

Response ID ANON-695G-SBDP-M

Submitted to Rural England Prosperity Fund - Addendum to UKSPF Investment Plan
Submitted on 2022-11-30 10:22:20

Overview

Rules for applying

Additional information content

Select your area

1 Select area

Select your area:
Cambridgeshire and Peterborough

2 Name of person submitting REPF additional information and contact details

Name:

Contact email:

3 Alternative contact name and details

Alternative contact name:

Alternative contact email address:

4 SRO name and contact details

SRO name:

SRO email:

5 UKSPF Investment Plan reference number

UKSPF reference number:
ANON-QPA8-9P1Z-E

Information

Information

Local context

6 You have already submitted your UKSPF investment plan. Here, we would like you to provide any additional information about specific rural challenges, market failures, and opportunities for rural businesses or rural communities in your area that you would like us to consider.

Here, we would like you to provide any additional information about specific rural challenges, market failures, and opportunities for rural businesses or rural communities in your area that you would like us to consider.:

The 2011 Rural Urban Classification classified Cambridgeshire as Largely Rural (meaning between 50% and 79% of its population resides in rural areas), at District level, just two of Cambridgeshire's Local Authorities are Largely Rural (Fenland and South Cambridgeshire), with the other two Local Authorities (East Cambridgeshire and Huntingdonshire) being classified as Mainly Rural (meaning 80% or more of the population resides in rural areas). The Index of Multiple Deprivation is used to measure 7 domains of deprivation showing that those living in rural Cambridgeshire have a different experience across the County. Four LSOAs in Fenland (Fenland 003F [Staithe Ward], Fenland 002C [Waterlees Village Ward], Fenland 002D [Waterlees Village Ward] and Fenland 007B [March East Ward]) fall within decile 1, meaning they are in the most deprived 10% of LSOAs nationally. Five further LSOAs in Fenland and two in Huntingdonshire fall within decile 2, meaning they are in the most deprived 20% of LSOAs nationally. Additionally, there are wards in both East Cambridgeshire and South Cambridgeshire that fall into the third and fourth deciles, with more thinly spread disadvantage going often unnoticed, particularly that linked to issues of material deprivation such as fuel and food poverty, isolation / loneliness and lack

of transport.

The cost-of-living crisis is hitting those living in rural Cambridgeshire harder than those living in urban centres. Residents are spending more for housing, heating and transport. Housing prices in Cambridgeshire grew by an average of 12.1% in the year to end June 2021, with the highest growth in Fenland (10.7%) and the lowest in South Cambridgeshire (4.0%). There is lack of affordable rents with a considerable rise in the cost of privately rented housing due to shortage of properties to meet demand in rural areas. Rental prices saw an upturn with growth of 9.7% on average across Cambridgeshire in the year to end September 2021. The biggest increase was in Fenland (6.9% increase).

Earnings vary greatly across Cambridgeshire. The highest earnings can be found in the two local authority areas with the closest proximity to Cambridge. In East Cambridgeshire Gross Weekly Pay for full-time workers averages £629.40 and in South Cambridgeshire reaches £782.90 (against a Cambridgeshire average of £666.00). earnings are considerably lower in Huntingdonshire, £589.20 per week) and lower still in Fenland £546.90 per week). These disparities are also reflected in hourly pay rates, with rates of £20.84 in South Cambridgeshire and decreasing to just £13.22 per hour in Fenland (against a Cambridgeshire average of £16.71).

Houses cost a lot more to heat, as many are less well-insulated and are not connected to the gas grid. All Local Authorities areas in Cambridgeshire have a higher percentage of their domestic properties off the gas grid than the national average (14.4%). The percentages are as follows: Huntingdonshire (15.0% of properties off-grid); Fenland (22.3% off-grid); South Cambridgeshire (27.6% off-grid); and East Cambridgeshire (29.5% off-grid).

