

This document is to support in the drafting of your Rural England Prosperity Fund addendum to UKSPF Investment Plan. Please do not submit information using this document. Information can be submitted at <https://consult.defra.gov.uk/rural-england-prosperity-fund/ad6e2088/>

## Rural England Prosperity Fund: Addendum to UKSPF Investment Plan

<b>Select your area</b>	
Your area	Ashford, Kent, South East
Name of person submitting REPF information	[REDACTED]
Alternative contact name and email	[REDACTED] [REDACTED]
SRO contact details	[REDACTED] [REDACTED]
UKSPF Investment Plan reference number	ANON-QPA8-9PXM-8

<b>Local context</b>
<p>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.</p>
<p>Ashford is a rapidly-growing borough with a strong record of investment in economic and community development and ambitious plans for the future. The borough is the largest in Kent and is also extensively rural, including the market town of Tenterden, a network of villages and parts of the Kent Downs and High Weald Areas of Outstanding Natural Beauty as well as the Romney Marsh.</p> <p>Our overall ambition to 2030 and beyond, set out in the Borough Council’s Corporate Plan, is “to be a thriving, productive and inclusive borough; a vital part of Kent and the South East where local businesses, social enterprises, communities and the public sector provide collective leadership to promote shared prosperity, happiness and wellbeing”. This ambition underpins our approach to the UK Shared Prosperity Fund and Rural England Prosperity Fund and to the analysis set out in this Addendum Plan.</p> <p>In developing this Addendum Plan, we have focused on four key challenges for businesses and communities in rural areas of the borough. The challenges and interventions included in this Plan are intended to complement our proposed activity under UKSPF. The key challenges are:</p> <ul style="list-style-type: none"> <li>• The reliance of off-grid micro, small and medium enterprises on petroleum based energy sources or coal, which is a challenge for the business and the environment.</li> <li>• The perceived reluctance of visitors to attend some visitor destinations in the borough due to their rural location.</li> <li>• The reduced investment in community amenities and outdoor spaces in rural areas.</li> <li>• The lack of electric vehicle charging infrastructure in rural areas, leading to a slower adoption of EVs outside urban areas.</li> </ul> <p><u>Energy efficiencies and transition for off-grid rural businesses</u></p> <p>Due to the rural nature of the borough, Ashford has a high percentage of businesses located in rural areas. Whilst many of these are agricultural businesses (6.4% of the total number of enterprises<sup>1</sup>), the highest proportion are Professional, Scientific &amp; Technical (16.3%) and Construction (14.7%). The latter is higher than the average for England of 12.8% and is also a key</p>

<sup>1</sup> Rural Services Network, Sparse Analysis – Business Enterprise Counts 2015-2020.

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consumer of fossil fuels to generate energy. Overall Industry accounted for 165.7 CO2 kt which represented 25% of the borough's CO2 emissions in 2018.<sup>2</sup>

Many businesses in rural areas are situated in older and less energy efficient premises. There are long standing issues for properties (mostly found in rural settlements) which are off the mains gas grid and which rely on heating sources such as LPG, oil, and solid fuels.<sup>3</sup> The reliance on these fuels also does not support a rural borough such as Ashford to achieve its ambition of being Net Zero by 2050 and costs of transition are often prohibitively expensive. Supporting businesses to create energy efficiencies in their properties and transitioning from petroleum based or similar heating sources would help deliver UKG's commitment within the Net Zero Strategy 2021, to help households and businesses reduce their energy bills while making buildings healthier.<sup>4</sup>

The South East has benefitted from having a long-standing effective scheme to support households and businesses transition to greener energy and processes. Low Carbon Across the South East (LoCASE) has been providing financial support and advice to businesses seeking to undertake this transition. LoCASE has also formed a key part of Kent County Council's delivery of such support through its Low Carbon Kent team. This activity has been funded to date by the European Regional Development Fund and will cease operating at the same level by March 2023. Government funding is available through the Industrial Energy Transformation Fund to support businesses with high energy use to transition to low carbon technologies. However, the loss of the LoCASE funding locally creates the prospect of a funding gap for micro, small and medium enterprises in Kent who are seeking capital to create smaller scale energy efficiencies and invest in new energy technologies.

