



Report to: Cabinet Meeting: 10 June 2025

Portfolio Holders: Councillor Claire Penny, Sustainable Economic Development
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Report Summary	
Type of Report	Open Report / Key - Decision
Report Title	UK Shared Prosperity Fund and Rural England Prosperity Fund Grants 2025-2026
Purpose of Report	To provide an update on the proposed grants throughout 2025-2026, funded by the Rural England Prosperity (REPF)/UK Shared Prosperity Fund (UKSPF).
Recommendations	<p>That Cabinet approve:</p> <ul style="list-style-type: none">a) the addition of £267,369 within the 2025-2026 capital programme, funded by incoming Rural England Prosperity Fund (REPF) grant, as detailed in paragraph 1.3 of the report; andb) the proposed approach to managing the REPF and UKSPF grant schemes in 2025-2026, including the application, appraisal and award process as detailed in paragraph 1.9 of the report (Table 1), with delegation to the S151 Officer to approve individual grant allocations.
Alternative Options Considered	<p>There is the opportunity not to accept future REPF grant funding allocated to the district and to decline participation in the scheme. This approach has been discounted from the proposals outlined within this report as it would re-present a missed opportunity to invest in local rural communities, supporting the Council's Economic Growth Strategy and Community Plan objectives.</p>

Reason for Recommendations	The proposed processes set out within this report facilitates prompt and flexible delivery of grants, considering the requirement for any unspent funds after 31 March 2026, to be returned to Government. In addition, the process established is objective, open and transparent, avoiding any conflicts of interest, as set out as a clear requirement within the Governments Grants Functional Standard, demonstrating a best practice approach to managing grants.
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1.0 Background Information

- 1.1 On 18 February 2025, a report was presented to Cabinet to announce the Government's 12-month extension to the UK Shared Prosperity Fund (UKSPF) programme from April 2025 to March 2026, to the value of £1.34m in Newark and Sherwood. The report confirmed local uses of the UKSPF funds in 2025-2026, committing the grant to several existing projects, across three themes of Communities and Place, People and Skills and Supporting Local Businesses. The selected list of local UKSPF projects, as approved by Cabinet for delivery throughout the current financial year, is provided in Appendix A of this report.
- 1.2 Cabinet may re-call that in accordance with the 2022 devolution deal, the UKSPF allocation of £1.34m to Newark and Sherwood will be passported by the East Midlands Combined County Authority (EMCCA), as the replacement Lead Funding Recipient for the region. It is positive to report that this funding commitment to the area is now formalised through a grant award to the Council, from EMCCA.
- 1.3 In March 2025, the Government later confirmed an additional 12-month extension to the Rural England Prosperity Fund (REPF), until March 2026, known as the 'top-up' to UKSPF, for eligible rural areas. This announcement will provide a further £267,369 of capital funding for the district this financial year, in addition to the £1.34m of UKSPF previously reported. The additional funding will also be passported by EMCCA to the Council and incorporated within the existing grant funding agreement (UKSPF/REPF), with a requirement to spend by 31st March 2026.
- 1.4 The REPF is specifically integrated within the UKSPF programme and will be monitored and reported to EMCCA and Government in a combined approach. The rural top-up is designed to address the challenges faced by rural areas such as social isolation, access to opportunity and rural economic growth. The addition of REPF is introduced by Government and detailed within the prospectus to operate as a capital grant scheme, available to support organisations and projects located within areas pre - determined as 'rural' by the Department for Environment, Farming and Rural Affairs (DEFRA). It should be noted that not all of Newark and Sherwood is considered rural for the purpose of REPF, with areas in Newark Town, Balderton and Clipstone excluded from the funding.

