

Report for: Cabinet

Date of Meeting:	17 th June 2025
Subject:	Shared Prosperity Fund (SPF) & Rural England Prosperity Fund (REPF): 2024/25 Closure and 2025/26 Delivery
Cabinet Member:	Cllr Steven Keable, Cabinet Member for Planning & Economic Regeneration
Responsible Officer:	Richard Marsh, Director of Place & Economy
Exempt:	There are no exemptions within the documents
Wards Affected:	District wide
Enclosures:	

Section 1 – Summary and Recommendation(s)

To update Members on the closure of the first three years of the SPF programme (2 years in the case of REPF); to seek approval for the proposed delivery plan for 2025/2026; and to seek approval to delegate authority to a grants panel to determine applications for SPF (2025/2026) funding.

Recommendation(s):

That Cabinet:

- 1. Approve the proposed Delivery Plan for 2025/2026 of the Shared Prosperity Fund (shown in Appendix 1);**
- 2. Approve the proposed Delivery Plan for 2025/2026 of the Rural England Prosperity Fund (shown in Appendix 2);**
- 3. Grant delegated authority to the Director of Place and Economy, in consultation with the Cabinet Member for Planning and Economic Regeneration, to make non material changes to the Delivery Plans as required to ensure timely delivery; and**
- 4. Grant delegated authority to a panel consisting of the Cabinet Member for Planning and Economic Regeneration, the Director of Place and**

Economy, and two members of the Economic Development team to determine grant funding requests under £30k.

Section 2 – Report

1.0 Background/Introduction

- 1.1 In April 2022 the previous Government launched the UK Shared Prosperity Fund (UKSPF) as part of its Levelling Up agenda, to reduce inequalities and support economic development and community cohesion. This funding covered the three year period from April 2022 to March 2025, with all areas of the UK receiving a formula-based allocation. The UKSPF replaced funding available under the European Structural and Investment Funds (ESIF). This was subsequently supplemented by the Rural England Prosperity Fund (REPF) to cover the period from April 2023 to March 2025.
- 1.2 The current Government indicated in the Autumn Statement 2024 that it would offer an additional year of Shared Prosperity Funding; subsequently it was announced that there would also be an additional year of Rural England Prosperity Funding. As this funding flows to upper tier Authorities, this 2025/26 funding will be administered by the County Council on behalf of the Combined County Authority – although it has been agreed that delivery will continue to principally be directed through the District Authorities.
- 1.3 This report provides an update to Members on the highly successful delivery of projects of the first three years of the UKSPF programme (two years in the case of REPF). It also sets out the core elements of a proposed delivery programme for this financial year of UKSPF/REPF funding.
- 1.4 Owing to the relatively short notice period from announcement of these funds to the commencement of the financial year (2025/26), and the work pressures introduced by the concurrent closure of the previous funding rounds, it has been necessary to progress this work quickly. However, the initiatives outlined to be funded are those which are considered to best fit the needs of the District and learnings have been taken from previous years' funding to ensure that the proposals are efficient and effective, mindful of finite staffing capacity to ensure timely delivery within the financial year.

2.0 2024/2025 Shared Prosperity Fund Closure

- 2.1 Under the UK Shared Prosperity Fund (UKSPF), the Government allocated £1,069,159 over a three-year period (2022-2025) to Mid Devon, to support economic development and community cohesion. The Government also allocated £816,672 of rural uplift over a two-year period (2023-2025) for Mid Devon to build on and complement the SPF under the Rural England Prosperity Fund (REPF).

- 2.2 The headline position is that over the duration of the two year REPF programme and three year SPF programme, MDDC successfully utilised/spent 99% of REPF funding and 95% of the SPF programme funding.
- 2.3 Clearly, despite the short lead in time to delivery from the original Government announcements, the delays in receiving confirmation of funding and the diversity and volume of the grants given, this performance on spend and utilisation is exceptionally strong - albeit it has not been possible to fully spend all allocations owing to some projects not coming to fruition. This is not surprising given the dependency upon spend by third parties and the reflects the hard work and effort invested by the Economic Development team in proactively managing spend, identifying challenges and slippages and ensuring re-allocation of returned or unutilised funding.
- 2.4 At closure of 2024/25 budget year the breakdown of expenditure against budget was as follows:

	SPF Revenue	SPF Capital	REPF Capital
2024/25 Budget	£453,736.08	£223,752.00	£620,085.27
Actual	£407,006.78	£219,888.39	£608,618.53
% Spend	90%	98%	98%

- 2.5 The most significant element of underspend with regard to the SPF Revenue fund in 2024/25, was £44,904 of unspent Prosper funds which were managed and administered by the County Council. We understand from the County Council that part of the difficulties with spend in this areas related to very stringent restrictions on how these funds could be spent which were applied by Government and a lack of flexibility to react to changing circumstances within the programme timescale. It would appear that there have been some positive changes to the requirements for 2025/26; however the short delivery timescale still remains challenging.