There is an opportunity to provide local grant funding and support, which can leverage private investment into improving business premises' energy efficiency and transition to renewable energy in the immediate years beyond the end of current similar schemes.

#### Rural tourism and F&B/hospitality businesses

Further to the challenges outlined in Ashford's UKSPF Local Investment Plan, some key challenges for rural tourism and F&B or hospitality businesses are outlined again below.

There are about 400 hospitality businesses and food and beverage producers in Ashford (the great majority of them micro businesses<sup>5</sup>), and our tourism sector supports about 4.7 million visitors to the Borough each year, pre-Covid-19<sup>6</sup>.

Furthermore food & drink is the most popular product experience on the TripAdvisor and Airbnb platforms.<sup>7</sup> In July 2020 there were approx. 14,000 bookable UK experiences and Kent had just 33 of these (2% of the total UK offer)<sup>8</sup> –so there is huge scope for Kent and in particular for Ashford, with its wealth of vineyards and growing reputation as a wine tourism destination, to capitalise on what visitors are currently looking for - this demand for authentic food and drink experiences.

The above provides context to two key challenges identified in rural areas of the borough:

- Connecting visitors to rural destinations and awareness raising - the food and drink and tourism offer can benefit from shared promotion and development: the quality of the place and the connections between different parts of the offer are fundamental. So there is a strong case for shared action.
- Productivity and support for startups in rural areas - much of the focus on raising productivity in the economy overall focuses on those sectors which offer higher gross value added per job. However there is evidence that there is scope for productivity gain in

<sup>2</sup> Ashford Borough Council, Ashford to Zero Plan, 2021.

<sup>3</sup> Rural Services Network, Revitalising Rural – Decarbonising Rural Communities and Economies, May 2021.

<sup>4</sup> HM Government – BEIS, Net Zero Strategy October 2021, Chapter 3iv Heat & Buildings, p135.

<sup>5</sup> ONS, UK Business Count.

<sup>6</sup> Visit Kent, Ashford Tourism Economic Impact Study 2020.

<sup>7</sup> Visit Kent, Ashford Borough Factsheet – The Experiential Offer, September 2020.

<sup>8</sup> Visit Kent, Experience Options Analysis, September 2020.

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every sector – with hospitality able to gain through (for example) improved use of digital systems and support for startup food and drink enterprises. We want to encourage this, especially given current labour shortage challenges.

#### Rural community amenities and outdoor spaces

Village halls are used for a wide range of purposes, helping to provide space for important social events, education, sports and recreation. The English Village and Community Hall Survey 2020 reported that 60% of respondents said their village hall was the only meeting space for their community.<sup>9</sup> In relation to facilities that are attached to the halls, playing fields and play equipment were the most likely facilities to be connected to halls. Parks, playgrounds and playing fields play a vital role in building healthy neighbourhoods contributing to the physical, mental and emotional well-being of local people. Without access to these spaces the quality of life and wellbeing of residents is reduced.<sup>10</sup> The results of Ashford Borough Council's Residents' Survey 2022 indicate that 49% of residents consider Green Spaces and Parks to be in the Top 3 Priorities for making somewhere a good place to live<sup>11</sup>.

Lack of financial support remains a key problem, with 45 per cent of halls stating this was an issue faced regularly or occasionally. Whilst there is financial support available through the Platinum Jubilee Village Hall Improvement Grant Fund and through partners like Kent County Council, access to these funds remains limited. The number of eligible spaces and criteria for accessing the funding specifically are limited, with no grant funding available at a local level for normal repairs or maintenance work or the replacement of equipment.

With village halls and associated outdoor spaces being a focal point for rural communities that provide health and wellbeing benefits to many, there is an opportunity to ensure these spaces are improved.

