

Rural England Prosperity Fund capital budget 2025-26	
Executive Summary	<p>MHCLG confirmed on 27 March 2025, the award to North Norfolk District Council of £437,259 capital funding for the period 2025-26; the Rural England Prosperity Fund (REPF).</p> <p>Full Council approval is being sought to add the capital expenditure (£437,259) to the capital programme for 2025/26 so that the funding can be defrayed.</p> <p>It will be defrayed in accordance with the Government's programme rules and is considered a rural top-up to the UK Shared Prosperity Fund (UKSPF) for which a programme was agreed by Cabinet in February 2025. It is, in effect, a continuation of the REPF grant that was administered over the past two years (the outcomes of which were reported to the Overview and Scrutiny Committee on 9th April 2025).</p>
Options considered	Not applicable. This grant will be received and needs to be allocated in the budget. Rejecting the grant is the only alternative option, which is clearly not worthy of consideration.
Consultation(s)	Portfolio Holder for Sustainable Growth Director of Resources/S151 Officer Monitoring Officer
Recommendations	That full Council approve that £437,259 be added to the capital programme for the Rural England Prosperity Fund and that will be funded by a specific grant allocation from Central Government that has to be fully spent during the financial year 2025-26.
Reasons for recommendations	<p>The Council has received a REPF grant allocation from Central Government and in accordance with its Constitution full Council must approve that the capital expenditure it will incur in defraying this grant is added to the capital programme.</p> <p>NNDC received the funding allocation announcement on 27 March 2025 and it was therefore not possible to bring this report to Full Council earlier. The period within which this funding must be defrayed is 1st April 2025 to March 31st 2026, so it is essential to minimise any delays.</p>
Background papers	<u>Rural England Prosperity Fund: prospectus - GOV.UK</u>

Wards affected	All wards
Cabinet member(s)	Portfolio Holder Sustainable Growth

Contact Officer	<p>Jenni Jordan – Economic Programmes & Funding Manager jenni.jordan@north-norfolk.gov.uk</p> <p>Stuart Quick – Economic Growth Manager stuart.quick@north-norfolk.gov.uk</p>
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Links to key documents:	
Corporate Plan:	Investing in Our Local Economy & Infrastructure Our Greener Future Developing Our Communities
Medium Term Financial Strategy (MTFS)	The REPF funding programme, which is a rural top up funding to UK Shared Prosperity Fund, will be fully funded by external grant funds, and does not impact upon the MTFS. The forthcoming delivery of the UKSPF transition programme further utilises external grant funds and has been agreed by Cabinet. It will not impact upon the MTFS.
Council Policies & Strategies	North Norfolk Economic Growth Strategy & Action Plan

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	<p>Cabinet resolution on 3 February 2025 – to support the following recommendations:</p> <ol style="list-style-type: none"> 1. To confirm Cabinet's support for the approach to the UKSPF programme (transitional year 2025/26) outlined in this report 2. To delegate to the Assistant Director for Sustainable Growth, in consultation with the Portfolio Holder for Sustainable Growth, the detailed definition of the projects to be delivered within the overall programme headings and the commissioning of specific projects and the procurement and/or appointment of any project delivery partners or contractors, as appropriate.

1. Purpose of the report

This report seeks approval to add a further £437,259 of capital expenditure to the 2025-26 capital programme. This is to distribute the 2025-26 REPF capital grant allocation received from Central Government. .