Notable achievements

- 2.6 To further demonstrate the success of the SPF and REPF programmes within Mid Devon, it is possible to give a summary of the significant achievements and outputs realised through the programme and the work of the Economic Development team, supported by the Economy PDG and close work with Members. At a headline level, the programme has:
- Supported 550 enterprises (non-financial support)
 - Supported 37 organisations (non-financial support)
 - Supported 24 potential entrepreneurs (non-financial support)
 - Supported 38 enterprises (receiving grants)
 - Supported 25 organisations (receiving grants)
 - Supported 4 tourism festivals/strategic events across Mid Devon, and;
 - Supported 111 town centre cultural and or tourism events and activities (across Bampton, Crediton, Cullompton and Tiverton)

2.7 To illustrate this further, the following are examples of some of the notable achievements through the SPF/REPF programme:

- Delivery of the Tiverton Swan Trail, which ran from Easter 2024, through to October 2024 half-term culminating in the Swan Auction event, which raised circa £7k for future tourism projects;
- Facilitation and coordination of the inaugural Mid Devon Walking Festival, seeing 35 walking events supported and promoted through the festival;
- Attendance at the Mid Devon Show 2023 and 2024 with our own “Mid Devon Producers” tent featuring 17 of the District’s producers over the two years;
- Working with Food Drink Devon to offer 27 Mid Devon’s Food and Drink businesses network membership and access to specialist business support, marketing and events;
- Supported 20 local producers and eateries with a series of “Meet the Producer” posts on our Visit Mid Devon Facebook page;
- Installation of new visitor signage at our three Mid Devon leisure sites highlighting the array of attractions and visitor experiences in Mid Devon;
- Facilitation of a package of support for our farm businesses including specialist sectoral workshops with Devon Agri-Tech Alliance (12 farms engaged);
- Delivery of the Tiverton Work Hub;
- Delivery of the Cotie Innovation Centre at Petroc, Tiverton (Created by Petroc College);
- Delivery of a series of town centre grant schemes supporting shopfront enhancements, fit-outs (moving into new units), digital enhancements and vibrant town centre projects; and
- Delivery of a series of digital, radio and printed promotional campaigns to support the visitor economy and promote Mid Devon as a destination

3.0 UK Shared Prosperity Fund/Rural England Prosperity Fund 2025/2026

3.1 As referred to above, Devon County Council will be administering and managing the programme on behalf of the Devon & Torbay Combined County Authority. The Combined County Authority has been awarded the sum of £4,166,670 from the UK Shared Prosperity Fund (UKSPF) and £1,826,589 from the Rural England Prosperity Fund (REPF) for this additional year (i.e. financial year 2025/2026). The Mid Devon allocation of this funding is as follows:

UKSPF Revenue	UKSPF Capital	REPF Capital
£211,536	£64,277	£244,959

3.2 In November 2024, the Economy and Assets PDG considered potential options for an outline Delivery Plan for a Shared Prosperity Programme for 2025/26. At that time there were no details from the Ministry of Housing, Communities and Local Government as to how a fourth year of UKSPF would operate; nonetheless it was considered useful to get early input from Members. The outline programme was considered alongside Corporate Aims and Strategic Objectives, drawing also from the previously prepared investment plans

submitted to the Government at the beginning of the UKSPF programme. At the time the PDG considered an outline UKSPF Delivery Plan (for 2025/26) there were no indications of an extension to REPF, which we subsequently learnt would occur. It should also be noted that at that time it was not known for certain the value of the Mid Devon allocation, or the proportion of capital funding, or indeed that the County Council would be administering the scheme.

- 3.3 There are a number of restrictions with regard to these funding streams. Importantly funds need to be spent and projects delivered by 31st March 2026. There is therefore a very short window for delivery from a relatively standing-start. It is also understood that we cannot “double count” outputs (e.g. a business recorded as an ‘Enterprises Receiving Non-Financial Support’ output in 2024/25 cannot be recorded again for a new project in 2025/26). Given the success of the previous years’ activities this means that we have significant saturation in a number of areas which therefore restrict options for this year.
- 3.4 Given the short timescale a particular challenge for capital projects is the need for other approvals such as planning permission to be in place, which again reduces the options for delivery during this year.
- 3.5 The proposed SPF and REPF Delivery Plans set out in Appendices 1 and 2 respectively have been the basis of the County Council’s submission to MHCLG. These plans have been drawn from the last few years’ experience, informed by projects which were unable to be delivered in previous years, discussions with the Economy and Assets PDG and ongoing discussions with County Council Officers. The proposed projects have been developed cognisant of the need to deliver during the financial year. Some projects will be taken forward by the County Council and others by the District Council.

Proposed Changes

- 3.6 The work behind the development of the proposals in Appendices 1 and 2 has been constantly evolving given the nature of other interdependences and as more Government guidance has been released. A number of changes to the delivery plans included in the appendices are being proposed as follows:

SPF Proposed Changes

- 3.7 It was initially envisaged that £15,000 would be made available for businesses start up support; however this would largely be doubling up on the existing commitment of the £78,790 to the Prosper programme run by the County Council. It is suggested that the £15,000 instead be added to the feasibility studies proposal to enable more comprehensive work to be undertaken (new total £40,000).