#### Rural EV charging infrastructure

Transitioning from petrol and diesel cars to electric vehicles (EVs) is key to reducing emissions and meeting Net Zero. Reflecting this, the UK Government has committed to end the sale of new petrol and diesel cars/vans from 2030.<sup>12</sup> For this to happen, however, it is essential that there is a comprehensive and competitive EV charging network in place, one that people can trust and they are confident using – much like filling up with petrol or diesel. If this is not the case, and the charging network is perceived as inadequate, or as not offering a fair deal to people, that will be a major barrier to EV take-up. The Competition and Markets Authority noted targeted interventions are necessary to kick-start more investment and unlock competition in remote areas, where the commercial case for investment is very weak, which means there's a risk these will be left unserved.

At a local level, Low Carbon Kent has administered the Kent REVS scheme, whereby businesses can rent an EV for up to two months to demonstrate to organisations the benefits of owning and running an electric vehicle and to contribute to the aim of achieving net-zero emissions by 2050 across Kent. Ashford has the highest amount of businesses that have used the scheme in the county, with nearly a quarter of the overall businesses being from our borough.<sup>13</sup> The scheme is due to end in January 2023 and anecdotal feedback so far from businesses that haven't gone on to adopt EV fleets includes the lack of EV charging infrastructure outside urban areas in Kent.

Grant funding has been available from the Office of Zero Emissions Vehicles (OZEV) to contribute to the installation of EV charge points both at residential properties and workplaces. However, especially in rural areas, there is a need for additional options for residents and businesses to

<sup>9</sup> Action for Communities in Rural England, The English Village and Community Hall Survey 2020.

<sup>10</sup> Fields in Trust, Guidance for outdoor sport and play, 2015.

<sup>11</sup> Ashford Borough Council, Residents' Survey 2022.

<sup>12</sup> HM Government, Ten point plan for a green industrial revolution, November 2020 (update July 2021).

<sup>13</sup> Ashford Borough Council, Ashford leads the way with green initiative, ABC News website, 22 June 2022.



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incentivise the expansion of the EV charging infrastructure. Figure 1 below shows a map of available EV charging infrastructure from Zap-map showing there are 9 EV charging points (excl. Zaphome). Furthermore 65% of Ashford borough residents commute by car<sup>14</sup>, which considering the availability of other sustainable methods of transport in rural areas, underlines the importance of transitioning to EVs. County Councils Network (CCN) research explains that the slow roll out of charging networks, the travel distances involved, and the general attitude towards Ultra Low Emission Vehicles in rural areas mean that greater challenges exist in achieving the necessary transition to electric vehicles<sup>15</sup>.

The opportunity is thus to provide EV charge points in publicly accessible spaces in rural areas of the borough to allow residents, businesses and visitors to charge EVs. This could include Parish Council car parks or other public land where car parking is permitted.