For most parts of Cambridgeshire, levels of fuel poverty are below the national average of 13.42% but in North East Cambridgeshire the percentage is much higher than the national average at 15.9%. The recent establishment of community-led 'warm hubs' delivered from community facilities has provided insight into the need for locally delivered social and wellbeing support, with increasing numbers of working households attending these hubs who are 'struggling' to meet essential living costs.

Market towns, small towns and larger villages play a pivotal role in the economic prosperity of rural Cambridgeshire acting as services centres for employment, health and care, transport, retail and cultural, arts and leisure activities. Footfall to these centres has returned to near normal since before COVID as people choose to work from home, access services and shop more locally. However, the impacts of COVID and the preference for accessing digital services such as for banking, retail and health care, means that there are empty shop premises on our highstreets. Rents for commercial premises remain substantial, acting as a barrier for start-ups or the scaling-up of existing business within these service centres. In villages, shops, pubs and post offices continue to decline in number due to market failure, often leaving communities with only a village hall as a meeting space.

Car or van ownership is high. In South Cambridgeshire, 89% of households have one or more vehicles at their disposal, with many forced to run a vehicle due to lack of public transport.

The figures are slightly lower in the other districts (87% in East Cambridgeshire, 86% in Huntingdonshire and 82% in Fenland). However, over the four rural Local Authority areas, there are some 13.6% of households (nearly 28,000 households) who have no access to a private vehicle and so who are reliant on public transport. Many bus routes between villages were lost long ago but services from routes between major towns and cities have recently been under threat as deemed no longer viable, even when the operator was receiving the Bus Recovery Grant. Lack of accessible public transport and access to services and employment remains a significant issue for rural residents cross the County and alternative approaches to market failure are needed to address these issues. There are opportunities being created for active travel (cycling and walking) but future investment is needed into safer cycle routes and footpaths. Our consultation for develop of this Addendum shows that rural communities wish themselves to develop safer cycleways and footpaths, particularly, to access services centres.

Traditional industries such as agriculture and manufacturing (especially food) have been added to by new technology and knowledge-based businesses and greater levels of self-employment and homeworking. Economic well-being across the Cambridgeshire as whole is generally strong, but the broad picture of economic prosperity and growth masks rural areas and communities which are relatively poor and less productive. Rural Cambridgeshire tends to have lower wages, smaller scale businesses and employment opportunities, with much economic activity operating below the radar of attention. Business growth tends to be 'home grown' through scaling-up production rather than larger businesses relocate to rural Cambridgeshire. Our consultation for develop of this Addendum shows that both rural business and communities have concerns about funding Net Zero transformation and the financial demands this will place upon their business in terms of costs, however, they support the need to reduce carbon and make these changes.

As one of the most productive arable farmed landscapes in the UK with 4,443 people are employed in agricultural or associated industries. There are issues facing smaller family run farming enterprises where often production cannot provide a livelihood for farmers and they are driven to diversify to other income streams to make farming enterprises financially viable. As farming transitions away from the Common Agricultural Policy and farmers are rewarded for producing public goods on their land through land management schemes, such as for the environment, water quality, air quality, biodiversity and nature restoration, climate, beauty, and natural heritage there is uncertainty about the outcome for farming livelihoods.

Cambridgeshire contains a potentially rich biodiversity resource from a wide range of landscapes and habitats, including some of national and international importance (Wicken Fen; the Ouse Washes and the Great Fen). There are flat fens in the north and east, undulating clay lands in the west and chalk hills in the south. However, the county has suffered declines in a number of its species and habitats for many different reasons, most notably increased development pressure and agricultural intensification. Overall, Cambridgeshire has a smaller proportion of natural habitats than most counties in Britain. Many species have already been lost, and some of those that remain are isolated and declining.

There is a long tradition of communities in rural Cambridgeshire acting for themselves to provide a wide range of services that in urban areas would be provided by the market or by the state. There are often circumstances where due to the dispersed pattern of rural communities there is not a 'critical mass' of consumers to allow for commercial approaches to business to become financially viable and often market failure occurs.

Voluntary and community organisations and community-led enterprises have an important part to play in providing rural services and owning community assets. Due to the rural nature of the County there has been lack of investment into community organisations and community-led enterprise support. Many organisations are struggling to maintain sustainable funding, with short-term funding not supporting longer-term planning objectives for these organisations.

