



North Devon Council

Report Date: Monday, 2 September 2024

Topic: Rural England Prosperity Fund, Programme Changes

Report by: Dominie Dunbrook, Place Manager Economic Development and Regeneration

1. INTRODUCTION

- 1.1. North Devon Council was awarded £1,091,259 as a 'rural top up' to the UK Shared Prosperity Fund in September 2022. The Rural England Prosperity Fund (REPF) will be delivered over 2 years (2023/24 and 2024/25).
- 1.2. There are two strands to the Rural England Prosperity Fund – 'rural business' and 'rural communities' – and North Devon Council chose both of these strands as part of our investment plan.
- 1.3. £798,000 was allocated under the rural business strand to be delivered as a rural grants programme' and to be delivered by North Devon +.
- 1.4. £293,259 was allocated under the rural communities strand to be split between two regeneration projects in Ilfracombe.

2. RECOMMENDATIONS

- 2.1. That Members note the report and approve the principle of moving up to £500,000 out of the rural business strand and into the rural community strand.
- 2.2. That Members note the continued efforts of North Devon + and North Devon Council to promote and spend the remaining rural business strand allocation through the Rural Business Grants scheme.
- 2.3. That Members delegate to the Director of Resources and Deputy Chief Executive and Head of Place, Property and Regeneration, in consultation with the Leader and Lead Member for Regeneration, the approval and processing of related capital projects through the rural community strand using the reallocated funds outlined in 2.1 above.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To ensure the successful spend of all allocated Rural England Prosperity Funds by the Government deadline of March 31st 2025, for the benefit of rural communities and businesses in North Devon.

4. REPORT

- 4.1. The Rural England Prosperity Funds that North Devon Council have been allocated must be spent by March 31st 2025, or any unspent funds returned to Government.
- 4.2. In 2023/24 financial year (year one of allocation/delivery) we spent £107,267.59 on 11 grant awards to rural businesses, from the annual

allocation of £399,000. We were able to carry over the balance of £291,732.41 to the 2024/25 financial year/year two of delivery.

- 4.3. At the start of the 2024/25 financial year we had a total of £690,732.41 for the rural grants scheme, which has to be spent by March 2025.
- 4.4. After reviewing the year one performance for the rural grants scheme, we made a few changes where we were able, to try and boost the appeal and take-up, these are a few of the changes bought in for round two which was opened in May 2024:
 - 4.4.1. Increased upper limit to £35,000 for grants
 - 4.4.2. Reduced level of match funding required: Now 10% for grants up to £10,000 and 20% for those over £10,000
 - 4.4.3. Flexibility to look at awarding higher grant awards if the project is showing good outputs and value for money
 - 4.4.4. Continue to have a 'fast-track' advice process through planning for infrastructure projects
 - 4.4.5. North Devon + colleagues working with applicants to provide support for application forms and pre-submission work
- 4.5. Marketing and promotional work has been carried out from the start of the rural grant scheme and this continues to be the case, as follows:
 - 4.5.1. Direct mail-shot to all North Devon + contacts and Advisors promoting/discussing this when they make farm/business visits
 - 4.5.2. Cross-promotion of the rural grants schemes across all other North Devon + programmes, which includes Business Boost and Future Farm Resilience
 - 4.5.3. Regular social media posts, press releases, website coverage across North Devon + and North Devon Council channels
 - 4.5.4. Business bulletins featuring the rural grants scheme – North Devon Council mail-out to over 2,000 businesses
 - 4.5.5. Inclusion in other partners newsletters and networks, such as Biosphere Foundation, other business support organisations, Growth Hub, Visit Devon, other sector focused networks
 - 4.5.6. Presentations given to Business Rates event, Agricultural shows, Agri-tech meetings, council events, Petroc events
 - 4.5.7. Flyers/Posters now being deposited at livestock markets, Mole Valley Farmers and other key locations
- 4.6. Continued efforts are being made to promote and distribute these funds via the rural grants scheme, but since opening in May 2024 for round two, there have been just 16 enquiries, 9 likely to come forward as awards with one already having been submitted. The individual project deadline for spend/delivery is January 2025, to give the team at North Devon + time to close down and evaluate the scheme before the programme deadline of March 2025. It feels very unlikely we are going to be able to allocate the full

£690,732.41 to grants, given the current level of enquiry/application submission.

- 4.7. The rural community grant strand of the REPF had a total allocation of £293,259 that is split between two regeneration projects in Ilfracombe. The Lime Kiln seating/viewing platform has now been completed and £88,000 spent on this. The balance will be used for the new toilets and shelter on Ilfracombe Seafront, and the tender for this project is about to be released. The project will be completed/spent by March 2025.
- 4.8. Under the scheme criteria, we are able to transfer budget between strands approved in our investment plan without needing to trigger a 'change request' process with Government. Therefore we could transfer some budget from the rural business strand into the rural community strand under the two approved objectives:
 - 4.8.1. Capital grant funding for investment in capacity building and infrastructure support for local civil society and community groups, and;
 - 4.8.2. Capital grant funding for creation and improvements to local rural green spaces
- 4.9. If further funds were transferred into the rural community strand, projects would need to:
 - 4.9.1. Demonstrate the ability to deliver and spend by March 2025
 - 4.9.2. Deliver under one of the two objectives above and some associated outputs
 - 4.9.3. Link to a priority for North Devon Council – corporate plan or other regeneration plans
 - 4.9.4. Demonstrate viability or a future income stream for the Council, if we are looking to own the asset through the use of grant towards funding a purchase
 - 4.9.5. Be based anywhere in North Devon except for Barnstaple, as this is classed as urban not rural under Defra's criteria for this scheme
 - 4.9.6. Be capital only – no revenue is attached to this programme

5. RESOURCE IMPLICATIONS

- 5.1. The funds outlined in this report are already contained within the existing approved Capital Programme and this report is asking members to reallocate funding within the approved scheme up to £500,000 out of the rural business strand and into the rural community strand.
- 5.2. North Devon + colleagues will continue to deliver the rural business grants.
- 5.3. North Devon Council staff including Economic Development & Regeneration Officers, Property Officers, Finance Officers, Procurement and Legal Officers and our PMO Officers.



6. EQUALITIES ASSESSMENT

6.1. There are no equalities implications directly anticipated, as the purpose of this report is to present options for the successful spend of the Rural England Shared Prosperity Fund. Individual projects that may be bought forward for funding under this scheme will have regard to any specific equalities impacts they may present.

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 options for the successful spend of the Rural England Shared Prosperity Fund. Individual projects that may be bought forward for funding under this scheme will have regard to any specific environmental impacts they may present.

8. CORPORATE PRIORITIES

8.1. What impact, positive or negative, does the subject of this report have on:

8.1.1. The commercialisation agenda: the investment in rural grants may bring forward new business premises, raising further business rates income for the area. The investment into regeneration projects may lead to a new income stream for the Council, depending on the type of projects that are approved.

8.1.2. Regeneration or economic development: through the rural business and rural community strands projects supported will contribute to the rural economy via direct grants delivery and regeneration by directly investing in projects in the district.

9. CONSTITUTIONAL CONTEXT

9.1. The decision in respect of the recommendations in this report can be made by this Committee pursuant to delegated powers provided in Part 3 Annexe 1

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 following background papers were used in the preparation of this report:

- Rural England Prosperity Fund submitted Addendum
- Monitoring Reports on the Rural Grants Scheme delivery provided by North Devon +

(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: Dominie Dunbrook, Place Manager Economic Development and Regeneration