1.5 Throughout 2022 to 2025, the UKSPF supported a variety of local activity delivered through a combination of in-house led projects, commissioning, procurement and grant funding opportunities for local organisations. The REPF was first awarded to the Council by Government between 2023 and 2025, to be delivered as a capital grants scheme, in accordance with the uses set out within the fund guidance. This resulted in the provision of financial support to a number of local organisations to accelerate rural business growth and diversification, as well as new and improved rural community infrastructure. This included grants for tourism sites, event and hospitality venues, sports clubs, community venues and active travel improvements. The local process followed engagement with DEFRA, the voluntary and community sector, neighbouring authorities and rural representatives such as the Community Land Association (CLA), National Farmers Union (NFU) and Rural Community Action Nottinghamshire (RCAN). Whilst the full impact of investment will form part of a wider programme evaluation finalised and circulated Autumn 2025, high level local achievements across the UKSPF/REPF programme up to March 2025, include:

- 342 businesses supported
- 91 jobs safeguarded
- 24 jobs created
- 28 businesses decarbonisation plans developed
- 63 businesses with improved sustainability
- 85 businesses with improved productivity
- 6 new businesses created
- 266 residents gaining life skills
- 42 economically inactive residents newly in job searching
- 162 residents completing training courses or obtaining qualifications
- 653 residents volunteering
- Over 3000 trees planted
- 120 community events delivered
- 15 community facilities created or improved

1.6 As specified within the scheme prospectus, the role of Local Authorities through the REPF, is to deliver and manage grant funding calls, contract with successful applicants and monitor projects thereafter. Funding is available for non for profit and community organisations, as well as commercial enterprises, explicitly in the form of capital grants. This includes support for rural businesses to develop new products and facilities that will be of wider benefit to the local economy (such as farm businesses looking to diversify income streams), as well as support for new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy. The full list of the REPF eligible interventions, as provided by Government, is available in Appendix B of this report.

1.7 In accordance with the Governments Grants Functional Standard, all grants must be competitive by default, and subject to a robust competitive process, demonstrating impartiality and avoiding conflicts of interest. For the purpose of the REPF, Local

Authorities are required to develop all grant related documentation including grant application forms, guidance, an appraisal process and funding agreements. It is at the discretion of the Local Authority to determine the most appropriate grant criteria, thresholds for awards, and match funding requirements depending on local context, but with recognition of the overall objectives and intended outcomes of investment, as set by Government.

- 1.8 In addition to the 2025-2026 REPF grant budget totalling £267,369, a revenue commitment of £100,000 of UKSPF was approved by Cabinet in February 2025, to enable the continued delivery of small and micro business grants, following successful pilot in 2024-2025, and subject to process development by Officers. This commitment follows strategic engagement with EMCCA, local business support providers, and neighbouring authorities, to determine the most appropriate approach to providing a breadth of local business support, including specialist advice, guidance and grant funding across the region. The availability of business grants will support the achievement of the UKSPF objectives and the local Economic Growth Strategy, by providing funding to scale up small and micro businesses (50 FTE or less) across the district, through increasing productivity, sustainability, and/or creating jobs.
- 1.9 In determining the most appropriate local process, funding and match thresholds for both the UKSPF/REPF grant funding opportunities above throughout 2025-2026, the Council has engaged with key partners, and considered the wider funding landscape, to avoid duplication and address identified gaps in support. Furthermore, the proposals reflect the knowledge obtained, and evaluation of previous UKSPF/REPF grant schemes, recognising best practice approaches to obtaining value for money and maximum outcomes for local people and places. With this in mind, the proposed approach to delivery of the REPF grants and UKSPF business grants, throughout 2025-2026, is as follows:

Table 1. REPF/UKSPF Grants Process 2025-2026

Indicative Date	Process
June 2025	<p>Full grant criteria, application and appraisal documentation developed and finalised by Officers (Economic Growth and Visitor Economy), in accordance with requirements and conditions of UKSPF/REPF prospectus.</p> <ul style="list-style-type: none"> • REPF (£267k) – Grants between £10,000 and £40,000 to support rural based projects, with a requirement of 20% match funding from community organisations and 40% match funding for commercial enterprises. Funding to be eligible for interventions, as detailed in Appendix B. • UKSPF (£100k) – Grants between £2,500 and £10,000, with a requirement of 40% match funding. Funding to be eligible to scale up a select number of small and micro businesses (50