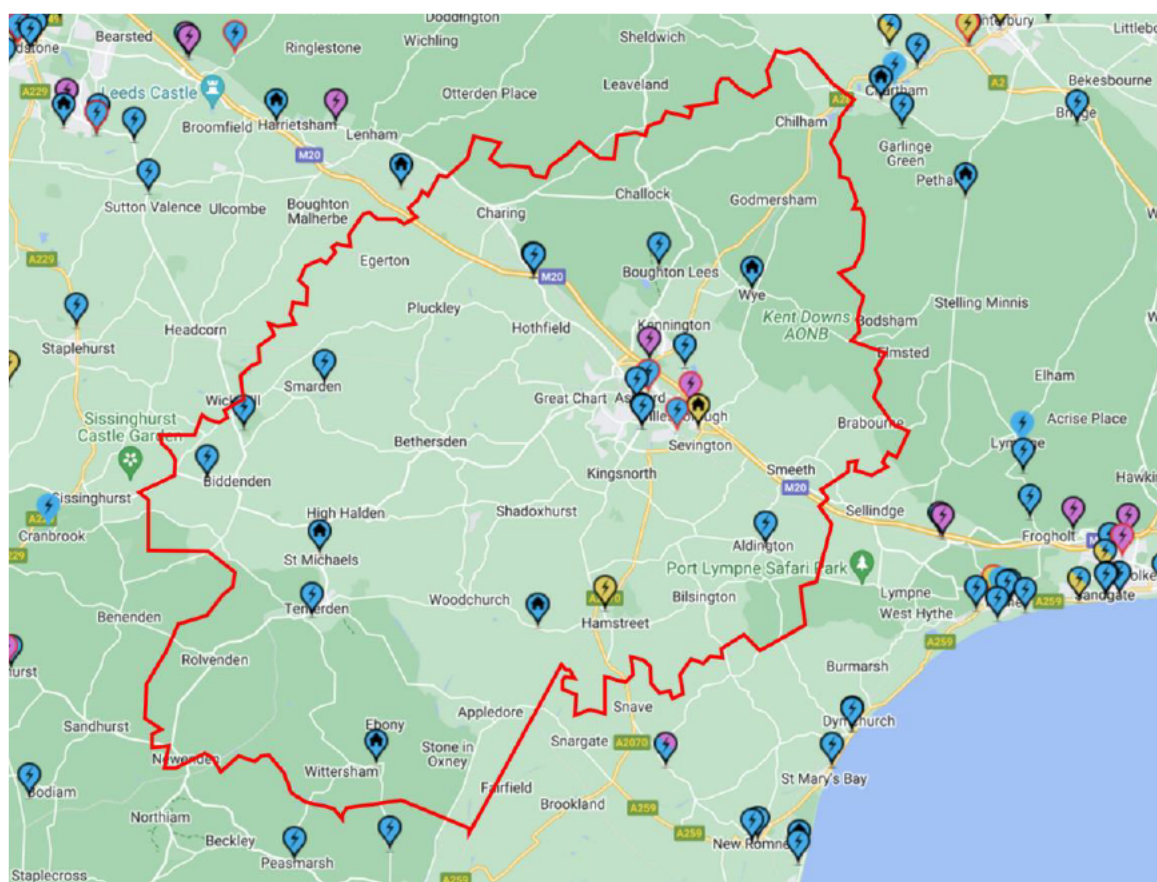


Figure 1. EV charging points map - Zap-map.com.

Overall it is anticipated that using REPF to address these challenges will be a trigger for wider activity aimed at levelling up the whole of the Ashford borough.

### Interventions – rural business

Please choose the interventions you wish to use under the rural business investment priority. Select as many options as you wish from the menu. The list of interventions can be viewed here.

<sup>14</sup> Ashford Borough Council, Residents' Survey 2022.

<sup>15</sup> County Councils Network, "Rising to the Climate Challenge: The Role of Counties in Net-Zero" report, September 2021.

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<b>2023-2024 interventions</b>	REPF 1.1 - Capital grant funding for small scale investment in micro and small enterprises in rural areas REPF 1.3 - Capital grant funding for developing and promoting the visitor economy
<b>2024-2025 interventions</b>	REPF 1.1 - Capital grant funding for small scale investment in micro and small enterprises in rural areas REPF 1.3 - Capital grant funding for developing and promoting the visitor economy
<b>Please explain how the interventions selected will address local rural business challenges, market failures, and opportunities (max 300 words)</b>	
<p>As detailed in the Local Context section, there is a need for localised grant funding to support energy efficiency and energy transition in rural business premises in the borough. Current funding streams are not available to micro, small and medium enterprises seeking to invest relatively small amounts for immediate improvements. Providing localised grants to address this issue will support rural businesses and could incentivise wider such investment.</p> <p>Equally, as stated, there is a need to support the borough's rural tourism destinations and food and drink sector. Any available funds, both nationally and regionally, aimed at supporting tourism and F&amp;B or hospitality businesses are not tackling these key issues. Undertaking projects aimed at increasing footfall at key destinations, improving interaction with venues and increasing the productivity of F&amp;B businesses will have indirect benefits to the wider supply chain of Kent.</p>	
<b>Please rank the interventions selected in order of expected value added</b>	
<p>Value Added for the interventions will depend on the number of businesses receiving funding across both interventions as well as the wider benefits that will be realised from supporting the tourism sector.</p> <p>Therefore we would rank both interventions equally at this point.</p>	

