

EAST HERTS COUNCIL

Date of Meeting: 14th May 2025

Report by: Ben Crystall, Leader of the Council

Report title: UK Shared Prosperity Fund and Rural Prosperity Fund 2025-26

Ward(s) affected: All

Summary

This paper outlines East Herts Council's approach to the 2025/25 UK Shared Prosperity and Rural Prosperity funding

RECOMMENDATIONS FOR COUNCIL

- A) Rural Prosperity Funding of up to £141,828 is allocated to support rural businesses and infrastructure projects, with decisions on funding delegated to the Head of Communications, Strategy and Policy in consultation with the Executive Member for Planning and Growth
- B) Up to £60,000 is allocated to the Arts in East Herts programme, with decisions on funding delegated to the Head of Housing and Health in consultation with the Executive Member for Communities
- C) Up to £130,000 is allocated to the improvement of community facilities, with decisions on funding delegated to the Head of Housing and Health in consultation with the Executive Member for Financial Sustainability
- D) Up to £390,075 to sustainability, with individual decisions to be delegated to the Head of Housing and Health in consultation with the Executive Member for Environmental Sustainability

1.0 Proposal(s)

- 1.1 Council Members are asked to support the recommendations in order for East Herts to confirm spending plans with the Ministry for Housing, Communities and Local Government. Thereafter, funding can be released.

2.0 Background

- 2.1 East Herts Council recently concluded its UK Shared Prosperity Fund (UKSPF) and Rural Prosperity Fund (RPF) project. Details on achievements can be found in the report to Overview and Scrutiny on 4th March, 2025: [Agenda for Overview and Scrutiny Committee on Tuesday 4th March, 2025, 7.00 pm - East Herts District Council](#)
- 2.2 A full evaluation of the project is underway with a view to reporting all outcomes to central government in May. The £2.2m of funding benefitted a wide variety of public, private and voluntary organisations across the district and East Herts welcomes the announcement of further funding for the 2025/26 financial year.
- 2.3 It should be noted that the government have not committed to any funding beyond this financial year and have described this year's allocation as "transitional funding". This is perhaps understandable given their plans around local government re-organisation and the likely changes to funding models that will follow.
- 2.4 In December the Ministry for Housing, Communities and Local Government announced a total fund of £900m for 2025/26 (the allocation for 2024/25 was around £1.5bn). East Hertfordshire's allocation is confirmed as £580,075 (made up of £472,975 revenue and £107,100 capital). A further £141,828 is allocated through the Rural Prosperity Fund (all capital).

2.5 The fund is designed to ultimately support delivery of the government's 5 missions:

- Mission 1: Kickstart economic growth
- Mission 2: Make Britain a clean energy superpower
- Mission 3: Take back our streets
- Mission 4: Break down barriers to opportunity
- Mission 5: Build an NHS fit for the future

2.6 There are then three further "investment priorities" underneath this which the UKSPF is expected to focus on. These are unchanged from the previous scheme:

- Communities and Place
- Supporting Local Business
- People and skills

2.7 A further set of specific outcomes and outputs sits underneath these priorities. These are also largely unchanged, save for some rationalisation and can be found in Appendix A. It should be noted that RPF funding is ringfenced specifically for rural businesses and infrastructure only (the origin of this funding is from EU grants to support agricultural business diversification).

2.8 These outcomes and outputs are to be thought of as a menu of options that local areas wish to prioritise rather than a comprehensive framework where we have to deliver against everything. The starting point for identifying priorities is to see which outcomes align with The Council's LEAF priorities.

2.9 The only other requirements are that any projects have to be in addition to existing activity. This means we cannot

use UKSPF to replace core spending or activity already budgeted for. This includes existing staff costs (however the fund can be used to cover additional hours of existing staff for new activity). Funds can also be used to deliver contracted works provided The Council's financial procedures are followed and can also be given out in grants provided the end recipient is a separate legal entity (ie. Not an individual).

- 2.10 The same arrangements will be in place as per the previous scheme in that East Herts Council is the accountable body for spending. The government also stated, "*Whilst 2022-25 allocations are separate from 2025-26, this transitional year should be treated as a continuation of the Fund. With that in mind, you may continue to fund existing projects, deliver the same types of activity supported to date, shift to entirely different ones, or a combination of these options*".
- 2.11 The view of East Herts Executive Members has been that given the reduced amount, there can be no assumption that the scheme would continue with the same priorities previously agreed by Council in January 2023. However, aspects of the previous scheme that were highly successful should continue where possible and in conjunction with The Council's LEAF priorities.
- 2.12 Overview and Scrutiny Members reviewed the previous scheme at their meeting in March. Feedback was positive about many of the projects delivered and the wide dispersal of funds to different localities across the district. Committee Members made the following recommendations as strategic priorities for 2025/26, as noted in the daft minutes:
- active travel
 - climate change
 - town and village centres
 - empowering the voluntary community

2.13 Taking into account these views Executive Members have agreed to direct funding towards four priority areas

- Business support and infrastructure (focusing on business support programmes, town centres, skills and employment)
- Arts in East Herts (continuing the legacy of the previous scheme)
- Community facilities
- Sustainability (focusing on air quality, carbon reduction, active travel and energy efficiency)

2.14 Individual projects are being developed and will be progressed throughout the 2025/26 year. Once these spending priorities are confirmed by Council, this will be shared with the Ministry of Housing, Communities and Local Government for approval so funding can be released.

3.0 Reason(s)

3.1 In order for East Herts to obtain its allocation of UKSPF and RPF funds, priorities need to be agreed and shared with central government.

4.0 Options

4.1 Agree the recommendations

4.2 Do not agree the recommendations. This option is not preferred as it means East Herts Council will be unable to access the funding from central government.

5.0 Risks

- 5.1 The only risk to The Council is that we do not agree spending priorities with central government and are therefore unable to access funding. As all funds have to be spent by 31 March 2026, the longer we do not have agreement the shorter timeframe there is to spend the funds.

6.0 Implications/Consultations

- 6.1 No specific consultations are planned.

Community Safety

Not directly however it is likely that some of the actions and projects that are delivered may be focused on supporting community safety

Data Protection

No

Equalities

All new actions and projects delivered will need impact assessments alongside them to understand the impact they may have on individuals or communities with protected characteristics. These will be published alongside delegated decision notices.

Environmental Sustainability

Sustainability is a key strand of the recommendations so the expectation is that the UKSPF and RPF will deliver many of The Council's sustainability priorities.

Financial

East Herts is due to receive £580,075 and £141,828 from central government, subject to agreeing spending priorities.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A: List of outputs and outcomes

Contact Member

Ben Crystall, Leader of the Council

ben.crystall@eastherts.gov.uk

Contact Officer

Benjamin Wood, Director of Regeneration,
Commercial and Customer Services

Contact Tel No 01992 531699

benjamin.wood@eastherts.gov.uk

Report Author

Benjamin Wood, Director of Regeneration,
Commercial and Customer Services

Contact Tel No 01992 531699

benjamin.wood@eastherts.gov.uk