

## Cabinet – 7 May 2025

### Rural England Prosperity Fund Allocation for 2025-2026

Purpose	For Decision
Classification	Public
Executive Summary	This report seeks Cabinet approval for the allocation of £162,005 from the Rural England Prosperity Fund (REPF) for the financial year 2025-2026. The funds will be used to support various projects aimed at enhancing rural infrastructure, boosting local economies, and improving community facilities within the District.
Recommendation(s)	<b>That Cabinet:</b> <ol style="list-style-type: none"><li><b>1. Approve the addition of £162,005 to the Council’s Capital Programme for 2025/26, noting the spend is fully financed through Government grant (being the Rural England Prosperity Fund);</b></li><li><b>2. Approve the proposed allocation of £162,005 from the Rural England Prosperity Fund for the financial year 2025-2026 towards the specific projects set out in this report; and</b></li><li><b>3. Delegates authority for future decision making associated with the finalisation of the project programme for 25/26 Rural England Prosperity spend to the Strategic Director for Place Operations and Sustainability, in consultation with the Portfolio Holder for Planning and Economy.</b></li></ol>
Reasons for recommendation(s)	<p>To support the objectives of the Corporate Plan by enhancing rural infrastructure and boosting local economies.</p> <p>To comply with the legislative requirements related to the REPF.</p>

	To address the needs identified through community consultations and stakeholder engagements.
Ward(s)	All
Portfolio Holder(s)	Councillor Derek Tipp – Economy and Planning
Strategic Director(s)	James Carpenter – Strategic Director for Place, Operations and Sustainability
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## **Introduction and background**

1. The Rural England Prosperity Fund (REPF) was originally launched in 2022 alongside the UK Shared Prosperity Fund (UKSPF) with the objective of supporting rural communities by funding projects that enhance infrastructure, boost local economies, and improve community facilities.
2. New Forest District was originally allocated £ 540,115 from the REPF for the period 1 April 2023 - 31 March 2025. The governance and mechanisms for the allocation of that funding was agreed at meetings of Cabinet in March and July 2023. This money has now been spent, with a separate report being prepared detailing the outcomes of this funding and any lessons learnt.
3. In late March 2025, the Council were notified that a further £162,005 was allocated for the District for the financial year 2025-2026. This report outlines the proposed allocation of these funds and seeks Cabinet approval to proceed. This funding is in addition to the UKSPF funding that was considered by Cabinet in April 2025.

## **Government priorities for how REPF must be spent**

4. The investment priorities associated with the REPF remain the same as the previous allocations with a focus on supporting local business and community and place. These priorities have been expanded

through the identification of linked themes and sub-themes which tie into the key missions for Government. Figure One summarises this approach, alongside emphasising a range of suitable interventions identified by the Government that could be funded through REPF.

Figure One - Overview of Government investment priorities and relationship to Rural England Prosperity Fund

Priority	Theme	Subtheme	Intervention
Supporting Local Business	Support for Business	Advice and support to business  	Growing the local social economy and supporting innovation
			Small scale investment in micro and small enterprises in rural areas
Communities and Place	Thriving Places	Development of the visitor economy  	The development and promotion of the visitor economy
			Existing cultural, historic and heritage institutions that make up the local heritage offer
	Healthy, Safe and Inclusive Communities	Inclusive: Bringing communities together, tackling homelessness.  	Local arts, cultural, heritage and creative activities
			Investment in capacity building and infrastructure support for local civil society and community groups
			Rural circular economy projects
			Impactful volunteering and social action projects to develop social and human capital
			Investment and support for digital infrastructure for local community facilities
			Healthy: Improve health and wellbeing  
Active travel enhancements in the local area			

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  Break Down Barriers to Opportunity  
  Build an NHS fit for the future

5. The REPF differs from the UKSPF in several ways as follows: -
  - Funding must only be spent on capital projects (e.g. lasting assets such as buildings or equipment).
  - Grants must not be spent on revenue costs (e.g. running costs or promotional activities).
  - REPF can only be spent in towns, villages and hamlets with populations below ten thousand and the wider countryside, or market or hub towns with populations of up to thirty thousand.
  
6. Crucially, and as with the UKSPF, the REPF must also be spent by 31st March 2026.

7. Whilst these factors are potentially limiting, officers propose to work flexibly with key partners and other funding sources to maximise delivery outcomes.

### **Recommended focus of REPF funding 2025-2026**

8. Due to the very short timeframes provided by the Government only a limited amount of engagement has taken place with key partners and stakeholders including the New Forest National Park Authority, informal discussions with Officers and Members internally within NFDC.
9. Identifying a shortlist of projects for the 2025-2026 REPF programme has also been informed through reviewing projects and outcomes from the previous iteration of the REPF, taking forward aspects that have been effective, whilst minimising risks and issues that have complicated previous delivery.
10. Table One below identifies the proposed projects for the 2025-2026 REPF programme, including the indicative sum, description and proposed delivery method.

*Table One– Proposed projects for 2025-2026 REPF programme*

<b>Project Name</b>	<b>REPF Allocation (Indicative)</b>	<b>Project Description</b>	<b>Proposed Project Delivery Method</b>
PEDALL	£25k	PEDALL supports individuals with disabilities to enjoy outdoor activities through cycling in the New Forest. The funding allocation would be used to improve the site location and equipment linked to adapted bikes.	The funding would be administered by the New Forest National Park.
New Forest Producer Support	£20k	A grant scheme specifically for micro and small local producers to assist them in developing and growing their business.	The funding would be administered by the New Forest National Park.
Not in Employment Education or Training (NEET)	£10k	The funding will complement the UKSPF revenue funding allocated to the NEET Support Programme. It will allow the purchase	NFDC Economic Development team and the commissioned delivery partner of the NEET Support Programme will have

<b>Project Name</b>	<b>REPF Allocation (Indicative)</b>	<b>Project Description</b>	<b>Proposed Project Delivery Method</b>
Support Programme		of equipment and materials to assist in the creation of NEET run enterprises.	oversight of the project.
Community Grant Scheme	£50k	A community grant scheme to support local groups and organisations with projects that require capital investment.	NFDC Community Team will administer the grant scheme.
Supporting Local Business Grant Scheme	£57k	A business grant scheme to support businesses with projects that require capital investment.	NFDC Economic Development team will be responsible for the delivery of the project.