Village Halls and community facilities (234 across the four rural Districts) are, for the most part, volunteer-run (90% are charitable and run by community volunteers) and provide essential service hubs for communities. However, despite the Retail, Leisure and Hospitality Grant funding passed to them by local authorities during the COVID pandemic, many have been greatly affected by the repeated lockdowns with regular hirers not returning thus affecting turnover. In addition, a recent survey conducted by the ACRE Network found that 57% of community facilities said rising energy prices were causing financial difficulties for their hall. As this survey took place in Jul-2022, before the most recent price rises, this is probably an under representation of the challenge faced. Others recognise the need for investment in a 'money first' approach to providing affordable warmth and reducing carbon.

Broadband and mobile phone coverage is still patchy and our consultation for the develop of this Addendum shows that there are still village halls that have no broadband connection reducing essential public access to digital services in their communities. Access to services through digital means is important to rural residents, particularly, for those needing health and social care access, there is concern that the switch off of 3 g mobile coverage will affect those living in hardship as they are accessing the networks on older mobile devices which are not able to use 4 g and 5 g networks.

Interventions – rural business

7 Please choose the interventions you wish to use under the rural business investment priority (2023 - 2024). Select as many options as you wish from the menu.

Capital grant funding for small scale investment in micro and small enterprises in rural areas, Capital grant funding for growing the local social economy and supporting innovation, Capital grant funding for developing and promoting the visitor economy

8 Please choose the interventions you wish to use under the rural business investment priority (2024 - 2025). Select as many options as you wish from the menu.

Capital grant funding for small scale investment in micro and small enterprises in rural areas, Capital grant funding for growing the local social economy and supporting innovation, Capital grant funding for developing and promoting the visitor economy

9 Please explain how the interventions selected will address local rural business challenges, market failures, and opportunities (max 300 words)

Please explain how the interventions selected will address local rural business challenges, market failures, and opportunities (max 300 words):

- Enable our smaller businesses to 'grow locally' investing in entrepreneurship to unlock barriers to growth through grants for equipment and premises, allowing them to develop new products and facilities that will be of wider benefit to the local economy.
- Supporting projects where there is evidence of likely market failure due to rurality and to allow for the increasing/sustaining of jobs.
- We will invest to allow the fast tracking of business modernisation towards Net Zero targets in processing and premises, encouraging pilot projects across the area leading the way in new approaches and technologies.
- Invest farm businesses looking to diversify income streams creating and sustaining rural jobs and support the transition from the Common Agricultural Policy.
- Revitalise service centres for economic prosperity enabling local people to become more involved in leading and developing a local approach to 'place branding' that is focused around reaching new visitors and increasing local distinctiveness.
- Invest into economic growth in tourism, food and farming businesses and increasing of support for creative and arts that play a significant part in rural economics and rural identity.

10 Please rank the interventions selected in order of expected value added.

Please rank the interventions selected in order of expected value added:

>Funding (capital grants) for small scale investment in micro and small enterprises in rural areas.

Including capital funding for net zero infrastructure for rural businesses, and diversification of farm businesses outside of agriculture to encourage start up, expansion or scale up of these businesses where this involves converting farm buildings into other commercial or business uses. £851,997.50 (1)

>Funding (capital grants) for growing the local social economy and supporting innovation. This includes:

- community businesses
- cooperatives and social enterprises
- research and development sites

This intervention corresponds to the UK Shared Prosperity Fund (UKSPF)

intervention E26. £333,751.50 (2)

>Funding (capital grants) for the development and promotion (both trade and consumer) of the visitor economy, such as:

>local attractions

>trails

>tourism products more generally

This intervention corresponds to the UKSPF intervention E17. £238,553.75 (3)

Interventions – rural communities

11 Please choose the interventions you wish to use under the rural communities investment priority (2023-2024). Select as many options as you wish from the menu.