<b>Interventions – rural communities</b>	
<b>Please choose the interventions you wish to use under the rural business investment priority. Select as many options as you wish from the menu.</b>	
<b>2023-2024 interventions</b>	REPF 2.2 - Capital grant funding for investment in capacity building and infrastructure support for local civil society and community groups REPF 2.3 - Capital grant funding for creation and improvements to local rural green spaces
<b>2024-2025 interventions</b>	REPF 2.2 - Capital grant funding for investment in capacity building and infrastructure support for local civil society and community groups REPF 2.3 - Capital grant funding for creation and improvements to local rural green spaces
<b>Please explain how the interventions selected will address local rural business challenges, market failures, and opportunities (max 300 words)</b>	
<p>As detailed in the Local Context section, there is a need for localised funding to support the uptake of EVs in rural areas by expanding the EV charging infrastructure in areas where such commercial investment may not occur in the near future. Providing funding support for the installation of EV charge points in such rural areas could support the communities' transition to EVs and could incentivise wider such investment.</p> <p>Also, as stated, there is a need for localised support to allow small scale improvements in village and community halls, outdoor play areas and external community spaces. Funds available</p>	

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nationally and regionally exclude this type of work to the borough's community amenities. Supporting the community's ambitions to improve these areas will allow small scale projects which will improve perceptions of the spaces locally.

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

Value Added for the interventions will depend on the number of businesses receiving funding across both interventions as well as the wider benefits that will be realised from supporting communities in rural areas.

Therefore we would rank both interventions equally at this point.

**Intervention outcomes**

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

Outputs and Outcomes are considered here with indicative measures. A more detailed analysis of outputs and outcomes would be provided once the Addendum Plan is approved.

**REPF1.1 – Outcomes**

<b>Outcome</b>	<b>Indicative Measure</b>
Number of businesses adopting new to the firm technologies or processes	
Number of businesses experiencing growth	

**REPF1.3 – Outcomes**

<b>Outcome</b>	<b>Indicative Measure</b>
Jobs created	
Jobs safeguarded	
Number of businesses increasing their turnover	

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

Outputs and Outcomes are considered here with indicative measures. A more detailed analysis of outputs and outcomes would be provided once the Addendum Plan is approved.

**REPF2.2 – Outcomes**

<b>Outcome</b>	<b>Indicative Measure</b>
Increased users of facilities or amenities	

**REPF2.3 – Outcomes**

<b>Outcome</b>	<b>Indicative Measure</b>
Improved perception of facilities or amenities	



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### Delivery

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)

Ashford Borough Council has identified four key interventions from the 11 outlined by Defra. Some of these will complement UKSPF interventions, some are additional.

Indicative budgets across REPF Priority areas are as follows:

REPF Priority	Indicative Budget
1. Supporting Rural Businesses	£273,254 (46%)
2. Supporting Rural Communities	£320,254 (54%)

Two interventions per Priority will aim to deliver the required outcomes:

REPF Intervention N.	ABC REPF Intervention	Indicative Budget
REPF 1.1	Energy Efficiency Grants for Rural Businesses	£170,127
REPF 1.3	Visitor Economy support / Rural F&B support	£103,127
REPF 2.2	EV Charging Points project	£170,127
REPF 2.3	Community Amenities Grants	£150,127

Defra advised that 25% of the allocation would be provided in Year 1 (FY 2023/24) and the remaining 75% in Year 2 (FY 2024/25). Ashford Borough Council has profiled its indicative budgets accordingly over the two years:

REPF Intervention N.	Year 1 (23/24) (25%)	Year 2 (24/25) (75%)	Total Ind. Budget
REPF 1.1	£42,532	£127,595	£170,127
REPF 1.3	£25,782	£77,345	£103,127
REPF 2.2	£42,532	£127,595	£170,127
REPF 2.3	£37,532	£112,595	£150,127

Within this Addendum Plan, Ashford Borough Council aims to complement some interventions proposed in its UKSPF LIP.