11. With regard to the two proposed grant schemes (Community and Supporting Local Business) a similar approach will be taken as the previous 2023-2025 programme. In essence, two separate funds will be created to enable community groups and businesses to apply for funds for small-scale capital projects.
12. Appendix 1 details the proposed thresholds, timeframes and, criteria likely to be used in the allocation of the funds within the two grants scheme. These will be finalised following Cabinet in consultation with the portfolio holder in accordance with recommendation three.

### **Corporate Plan priorities**

13. The REPF investment priorities of Supporting Local Businesses and Communities and Place closely align with the Corporate Plan priorities across Place, People and Prosperity. In seeking to implement the recommended projects, officers will be mindful of ensuring that the outcomes continue to align with these priorities.

### **Options appraisal**

14. The recommended option is to allocate the £162,005 to the identified projects set out in Table One above. This approach reflects input from key partners, seeks to continue successful funding arrangements utilised in the previous REPF allocations and ensures an even distribution of funding across the investment priorities of supporting local businesses and community and place.
15. The proposed model of delivery for the REPF seeks to share the administration requirements across NFDC and external partners.

This ensures the responsibility of monitoring and reporting is distributed, reducing its burden on any one organisation.

16. Alternative options, such as allocating all the funding to business and community capital grant schemes was considered but rejected following consultation that evidenced specific need which fell outside the scope of a traditional business and community capital grant scheme. These projects (PEDALL and New Forest Producer Support) are therefore identified as specific projects recommended for funding at this stage.
17. A further alternative option would be to not approve the projects at this time to allow further evaluation. Further consultation may reveal alternative projects. The disadvantage to this option is that all funding must be spent by 31st March 2026 leaving little time for delivery. In addition, the projects recommended are based on existing evidence and engagement, including learning from the previous UKSPF and REPF funds. Therefore, additional analysis may not add value.
18. Alternative delivery options for the 2025 - 2026 REPF programme were considered including NFDC economic development team being responsible for all projects. However, this was considered impractical from a resource perspective and would impact negatively on the ability to deliver maximum benefit to communities, residents and businesses.

### **Consultation undertaken**

19. With the very short notices provided by Government in announcing this funding, the opportunity for extensive community engagement has been limited. As part of the development of the previous iteration of the REPF programme wider consultation was undertaken and this has been incorporated into the development and design of the 2025 - 2026 programme. Nevertheless, some consultation has been possible with the New Forest National Park Authority and representatives of community groups. The feedback received has been incorporated into the proposed allocation.
20. Ongoing engagement with consultees and stakeholders as part of the lifecycle of this programme will ensure outputs and outcomes meet the needs of rural businesses and communities, whilst meeting Governments investment priorities and the strategic priorities of the Council's Corporate Plan.

## **Financial and resource implications**

21. The REPF is a Government awarded grant fund and therefore there are no direct costs to the Council in allocating funds to individual projects.
22. Unlike the UKSPF there is no allocation for administration of the programme. However additional work because of the REPF will be managed through existing resources within the Economic Development team and through the proposed delivery partnership arrangements set out above.

## **Legal implications**

23. Directly related to the content of this paper there are no legal implications to consider. However, prior to finalising projects ready for delivery, a number will need to be tested in line with the Subsidy Control Act 2022 to ensure rules and regulations related to subsidy control are not breached. Officers will also need to ensure compliance with procurement rules and regulations.

## **Risk assessment**

24. No formal risk assessment is required for this report. The funding of projects will be subject to significant monitoring and reporting throughout 2025 - 2026 which will ensure any risks arising are identified, managed and mitigated at the earliest opportunity.
25. Whilst the day-to-day administration of two projects is proposed to rest with the New Forest National Park Authority, NFDC Officers will engage regularly with the National Park Authority to ensure delivery outcomes are secured.

## **Environmental / Climate and nature implications**

26. Reducing the environmental impact of all projects will be considered through the project design and procurement processes. Officers will seek to reduce risk and maximise added-value opportunities wherever possible.

## **Equalities implications**

27. The proposed allocation is expected to have a positive impact on all community members, ensuring equitable access to improved facilities and services. Within this context particular attention is given to those most vulnerable to remove barriers to participation both economically and socially.

### **Crime and disorder implications**

28. The proposed projects are expected to contribute to reducing crime and disorder by improving community cohesion and providing better facilities for youth and other vulnerable groups.

### **Data protection / Information governance / ICT implications**

29. There are no significant data protection, information governance, or ICT implications arising from the proposed allocation.

### **New Forest National Park / Cranborne Chase National Landscape implications**

30. There are no direct implications in this regard

### **Conclusion**

31. The proposed allocation of £162,005 from the REPF for the financial year 2025-2026 is expected to have a significant positive impact on the District's rural communities. The projects identified for funding align with the Corporate Plan priorities and address the needs identified through community consultations.

### **Appendices:**

Appendix 1 – Proposed thresholds, timeframes and criteria for the community and business grant schemes

### **Background Papers:**

- Rural England Prosperity Fund Guidelines
- Corporate Plan 2025-2026
- March 2023 Cabinet Report
- July 2023 Cabinet Report