	FTE or less) across the district, specifically for projects that demonstrate outcomes through increased productivity, sustainability and job creation.
June/July 2025	Application window for both REPF grants and UKSPF business grants.
July/August 2025	<p>Grant applications appraised by a panel of internal, independent Senior Officers against a pre-determined scoring matrix. Full scoring matrix and weightings to be published alongside guidance, and will consider alignment to:</p> <ul style="list-style-type: none"> • UKSPF/REPF objectives, the local Community Plan and Economic Growth Strategy. • Demonstration of local need and/or opportunity for investment. • The impact of investment (achievement of outputs and outcomes). • Consideration of equality, diversity and sustainability implications. • Demonstration of risk and deliverability within required timescales.
August 2025	<p>Recommended grant awards presented to the Council's S151 Officer for approval. Grant agreements finalised subject to due-diligence checks.</p> <p>List of awards circulated.</p>
September 2025 – March 2026	<p>Grant funding period, monitoring and evaluation. Outcomes to be monitored include, but are not limited to:</p> <ul style="list-style-type: none"> • No. of jobs created. • No. of businesses with increased productivity. • No. of businesses with improved sustainability. • No. of residents reached/community groups supported. • Amount of infrastructure/community space improved. • Increased users of spaces, volunteers, active members of community groups. • Improved accessibility, social isolation and safety. • Co2 improvements. • Increased visitors and footfall at tourism sites.

- 1.10 In accordance with a competitive process, it is anticipated that not all grant applications will be successful due to funding availability, and funding would be awarded to applications that score the highest, demonstrating most impactful outcomes. Support will be provided to any unsuccessful applicants in the form of referrals for advice/guidance and access to Grant Finder searches. In the unlikely event of a forecasted underspend, alternative commitments of the UKSPF/REPF grant will be presented to the S151 Officer for approval, in accordance with the scheme objectives

and the grant funding agreement finalised with EMCCA. This approach will support flexible and proactive delivery, maximising local investment in rural communities within the grant funding period ending March 2026.

2.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

- 2.1 In accordance with the UKSPF/REPF Government prospectus, the grant appraisal process will consider how applicants address both environmental sustainability implications, as well as equality and diversity implications.
- 2.2 The grant process will be managed by dedicated Programme Resource within the Economic Growth Team including the Programmes Manager and Economic Growth Officer.

Legal Implications LEG2526/2819

- 2.3 The Localism Act 2011 under section 1 gives the Council the "power to do anything that individuals generally may do", and may do it "for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area". These powers give the Council the power to both receive and award grants to deliver projects such as those outlined within this report within the Newark & Sherwood District.
- 2.4 As noted in 1.3 of this report, the grant funding passported by EMCCA to the Council will be formalised through a completed grant funding agreement to be issued by EMCCA and signed by the S151 Officer on behalf of the Accountable Body. This agreement is to be reviewed by the Legal team to evaluate its risks and implications prior to signing.
- 2.5 Grant funding agreements will be issued by the Council to successful Grant Recipients, who qualify to be awarded funding by the Council. This will be in compliance with the UK Subsidy Control Act; the basic principles of the Council's Contract Procedure Rules; and with Part E para 16.4.6 of the Financial Regulations which state that the 'awarding of grants by the Council or on behalf of the Council must be carried out under the principles of openness, fairness, non-discrimination, and value for money'.

Financial Implications (FIN25-26/7366)

- 2.6 The REPF grant is 100% Capital, therefore, to facilitate the grant scheme as described in the table at 1.9 of the report, a budget should be set up in the Capital Programme for £267,369, financed by the grant.
- 2.7 The UKSPF described above, relates only to revenue and the budget is already available based on the grant awarded to manage the proposed grant scheme.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Levelling Up White Paper, 2022

[Government Functional Standard GovS 015: Grants - GOV.UK](#)

Levelling Up Fund Prospectus and Guidance, 2022

Sherwood Levelling Up Bid, July 2022

Cabinet Report, Levelling Up Submission and UK Shared Prosperity Fund, June 2022

Cabinet Report, Sherwood Levelling Up, Long Term Plan for Towns Fund and UKSPF / UKRPF Fund Update, November 2024

[Rural England Prosperity Fund: prospectus - GOV.UK](#)

