses for views on uses of this fund was circulated via the Economic Development Teams e-newsletter 'Business Matters'. This newsletter reaches over 2000 local businesses. Finally, officers attended the Epping Forest Chamber of Commerce's business fair on the 26<sup>th</sup> of October and asked local attendees for views of the Council's proposed Rural England Prosperity Fund priorities.

Conversations have also been held with Essex County Council, the Corporation of London and local authority members of the NEEB (North Essex Economic Board) to understand the capacity for cross border collaboration with other councils in Essex that have been allocated Rural England Prosperity Fund money.

### **Theme 1: Sustainable Rural Grant Programme:**

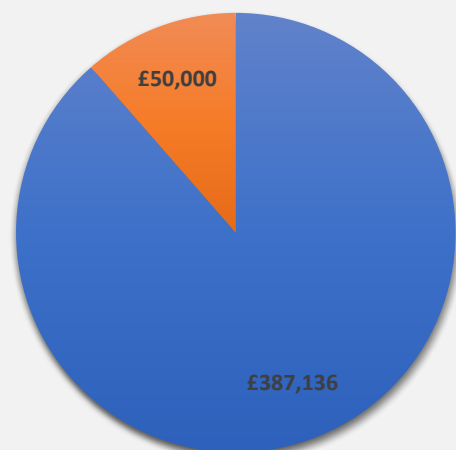
- The aim will be to future proof and enable longer term viability of rural hubs. Capital grant schemes will be introduced for local applicants to:
  1. Support long-term viability of key rural hubs, with a significant emphasis on expansion of rural EV charging points, on public or private assets, and investments to reduce energy usage and carbon footprint in buildings. This will include adaptations and renovations that bring facilities back into usage or expand the range of services that can be provided by them. This will increase benefits to local communities but also income streams to these hubs.
  2. Enable local rural communities and businesses to be supported by acquiring high-level mobile connectivity speeds and digital infrastructure to compete with more urban areas.

### **Theme 2: Discover Rural**

- The aim will be to increase visitor footfall and spend into rural communities from existing and new staycation traffic.
  1. To renew and install effective signage (fingerposts, information boards at attractions advertising other local amenities- pubs, restaurants, shops). This could include a digital element via QR codes and Augmented Reality.
  2. Establishing cross border trails that link assets and rural communities in the district into traffic to and from international hubs (eg London, Stansted to Cambridge). Digitally enabled trails and advertising for local facilities will be considered.

The intention is to provide the bulk of the fund directly in grants to local partners. (See pie chart below).

## Rural England Prosperity Fund allocations



■ Sustainable Rural Initiatives ■ Discover Rural

The district council's submission for the REPF was made on the 30<sup>th</sup> of November. Confirmation and approval of the programme by central government was expected in January to enable projects to begin delivery at the beginning of the next financial year. Officers responded to government requests for further information in December but at the time of writing this report no confirmation has been received on the award of these funds.

### Resource Implications:

The programmes identified in the submissions will be fully funded and cash limited to avoid any call from EFDC budgets. The Rural England Prosperity Fund has received no direct administrative support. However, there now appears to be some flexibility around utilising more of the Shared Prosperity Fund to provide administrative support.

### Legal and Governance Implications:

In order to comply with government requirements the councils own programmes for financial, performance and procurement management will be followed where possible.

### Safer, Cleaner and Greener Implications:

Attention has been focused on both Shared Prosperity and Rural Prosperity Fund initiatives procuring benefit in this key priority area wherever possible, for example, carbon reduction, electric vehicle charging initiatives etc.

### Consultation Undertaken:

Significant consultation was undertaken on the Epping Forest District's Shared Prosperity Fund, which includes significant interventions in rural areas and conclusions were reported to cabinet. Given the short timescales involved the production of the Rural Prosperity Fund submission has drawn heavily from this consultation. However, additional discussions have been held with key stakeholders with a rural focus, for example RCCE (Rural Community Council of Essex).

**Background Papers:**

Appendix 1: REPF Themes Graphic

**Risk Management:**

The council's corporate approach to risk management will be adopted in overseeing both funds deployment.