

Committee:	Cabinet	Date: Thursday, 27 March 2025
Title:	UK Shared Prosperity Fund and Rural England Prosperity Fund	
Report Author:	Sarah Lewin, Economic Development Manager slewin@uttlesford.gov.uk	Key Decision: No

Summary

1. The UK Government launched the UK Shared Prosperity Fund (UKSPF) and the Rural England Prosperity Fund (REPF) in 2022. It is a non-competitive funding stream with funding ring fenced and subject to specific criteria. We are required to report back to Government regularly. Under the terms of the funding agreement any unspent funds will need to be paid back to Government. The financial year 2024/25 was due to be the final year of both funds.
2. The UKSPF was a central pillar of the previous UK government's Levelling Up agenda and formed part of a suite of complementary funding including the competitive Levelling up Fund and Community Ownership Fund.
3. The primary goal of UKSPF was to build pride in place and increase life chances across the UK. The Fund has three investment priorities which are:
 - Community and Place
 - Supporting local business
 - People and Skills
4. The UK government changed at the general election in July 2024 and the wording for the Fund changed to remove reference to the phrase 'Levelling up'. The ethos of the fund remains the same with the overarching objective being building pride of place and increasing life chances. The government is in the process of reviewing its growth strategy and has approved a further year of UKSPF and REPF funding in the interim.
5. Uttlesford has been allocated £327,146 in UKSPF funding which must be spent in the financial year 2025/26. There is no requirement to submit a new investment plan to access the final year of funding, but all initiatives must fit one of the interventions prescribed in the UKSPF prospectus. The full prospectus is attached as Appendix 1.
6. The REPF is an addendum of the UKSPF and can only be spent on capital projects and works and must only be used for projects not funded by other DEFRA schemes. At the time of writing this report DEFRA had confirmed that a further year of funding had been agreed but not how much funding UDC will receive.

7. Under the REPF capital funding can be used to:
 - 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
8. Every quarter a spend profile and performance update is required to be submitted to MHCLG via an online app. Reporting is carried out by the Economic Development Manager and signed off by the UDC Section 151 Officer.

Recommendations

9. Cabinet is requested to approve the investment priorities for expenditure as set out in paragraph 19 for UK Shared Prosperity Fund and paragraph 21 for the Rural England Prosperity Fund.

Financial Implications

10. There are no direct financial implications, but it should be noted the council will be required to repay any unallocated funds.

Background Papers

11. None

Impact

- 12.

Communication/Consultation	CMT and ICB.
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	Any awards of funding provided to individual businesses and organisations are issued in line with the Subsidy Regulations

Sustainability	This is time limited funding, supporting one off projects or initiatives over a 1-year period
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Situation

13. As mentioned earlier in the report the Government set up funded schemes as part of their levelling up agenda. The Council received funds to deliver two schemes UKSPF and the REPF. The funds are ring fenced and subject to specific criteria and we are required to report back to Government regularly.
14. The financial year 2024/25 was due to be the final year of both funds but the UK government has confirmed a final year of funding whilst it's new growth plans are being developed.
15. The UKSPF was set up to provide support to the district under three key investment priorities, Community and Place, Supporting Local Business and People and Skills. Uttlesford will receive a total of £327,146 for 2025/26 of which at least £60,401 must be spent on capital projects.
16. UDC can utilise £20,000 of the fund for administration costs.
17. The REPF was set up to help address the extra needs and challenges facing rural areas. At the time of writing this report DEFRA has not confirmed the amount of funding UDC will receive for the financial year 2025/26.
18. For 2025/26 funding will be used to support work being carried out by council officers, working with key stakeholders, to address some of the challenges residents and business owners face living in a rural district.

Spend for 2025-26

19. For 2025/26 the focus of spend for UKSPF will be on the following interventions:

UKSPF - Investment Priority – Community and Place

- E6 - Support for local arts, cultural, heritage and creative activities.
- E9 - Funding for impactful volunteering and/or social action projects to develop social and human capital in local places
- E10 - Funding for local sports facilities, tournaments, teams and leagues; to bring people together
- E11 - Investment in capacity building and infrastructure support for local civil society and community groups

- E13 - Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change

UKSPF - Investment Priority – Supporting local business

- E23 - Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.

UKSPF - Investment Priority – People and Skills

- E36 - Intervention to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online.