Appendix A - UKSPF Project Commitments 25-26 (Cabinet February 2025)

<u>Project 25-26</u>	<u>Delivery Approach</u>	<u>Commitment</u>
Small Business Grant Scheme Grants to support small and micro business productivity and sustainability.	Grant application, appraisal, and monitoring process to be led by Economic Growth.	£100,000 Revenue
NSDC Business Advice Service Bespoke specialist advice and guidance for businesses across the district.	Extension of an existing Service Level Agreement with Nottinghamshire County Council.	£25,000 Revenue
LUF 3 Sherwood Capital Programme Contribution towards the Clipstone/Ollerton Town Centre regeneration scheme, addressing known match funding requirements, subject to a separate report to Cabinet relating to the projects.	Direct delivery, led by Economic Growth and Regeneration.	£912,487 Capital
Alternative Education & Skills Development Project Following pilot in 24/25, the provision of a bespoke skills development scheme, supporting targeted communities that are disengaged, or unable to access mainstream AEB or UKSPF funded skills provision, through bespoke learning and engagement solutions.	Direct delivery, led by Community Development.	£50,000 Revenue
Community Tree Nursery Scheme Dedicated resources to coordinate the district wide tree planting, community volunteering and educational/environmental programme, through the tree nursery known as 'Sherwood Seedbank'.	Grant award to the Sherwood Forest Trust Charity.	£40,000 Revenue
Re-New' Project Educational opportunities and adult learning courses for eligible economically inactive residents across the district, such as ESOL, Maths, English, IT, and creative activities.	Grant award to Inspire, Culture and Learning.	£49,000 Revenue
'Grow' Project Traditional employment support for eligible economically inactive residents across the district including jobs searching, CV writing, interview prep, volunteering, signposting, key-worker referrals, advice and guidance.	Grant award to Framework Housing Association.	£45,000 Revenue
'Boosting' Project Employment and skills support for residents in employment, including access to bespoke training solutions and courses to help employees progress within the workplace.	Grant award to Lincoln College Group.	£50,000 Revenue
'Golden Thread' Project Continued delivery of the youth volunteering project, working with local schools and community groups to support young people at risk of, or considered NEET, to access volunteering.	Grant award to Newark and Sherwood CVS	£20,000 Revenue

Appendix B - REPF Interventions (Government approved list)

Intervention	Example projects
Capital funding for small scale investment in enterprises in rural areas, growing the local social economy and supporting innovation	<ul style="list-style-type: none"> • Creation and expansion of rural leisure and tourism businesses e.g. creating event venues or farm tourism facilities or providing facilities for pet and equines. • Funding for resilience infrastructure and nature-based solutions that protect local businesses and community areas from flooding. • Creating multifunctional rural business hubs providing shared workspace and networking opportunities for rural businesses. • Purchase of equipment for food processing for non-farmer-owned businesses.
Capital funding for capacity building and infrastructure support for local civil society and community groups	<ul style="list-style-type: none"> • Providing net zero infrastructure for rural communities to support rural tourism activity e.g. EV charging points or community energy schemes. • Supporting kitchens in community hubs to help food and drink entrepreneurs get accreditation for food production.
Capital funding for cultural, heritage and/or tourism assets where it will benefit the rural visitor economy	<ul style="list-style-type: none"> • Developing local visitor trails and infrastructure such as tourism boards, visitor centres, visitor experiences and general tourist attractions. • Improving accessibility at heritage and culture sites.
Capital funding for creation and improvements to local rural green spaces including active travel enhancements	<ul style="list-style-type: none"> • Upgrading cycle and footpath links. • Creating or improving community gardens, green spaces, watercourses, embankments, greening of streets and paths.
Capital grant funding for rural circular economy projects	<ul style="list-style-type: none"> • Setting up or enhancing rural community-led repair cafés or mend workshops.
Capital funding for community assets where it will result in impactful volunteering and/or develop social and human capital in rural places	<ul style="list-style-type: none"> • Undertaking physical improvements to volunteering and community premises including the provision of digital infrastructure for community use. • Purchasing large equipment to enable the delivery of volunteering and/or social action projects.