Capital grant funding for investment and support for digital infrastructure for local community facilities, Capital grant funding for investment in capacity building and infrastructure support for local civil society and community groups, Capital grant funding for creation and improvements to local rural green spaces, Capital grant funding for existing cultural, historic and heritage institutions that make up the local cultural heritage offer, Capital grant funding for local arts, cultural, heritage and creative activities, Capital grant funding for active travel enhancements in the local area, Capital grant funding for rural

circular economy projects, Capital grant funding for impactful volunteering and social action projects to develop social and human capital in local places

12 Please choose the interventions you wish to use under the rural communities investment priority (2024-2025). Select as many options as you wish from the menu.

Capital grant funding for investment and support for digital infrastructure for local community facilities, Capital grant funding for investment in capacity building and infrastructure support for local civil society and community groups, Capital grant funding for creation and improvements to local rural green spaces, Capital grant funding for existing cultural, historic and heritage institutions that make up the local cultural heritage offer, Capital grant funding for local arts, cultural, heritage and creative activities, Capital grant funding for active travel enhancements in the local area, Capital grant funding for rural circular economy projects, Capital grant funding for impactful volunteering and social action projects to develop social and human capital in local places

13 Please explain how the interventions selected will address local rural communities challenges, market failures, and opportunities (max 300 words)

Please explain how the interventions selected will address local rural communities challenges, market failures, and opportunities (max 300 words):

- Responding to the cost-of-living crisis and taking opportunities presented by the REPF, we will nurture rural talents and leadership investing in social enterprise and community-led business as a sector of growing importance, as more communities choose to run their own pubs, village shops/produce markets, health and social care and other key facilities.
- We will invest to support new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy. This adds value to our UKSPF aspirations through supporting community-led business and innovation that often fill gaps when market failure occurs, using volunteers and innovative approaches to support the delivery of vital rural services and to benefit the local economy.
- We will invest to improve and widen the use of rural community buildings including village halls; including fast tracking of modernisation towards Net Zero targets in improving premises, allowing them to act as demonstration sites and making their running costs more affordable.
- We will invest to improve availability of broadband connectivity in rural places to alleviate the issues of poor network coverage and lacking public accessibility in some places.
- We will invest in active travel plans to enable better access through cycling and walking to rural services centres.

14 Please rank the interventions selected in order of expected value added.

Please rank the interventions selected in order of expected value added:

- > Funding (capital grants) for investment and support for digital infrastructure for local community facilities. This intervention corresponds to the UKSPF intervention E15. £471,341.75 (2)
- > Funding (capital grants) for investment in capacity building and infrastructure support for local civil society and community groups. This intervention corresponds to the UKSPF intervention E11. £658,751.50 (1)
- >Funding (capital grants) for creation of and improvements to local rural green spaces. This intervention corresponds to the UKSPF intervention E3. £85,337.50 (7)
- >Funding (capital grants) for existing cultural, historic and heritage institutions that make up the local cultural heritage offer. This intervention corresponds to the UKSPF intervention E4. £159,178.50 (3)
- >Funding (capital grants) for local arts, cultural, heritage and creative activities. This intervention corresponds to the UKSPF intervention E6. £104,375.25 (5)
- >Funding (capital grants) for active travel enhancements in the local area. This intervention corresponds to the UKSPF intervention E7. £158,751.50 (4)
- >Funding (capital grants) for rural circular economy projects. £64,379.25 (8)
- >Funding (capital grants) for impactful volunteering and social action projects to develop social and human capital in local places. This intervention corresponds to the UKSPF intervention E9. £88,730.00 (6)

Interventions outcomes

15 Please select what outcomes the interventions selected in the rural business investment priority are expected to achieve

Jobs created, Jobs safeguarded, Number of new businesses created, Number of businesses adopting new to the firm technologies or processes, Number of businesses with improved productivity, Number of businesses experiencing growth, Number of businesses increasing their export capability, Number of businesses increasing their turnover

16 Please select what outcomes the interventions selected in the rural communities investment priority are expected to achieve