20. The following paragraphs set out the projects and workstreams which will support the delivery of the UKSPF investment priorities set out in the above paragraphs.

i. Support for rural communities

UDC officers are working on a cross-department project looking at rurality in the district. The rural nature of the district means residents face a number of challenges including social isolation, lower job density and poor digital and transport connectivity.

Residents living outside the main towns of Saffron Walden and Great Dunmow face difficulties accessing jobs, services and social opportunities. A mapping exercise has been undertaken looking at usage of community spaces across the district. We will work with key partners and parishes on an engagement exercise to hear from local residents to understand what would make the biggest difference to the lives of people living in rural areas.

UKSPF funding can then be used to support projects coming out of this listening exercise. This may take the form of seed funding for new community initiatives or fully funded exercise classes, skills work, healthy eating sessions etc. to facilitate increased use of community spaces

ii. Support for rural businesses (pubs, community shops etc.)

Building on the work the Economic Development team have undertaken, with support from Cultural Engine CIC, a programme of support is proposed primarily for local pubs but also potentially encompassing 'last asset' in village shops.

Officers have been engaging with local pubs from across the district to understand the problems they face. Pubs are a key community asset, particularly in rural villages, and face numerous challenges. They also form part of our visitor economy sector. Some of the key themes that

have emerged are around digital exclusion, mental health, recruitment, high energy costs and upkeep of Grade II listed buildings.

A support programme is proposed to compliment this work. This will take the form of business advice, digital inclusion work and seed funding for community initiatives run out of pubs. The wider relevance of the pubs-focused programme is the insight gained that will be instrumental in broadening the focus on other local cultural, economic and social assets in rural areas including shops, community centres, green spaces/environmental assets and local community groups.

iii. Culture and Heritage development

The continuation of a project running in 2024/25 funded by UKSPF utilising the Cultural Engine CIC working with cultural and heritage organisations to support them to survive and thrive alongside the creation and development of cultural networks.

This project has significant relevance to economic development, tourism, health and wellbeing, town centres and rurality. Continuation of this project will ensure sustainable change and maintain the momentum in developing new projects and initiatives for sectors that are critical, and in many ways defining, for the Uttlesford economy and sense of place, relevant to local communities, visitors and businesses.

Uttlesford will be a rural component of any new unitary authority, offering major opportunities for tourism, culture and heritage will play an important part in this.

The project will also support key institutions and Town/Parish Councils to be proactive in terms of developing their own approach and policy to support strong cultural, heritage and tourism outcomes – and ensuring they are ready to make the case for their important role after local government reorganisation.

iv. Digital inclusion programme

This is the continuation of a successful project to help people get online, dispel fears about using the internet and make best use of being online.

Donated IT equipment, such as smartphones and laptops are repurposed and provided free of charge to those who need them, alongside data cards. In 2024/25 35 devices were donated to Uttlesford residents alongside 69 SIM cards containing 16.5GB data each month and unlimited UK calls and texts for a period of six months; with a total value of £4,140.

A total of 508 sessions have been held in the district with 105 people benefiting from one-to-one support. The sessions have allowed residents to confidently and safely place online shopping orders, connect with family and access services.

Six volunteers have also been trained by the WECAN team, one of which has now gone on to full time employment.

In 2025/26 the programme will focus on Uttlesford residents who are both digitally excluded and rurally isolated, including residents in Council run sheltered housing schemes.

21. For 2025/26 the focus of spend for REPF will be the following interventions:

REPF - Investment Priorities

- Funding (capital grants) for small scale investment in micro and small enterprises in rural areas
- Funding (capital grants) for the development and promotion (both trade and consumer) of the visitor economy
- Funding (capital grants) for growing the local social economy and supporting innovation
- Funding (capital grants) for investment in capacity building and infrastructure support for local civil society and community groups

22. Projects and workstreams will be confirmed once DEFRA advise the amount of funding UDC will receive. The following projects have been identified as areas where funding will be focused.

- i. The small grant scheme for rural and visitor economy businesses will continue
- ii. UDC’s Zero Carbon Communities Grant scheme and the project outlined above supporting rural communities

Risk Analysis

23.

Risk	Likelihood	Impact	Mitigating actions
Funds not awarded and reclaimed by Government	1 - funding will be utilised by existing UDC work programmes	1 - minimal financial impact to the council directly, but our district would miss out on funding	Regular updates to ensure funding is being used

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.