



North Devon Council

Report Date: 23 November 2022

Topic: Rural England Prosperity Fund

Report by: Director of Resources and Deputy Chief Executive

1. INTRODUCTION

1.1 The [Rural England Prosperity Fund](#) (REPF) launched on September 3rd, by the Department for Environment, Food and Rural Affairs (Defra) and is designed as a top-up to the UK Shared Prosperity Fund (UKSPF) which has been previously presented to members. As with the main scheme, the rural top-up is available to eligible local authorities in England. It succeeds EU funding from LEADER and the Rural Growth Programme, which were part of the Rural Development Programme for England.

1.2 North Devon has been allocated £1,091,259 which can be spent over the two years – 2023/24 and 2024/25. However, this funding is only unlocked once an addendum to the investment plan has been submitted and accepted by Government.

2. RECOMMENDATIONS

2.1. That members approve the two proposed schemes for this funding and the interventions proposed.

3. REASONS FOR RECOMMENDATIONS

3.1. The Rural England Prosperity Fund allocation to North Devon Council is only unlocked once an investment plan has been submitted and approved by the Department for Levelling Up, Housing and Communities.

3.2. The investment plan requires submission by 30 November 2022 outlining the high-level interventions the Council and wider stakeholders have agreed upon that are the priority aims for the wider Northern Devon.

4. REPORT

4.1 The REPF is a capital grant scheme, which focuses on:

- Support new and existing rural businesses to develop new products and facilities that will be of wider benefit to the local economy. This includes farm businesses looking to diversify income streams
- Support new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy

Local authorities should also consider how investments contribute to net zero and nature recovery objectives.

4.2 Projects must be in a rural area. For REPF purposes, rural areas are:

- towns, villages and hamlets with populations below 10,000 and the wider countryside
- 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

*due to Defra's methodology for calculating these areas, Barnstaple is excluded from this fund, as it was for the previous LEADER funding.

4.3 The REPF objectives sit within the UKSPF investment priorities for:

- Supporting Local Business
- Community and Place

There are 2 extra interventions providing funding for:

- Small scale investment in micro and small enterprises in rural areas
- Rural circular economy projects

They also relate to two of the Levelling Up White Paper Missions:

- Mission 1 – Living standards
- Mission 9 – Pride in place

4.4 There are two proposals that North Devon and Torridge have considered for the delivery of this funding, outlined below, it is considered that the LEADER-style grant element would attract the higher budget allocation to enable direct delivery to rural business and communities.

- LEADER-style grant funding programmes which can focus on;
 - Improving productivity in the rural economy
 - Farms diversifying their business models during the agricultural transition
 - Extending the tourism season
 - Projects that overcome deprivation in rural communities
 - Improving sustainability, with a particular focus on green energy
 - Supporting the creation of higher-skilled, higher-paid employment

These are just some examples – full scheme details and criteria would need to be drawn up before the launch in April 2023.

This would be delivered as small capital grants – with a possible top-end of £25,000 and with an expected % of business/community match – as per the LEADER funding model.

It is vital to support the local farming economy through a LEADER style intervention in order to assist them to diversify their income streams where possible. We know though experience of running the Future Farming Resilience pilots; local farm incomes are set to be heavily impacted through the reduction in Basic Payment Scheme. This will not immediately be offset

by the Sustainable Farm Incentive as some of these standards are still in development. In addition, external market forces such as severe rises in running costs and inputs such as fertiliser, feed and minerals are creating a huge pressure within the industry. It is imperative that we work to support the sector to ensure that it is sustainable and that we preserve local food security and supply chains.

The wide-reaching implications of the reduction in farm incomes has been further highlighted by the report below prepared for the Great South West Partnership which identified the knock-on effects on the wider rural economy – not only businesses in food supply chains but also the agricultural supply sector, business and financial support services, the ancillary industries, and the tourism sector.

North Devon+ would administer the grant scheme on behalf of the two Councils. The two action groups of Northern Devon Futures with a focus on Business and Community could act as the ‘Local Action Groups’ for the scheme, agreeing the applications that are recommended by the ND+ team following appraisal.

- NDC/TDC both identified strategic community infrastructure schemes within their own areas that aid regeneration in our most deprived communities; the proposed NDC scheme being;
 - Improvements to tourism facilities on the Ilfracombe seafront, including crazy golf attraction, bus shelter and toilet provision

This would be capital funding delivered directly by the local authority on identified projects – not via an open grants scheme. The above is a long-standing aspiration detailed in the Ilfracombe Seafront Masterplan, which has been widely consulted on within the Town and approved by the Ilfracombe Regeneration Board.

- 4.5 As with the main UK Shared Prosperity Fund guidance, a Local Partnership Group is required under the conditions of the Rural England Prosperity Fund to guide the development of Addendum, in advance of submission by November 30th. This Partnership Board role has been performed by the Northern Devon Futures Board (which met on 13 October 2022) which contains key stakeholders from the public and private sectors as well as health, the Police, the voluntary sector and the Biosphere Foundation.

5. RESOURCE IMPLICATIONS

- 5.1. The financial allocations from the Rural England Prosperity Fund (REPF) are contained within the report.
- 5.2. Officer time has and will continue to be involved from Place, Property and Regeneration team together with support from Finance officers.



6. EQUALITIES ASSESSMENT

6.1. There are no equalities implications anticipated as a result of this report.

7. ENVIRONMENTAL ASSESSMENT

7.1. There are not any environmental implications anticipated directly as a result of this report, as the purpose of this report is to present the high-level interventions to be used for submission of the Council's UK Shared Prosperity Fund investment plan. Individual projects within the wider action plan that will follow will highlight any specific environmental impacts associated with any of those interventions when they come forwards.

8. CORPORATE PRIORITIES

- 8.1. The submission of the investment plan supports the wider delivery plans of the Council in achieving our corporate priorities and towards financial security in unlocking government funding to deliver upon the priority interventions.
- 8.2. Individual projects that come forwards under the UK Shared Prosperity Fund and Rural England Prosperity Fund investment plan will support the corporate priorities of cherishing and protecting our environment and planning for North Devon's future.

9. CONSTITUTIONAL CONTEXT

9.1. Article 4.5.15

10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

11. BACKGROUND PAPERS

The background papers are available for inspection and kept by the author of the report.

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers:

Jon Triggs, Director of Resources and Deputy Chief Executive