#### Community Amenities Grants (REPF 2.2 / UKSPF E11)

These were included in the council's UKSPF Plan, mainly to provide support for communities in rural areas of the borough. Officers are proposing that the allocation in UKSPF be altered to provide support for community amenities in the Ashford Urban Area (ineligible for REPF).

#### Visitor Economy support / Rural F&B support (REPF 1.3 / UKSPF E17)

This interventions was included in the UKSPF Plan, mainly to provide support for key businesses in rural areas of the borough. Officers are proposing that the allocation in UKSPF remain to provide support for the visitor economy within the Ashford Urban Area (ineligible for REPF).

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)

Grants to support micro and small businesses to invest in capital projects will be operated by Ashford Borough Council and open to micro and small businesses in the eligible area. This will be subject to open competition and will have a particular focus on *investments that support the environmental and financial sustainability of the business through carbon reduction measures.*

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Grants to support community infrastructure, will be operated by Ashford Borough Council and open to legally constituted organisations seeking to expand community infrastructure in the eligible area. Grants will have a particular focus on *improvements that will increase the use of community buildings and which improve the environmental and financial sustainability of community amenities through carbon reduction measures.*

Support for the Visitor Economy and Rural F&B businesses, will be operated by a third party. Ashford Borough Council will issue a tender to select a third party organisation that can deliver projects with a particular focus on *enhancements for the rural visitor economy and improvements to the supply chain and overall sustainability of rural hospitality, leisure or food and beverage manufacture businesses.* Funding to support the expansion of EV charging points in rural areas will be managed by Ashford Borough Council to deliver the required infrastructure, working with key stakeholders across the borough. The council has experience and partnerships in place to deliver this rollout. The project will aim to *strengthen our social fabric through investment in activities that enhance amenities.*

All grant programmes will be subject to open competition and project proposals will be reviewed by key Council officers who will make observations and recommendations to a panel of senior officers. This may include requesting input from other external organisations with specific expertise. Ashford Borough Council will act as the grant awarding body.

Project proposals received will be assessed against the Council's Corporate Plan, the REPF Outcomes and Outputs, as well as wider strategy framework for the Borough and the value of outcomes secured within the eligible area, set against the total value of the grant sought. This will form part of the value for money judgement, alongside a requirement for grant recipients to secure at least three quotes for goods and services funded by grant valued between £2,500 and £24,999 and Tenders required for good or services of £25,000 or more. Furthermore measures will be put in place, as part of the assessments on all projects, to identify the reason why public money should be invested or why private funding is not able to deliver the proposed projects. There will be encouragement to look to local supply chains, to secure additional benefit within the local community.

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

Interventions you intend to collaborate on	No
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Place(s) you intend to collaborate with	No
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Have you identified opportunities to work with other places on specific interventions and/or projects for the rural communities interventions?

Interventions you intend to collaborate on	No
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Place(s) you intend to collaborate with	No
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### **Engagement**

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.

Ashford Borough Council has consulted with its UKSPF Local Partnership Group as well as, all Parish Councils within the Borough, Kent Action for Local Communities (KALC), the National Farmers' Union (NFU) and the Romney Marsh Partnership (RMP). KALC representatives were invited to be part of the UKSPF Local Partnership Group and will be requested to join the Group again following submission of this Plan.



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External expressions of interest have also been received and considered in outlining Ashford Borough Council's approach to the REPF.

Are there aspects of your plans to use your REPF allocation that are not supported by rural stakeholders and the rural community? If yes, please provide more detail.

No

Are there MPs who are not supportive of your investment plan? If yes, please list which MPs are not supportive and outline their reasons why.

No

### **Confirmation of approval**

Please provide the names of who has approved the submission of the additional information provided

Chief Executive	Tracey Kerly
Elected leader	Cllr Gerry Clarkson
Section 151 officer	Ben Lockwood