Jobs created, Jobs safeguarded, Increased users of facilities or amenities, Improved perception of facility or infrastructure project, Improved perception of facilities or amenities, Improved perceived or experienced accessibility, Number of new businesses created, Increased footfall, Increased visitor numbers, Increased use of cycleways or paths, Improved engagement numbers, Number of community-led arts, cultural, heritage and creative programmes as a result of support, Improved perception of events, Improved perception of local facilities or amenities, Number of community-led programmes as a result of support, Volunteering numbers as a result of support

Delivery

17 Please set out the indicative spend profile of your REPF allocation, additional to that of your UKSPF investment plan. Please detail the indicative budgets at investment priority level and at intervention level, for the 2 years of the fund, including if REPF money will be used to complement UKSPF funded projects. (300 words max)

Please set out the indicative spend profile of your REPF investment plan, additional to that of your UKSPF investment plan. Please detail the indicative budgets at investment priority level and if known, at intervention level, for the 2 years of the fund (300 words max):

>Funding (capital grants) for small scale investment in micro and small enterprises in rural areas. £212,999.38 (Yr1) £638,998.13 (Yr2)
>Funding (capital grants) for growing the local social economy and supporting innovation £83,437.88 (Yr1) £250,313.63 (Yr2)
>Funding (capital grants) for the development and promotion (both trade and consumer) of the visitor economy £59,638.44 (Yr1) £178,915.31 (Yr2)
>Funding (capital grants) for investment and support for digital infrastructure for local community facilities. £117,835.44 (Yr1) £353,506.31 (Yr2)
>Funding (capital grants) for investment in capacity building and infrastructure support for local civil society and community groups. £164,687.88 (Yr1) £494,063.63 (Yr2)
>Funding (capital grants) for creation of and improvements to local rural green spaces. £21,334.38 (Yr1) £64,003.13 (Yr2)
>Funding (capital grants) for existing cultural, historic and heritage institutions that make up the local cultural heritage offer. £39,794.63 (Yr1) £119,383.88 (Yr2)
>Funding (capital grants) for local arts, cultural, heritage and creative activities. £26,093.81 (Yr1) £78,281.44 (Yr2)
>Funding (capital grants) for active travel enhancements in the local area. £39,687.88 (Yr1) £119,063.63 (Yr2)
>Funding (capital grants) for rural circular economy projects. £16,094.81 (Yr1) £48,284.44 (Yr2)
>Funding (capital grants) for impactful volunteering and social action projects to develop social and human capital in local places. £22,182.50 (Yr1) £66,547.50 (Yr2)

An intervention rate of 80% across the programme.

We will form 'District Expert Advisory Groups' in each district, made up of local authority partners and key stakeholders to evaluate EOIs, look at match-funding and ensure individual bids align & do not duplicate

A Decision-Making Panel will make final allocation decisions ensuring a project cannot be funded by private finance or has previously received funding from DEFRA or other sources through eligibility checks. This group will include other rural stakeholders for rural business such as CLA, NFU, tourism and the arts representation.

Value for money evaluation will be carried out on applications.

18 Please set out how you intend to select projects to support, detailing including how you will ensure they deliver value for money, including additionality. Please also set out how you will determine that projects cannot be funded by private finance. (500 words max)

Please set out how you intend to select projects to support and ensure they will deliver value for money (500 words max):

We will write a bidding prospectus for the fund and will advertise the fund through using our own and partners websites and social media. We will build a pipeline of possible projects coming forward from day one and will do some up-front work with projects that have already come forward during the REPF consultation. We will also offer some online sessions to explain the fund and application process so that businesses and communities can question staff about the process. We would also offer 1:1 online access to applicant guidance sessions with a member of staff as the need occurs.

Funding will be ring-fenced for each district council area but there is a possibility to combine funding for Countywide schemes if necessary. There will also be an integration between UKSPF and REPF decision-making, particularly, where grants are being given, to ensure duplication does not occur. We will operate in as agile a way as possible, using one team to manage the funds across all four districts.