2. Introduction & Background

- 2.1. The Rural England Prosperity Fund (REPF) was introduced as part of the Government's Levelling Up White Paper and the Future Farming Programme. It provided funding for capital projects aimed at small and medium-sized enterprises, as well as community infrastructure initiatives. The primary objectives of the fund were to enhance productivity, bolster the rural economy and strengthen rural communities. Additionally, it supported projects designed to address the unique challenges faced by rural areas.
- 2.2. The total capital-only allocation for North Norfolk during 2023 /24 and 2024/25 was £1,457,852. It was not known until very recently that a further REPF scheme would operate but the Council has now been informed that it has been allocated £437,259 capital funding for a 'transitional year' for a 2025-26 programme.
- 2.3. This additional year's funding was only announced on 27 March 2025. The delivery must be complete within this financial year (2025-26). The Rural Fund is integrated into the UKSPF which supports 'productivity and prosperity in places that need it most'. For eligible local authorities, the Rural Fund is a rural top-up to UKSPF allocations. It supports activities that specifically address the particular challenges rural areas face. It is complementary to funding used to support rural areas under the UKSPF

3. Proposals and Options

- 3.1. The REPF programme has to be delivered in accordance with the Government's 'missions' and prescribed outputs and outcomes for the funding programme. Other than reshaping to fit the Government's new missions, the funding programme remains effectively the same as the previous two years, with a revised prospectus reflecting that realignment. The programme will be delivered under the same 'Addendum' to the Investment Plan submitted by NNDC and approved by MHCLG in 2023.
- 3.2. The Government has stated that the programme will be delivered against:

Mission 1: Kickstart economic growth
Mission 4: Break down barriers to opportunity
- 3.3. The REPF will be able to fund capital projects for small businesses (SMEs) and community infrastructure in rural areas, with the aim of helping to improve productivity and strengthen the rural economy and rural communities, as identified in the previous two year programme.

4. Corporate Priorities

- 4.1. The REPF funding will contribute towards the Corporate Plan priorities by investing in the local economy supporting business growth and community resilience.

5. Financial and Resource Implications

- 5.1. This report relates to the allocation of a capital grant for the delivery of a REPF programme in North Norfolk. The funding is from Government and is 100% capital. This report is not seeking any additional financial resources, but an addition to the capital programme so that there is the required authority in place to spend the grant received. The Council has the necessary staff resources, and arrangements with potential delivery partners, to administer the programme with no additional demands on Council financial resources.

Comments from the S151 Officer:

This report is being presented to Members so that the required approval can be given to add the capital expenditure to the capital programme in order to spend the grant allocated. The expenditure will be fully funded by the grant. Any grant not spent by the end of 2025/26 must be returned to Central Government. So approval as soon as possible after notification of the grant allocation on 27 March 2025 will enable officers to allocate the full grant .

Legal Implications.

- 5.2. The Council is expected to confirm its delivery programme with Government by 1st May 2025. Its legal obligations include providing the necessary monitoring information in accordance with the grant scheme. The Council has fulfilled such obligations and delivered similar programmes in the recent past and this is not thought to raise any legal implications.

Comments from the Monitoring Officer

This additional capital grant funding allocation has only just been announced. There is a limited period (which has already commenced) in which the funding must be defrayed. A further report to Cabinet, once the funding sum has been allocated in the Council budget, would be required with regard to how that funding will be used detailing any delegations to specific officers (similar to that in the February 2025 resolutions)

6. Risks

- 6.1. The REPF 2025-26 funding allocation must be committed and defrayed by March 2026. Unspent funds will need to be returned.

7. Net Zero Target

- 7.1. There are not considered to be any specific impacts on the [Net Zero 2030 Strategy & Climate Action Plan](#) as a result of recommendations in this report.

8. Equality, Diversity & Inclusion

8.1. There are not considered to be any impacts upon equality and diversity as set out in the Council's [Equality, Diversity & Inclusion Strategy](#) as a result of the recommendations in this report.

9. Community Safety issues

10.1 There are not considered to be any impacts upon crime and disorder as a result of the recommendations in this report.

10. Conclusion and Recommendations

11.1 The REPF funding programme for 2023 – 2025 was successfully implemented. This additional year's funding will enable provision of further support to the local economy and communities in the area, in accordance with the scheme, during the current financial year.

11.2 It is recommended that:

The sum of £437,259 be allocated in the budget for capital expenditure for the Rural England Prosperity Fund programme during the financial year 2025-26.