REPF Proposed Changes

- 3.8 When the proposals for a small scale grant scheme for businesses were initially drafted it was envisaged that the County Council would be interested in delivering this scheme on behalf of the District (and other District Councils). This would have offered the opportunity for efficiencies and augmented our own staff capacity. However, in-part owing to differing uptake between District Authorities, the County Council has since informed us that they are now unable

to run such a scheme. In the absence of the County Council delivering this initiative, District Council Officers do not currently have the capacity to run such a scheme in full; however it is proposed (through this report) that a reduced budget of £30k (versus the original £60K provisionally allocated) be approved to focus on internal refresh works to Retail, Leisure and Tourism public facing businesses with priority given to those within our town and village centres. Examples could include lighting and decoration, display equipment and payment system improvements where no planning permission or other consents needed. It is proposed that such a scheme could be set at a lower grant value which would allow for the scheme to be less bureaucratic and allow for a quicker turnaround. It is expected this would therefore also make it more attractive and feasible for businesses who have not yet benefitted from the REPF programme in previous years.

- 3.9 Similarly the original proposal for £60k for the delivery of capital projects relating to the promotion of the visitor economy also now looks unlikely to spend in full given the timescale and restrictions with regard to eligible projects. Therefore a reduction to £40k is recommended for approval through this report.
- 3.10 It is recommended that the amounts identified above (£50k in total) are then transferred to the proposal for investment in sporting facilities where there are known projects which can be delivered within the financial year. This would create a project budget of £150k (£50k higher than the original provisional allocation). This is an area which we have not supported previously through the SPF programme and would have additional benefits with regard to wider corporate objectives.
- 3.11 It is understood from the existing Government guidance that these proposed changes are not considered material. Given that the County Council is now responsible for managing the whole Devon and Torbay programme Mid Devon Officers have been liaising with County Council colleagues who have confirmed that they are content with these changes. Subject to agreement by Cabinet these changes will be reported to Government in September as part of their quarterly monitoring.

4.0 Establishment of a Small Grants Panel

- 4.1 Given the importance of the need to turn around schemes quickly, it is proposed that a small grants panel be established on the same basis that the existing Shopfront Enhancement Schemes are currently assessed.
- 4.2 It is proposed that the panel would consist of the Cabinet Member for Planning and Economic Regeneration, the Director of Place and Economy, and two members of the Economic Development team (i.e. two from the following):
- Strategic Manager for Growth, Economy & Delivery,
 - Economic Development Officer, and
 - Two Growth and Regeneration Officers.

4.3 It is proposed that this panel would be able to convene quickly and would determine grant funding requests up to the value of £30k.

Financial Implications: The report refers to external funding of £275,813 of UKSPF funding and £244,959 of REPF funding which has been allocated to the District Council based on a formulaic approach. This funding needs to be spent this financial year. The proposals for this financial year have been developed to maximise opportunities for certainty of spend. The report also provides information with regard to the previous years highly successful expenditure for Members to note.

Legal Implications: The Devon & Torbay Combined County Authority is the accountable body for the funding, which is being managed by the County Council on its behalf. A Grant Agreement with the County Council is being entered into to provide clarity of obligation between the parties. The contents of this grant funding agreement is currently being considered by the Legal Services team.

Risk Assessment: There are no further risks associated with the updates in this report that have not already been reported. The key risk is failure to spend the optimum amount of funding as it is understood that unspent monies will be reclaimed by the Government and therefore timely delivery is key. It is for this reason that schemes are proposed which seek to give most assurance on spend within the financial year as this is our key risk mitigation. Individual projects will be subject to their own risk management processes.

Impact on Climate Change: Climate will be an underlying theme through many of the proposed projects and every endeavour will be made to support projects which create positive climate and environmental outcomes (in the broadest sense)

Equalities Impact Assessment: It is acknowledged that there is a relationship between economy and equality whereby disadvantaged groups of people can have greater or lesser opportunities for economic advantage.

Mid Devon's Prosperity Programme and the Economic Strategy outline key projects to tackle these risks and grow the economy. Whilst many grants are to private businesses, the potential to prioritise projects that have positive externalities/ wider public benefits are optimised.

Key strands of the work of the Economy and Growth team continue to seek to address and tackle causes of inequality and deprivation.

Relationship to Corporate Plan: The proposed delivery plans have been informed by the Corporate Plan. The proposals supports the corporate objectives for the economy:

- Bringing new businesses into the District
- Business development and growth
- Improving and regenerating our town centres
- Growing the tourism sector

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 5.6.25

Statutory Officer: Maria de Leburne

Agreed on behalf of the Monitoring Officer

Date: 5.6.25

Chief Officer: Stephen Walford

Agreed by Chief Executive

Date: 5.6.25

Performance and risk: Stephen Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 06.06.2025

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Richard Marsh, Director of Place & Economy

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Adrian Welsh, Strategic Manager Growth, Economy & Delivery

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Background papers:

Economy and Assets PDG Report: 28th November 2024 [SPF 2025-26.pdf](#)