We will form 'District Expert Groups' in each district, made up of local authority partners and other key stakeholders for a district area to evaluate EOI applications, integrate with UKSPF projects, look at match-funding and to ensure individual bids align and do not duplicate activities. Expert Groups will bring knowledge of the district but will not have a say over the final grant applications.

We will form a 'Grant Decision Making Panel' that will bring a fund wide perspective and will make the decision on the funding. This group will have distinct representation and include other rural stakeholders for rural business such as CLA, NFU, tourism and the arts representation. Grant decisions will be reported to the UKSPF Programme Board to allow them to take a strategic overview of both the UKSPG and REPF programmes and outputs/outcomes. We will consider value for money at the application appraisal stage to ensure we are using public funds in a way that creates public value through looking at costs, financial and social benefits and outcomes. We will ensure that project assessment focuses on the impacts of a proposal that are 'additional' (lead to a net increase in overall public value). This allows us to distinguish between such occasions and those where a proposal will lead to displacement (a shift in value from one location to another); leakage (value 'leaking out' from the targeted area to surrounding areas of the intervention); and/or deadweight (continuation of the status quo). We will also consider the longer-term impacts of a project and how investments can be sustained.

We will ensure the projects cannot be funded by private finance through eligibility checks and ensuring that this is 'funding of last resort'. This means that the funding could not have been raised by an applicant in any other way. We do expect those that can match- fund projects and have set our intervention rate for the whole programme at 80%.

Delivery

19 Have you identified opportunities to work with other places on specific interventions and/or projects for the rural business interventions?

No

Delivery

22 Have you identified opportunities to work with other places on specific interventions and/or projects for the rural communities interventions?

No

Approach to engagement with rural partners

25 Further to your UKSPF Investment Plan engagement, have you engaged or consulted with rural stakeholders, or expanded your UKSPF local partnership group, to inform the information you have submitted above? If yes, please give details. You should also use this section to tell us about planned future engagement with rural stakeholders.

Describe the engagement you have undertaken with your Rural Advisory Group and any other local rural stakeholders to inform your investment plan and what support you have from them (500 words max):

To inform completion of the addendum by the deadline a rapid consultation exercise was undertaken with rural businesses and communities to understand their views on potential investment priorities and to hear about any project ideas they have that might fit the funding criteria. 122 replies were received from across all district areas.

An online survey was developed and directly mailed to 1,260 business and community recipients by Cambridgeshire ACRE and promoted via social media to its followers on multiple occasions.

Additionally, colleagues at District Councils, Cambridgeshire & Peterborough Combined Authority, the National Farmers Union, the Country Land & Business Association, Natural Cambridgeshire, the Cambridgeshire Chambers of Commerce and VCS infrastructure organisations were asked to circulate to their memberships/mailling lists and to promote via social media posts too.

We have also had direct consultation with CLS, NFU, RSPB and Natural Cambridgeshire (Local Nature Partnership) who have provided an overview of funding priorities from their members.

We have produced articles about the funding and promoted through newsletters to make rural stakeholders aware.

The outcomes have told us about rural needs, support for investment priorities, estimated size of grants and grant allocations related to priorities, project ideas and investment needs for both businesses and communities related to interventions. The results of the consultation have helped us identified gaps in the UKSPF allocations where REPF investment can support.

All respondents to the consultation provided contact details and nearly all (98%) gave their consent to be added to the REPF mailing list for future communications to be sent. We plan to keep this engagement in the future by keeping them up to date regarding the REPF's development though emails and newsletters.

Partners will also be engaged through contributing to the District Expert Groups and the Grant Decision Making Panel.

26 Are there aspects of your plans to use your REPF allocation that are not supported by rural stakeholders and the rural community?

No

Approach to engagement with rural partners

28 Are there MPs who are not supportive of your investment plan?

No

Confirmation of approval

30 Chief executive

Chief executive name:
Gordon Mitchell

31 Elected leader

Elected leader name:
Cllr Anna Smith

32 Section 151 officer

Section 151 officer name:
Robert Emery

Confirmation

33 Email address

Email address to receive PDF: