

OFFICER DECISION RECORD 1 FORM

This form should be used to record Officer Decisions in Excess of £100k (but below the key decision threshold), or where required by Financial, Contract or other Procedure Rules or following formal delegation from Cabinet or a Cabinet Member or a Council Committee.

Decision Reference No: PLACE24 0942

BOX 1

DIRECTORATE: Place

DATE: 10 January 2024

Contact Name: David Forster

Tel. No.: 01302 734652

Subject Matter: Rural England Prosperity Fund 2023/24 Application Approval

BOX 2**DECISION TAKEN**

To approval £50k funding application to the [REDACTED] from the Rural England Prosperity fund.

BOX 3**REASON FOR THE DECISION**

The UK Shared Prosperity Fund (SPF) and REPF ODR (ref: CR/637/06/23) in June 2023 approved City of Doncaster Council's Rural England Prosperity Fund scheme. The Rural England Prosperity Fund is a rural top-up to the UK Shared Prosperity Fund and is administered by the South Yorkshire Mayoral Combined Authority (SYMCA) on behalf of the Department of Environment, Food and Rural Affairs (DEFRA). The key aim of the programme is to facilitate sustainable economic growth in rural areas of Doncaster.

The original ODR approved 100% capital grant funding ranging from £2,500 - £12,499 with applicants providing 50% private match funding (£5k - £24,999 total project cost). However, the programme plan, the SYMCA funding agreement and information on the Business Doncaster and Council websites included an additional paragraph that read "Larger projects that require a higher amount of funding will be considered in exceptional circumstances if they contribute significantly to the interventions, outputs and outcomes."

As a result of this, a separate ODR (ref: PLACE24 0917) was recently submitted and approved which removed the cap of £12,499 that could be awarded to eligible businesses in exceptional circumstances. This ODR also included a decision to award grant funding to an applicant (ref 201002379647) as well reference to one further application that was currently in scope for assessment by the REPF Grant Assessment Panel expected to exceed the cap of £12,499.

This ODR therefore includes the details of this further application, which is from [REDACTED] who are seeking funding of £50,000 towards total project costs of approximately £230,000. This application was approved by The Grant Assessment Panel on 1st February 2024, as it contributes substantially to the deliverable outcomes of the REPF. The project will be delivered over the course of the 2024/25 financial year.

The 2024/25 REPF funding allocation for Doncaster is £380,583

The unspent funding allocation that will be rolled over from the 2023/24 financial year is currently £75,968.54.

To date three applications have been approved for the 2024/25 financial year (not including this application), with funding totalling £36,646.26 which means £419,905.28 remains uncommitted in the fund.

[REDACTED] are based off * [REDACTED] The business is a highly rated attraction for anglers across the country, regularly hosting local and national

competitions that have proved popular with customers. The business is currently proposing the development of a [REDACTED] which will provide greater access to disabled customers and allow the business to expand its current capacity.

Planning Permission for this development has recently been approved.

The applicant is seeking approval of grant funding of £50,000 towards project costs which have been calculated at approximately £230,000. This includes significant costs of:

- Construction and plant hire - £125,000
- Electrical supply upgrade - £36,000
- Automated entry/exit system - £27,000
- HVO Capable Generator - between £13,500 - £18,000
- Fishing stocks - £9,000
- EV Charging Ports - £3,800

The project will be funded through a combination of the business' finances and loans. The applicant has forecast a project completion period of six months. The Grant Assessment Panel have considered that there are likely to be some delays to delivery of this project, however, they have confidence that the project will still be delivered within the timescales of the Rural Prosperity Fund. Similarly, the applicant has accounted for a potential increase in project costs of up to 10% given the current fluctuations in prices for raw materials, he is however aware that he will be required to fund any increase in costs himself.

The application falls under REPF Theme 2: Tourism and the Visitor Economy which provides capital grant funding for developing and promoting the visitor economy (including food and drink, outdoor leisure, local attractions, trails and tourism products more generally).

The objectives of this theme are to create jobs and boost community cohesion, enhancing the rural visitor economy and rural leisure opportunities, and provide grants to develop local tourist attractions and local visitor experiences.

This project is cost effective in the long-term returns available to the business financially plus the social and economic benefits that it will bring to the local area. It is also recognised that the business is looking to reduce its carbon footprint further through the use of biofuel and support the use of electric vehicles by offering charging points in a rural location.

The new touring site will also likely attract a new non-domestic rates assessment leading to increased revenue for the Council. Fisheries are currently exempt from non-domestic rates, but the introduction of a touring site should result in a new chargeable assessment.

Specific REPF Outcomes that this project will deliver:

- Jobs Created: 3
- Jobs Safeguarded: 6
- Businesses increasing turnover: 1
- Businesses adopting new technology or processes: 1
- Businesses experiencing growth (through access to new markets): 1

The jobs that are to be created are as follows:

- Site maintenance operative - This role will look after the touring site on a daily basis. Keeping the site tidy and clean both the pitches and the utility building.
- Shop/reception assistant - This role will be in the shop whilst also greeting customers who are booked into the touring site.
- Cafe assistant - This role will help in the cafe due to expected increase in customers using the cafe while visiting the site.

The business currently employs 21 people, equating to 11 full-time equivalent employees. The majority of these roles are based in the on-site shop and cafe, however falling revenue within the shop over recent years means between 6-9 of these FTE posts are currently at risk of being lost.

With the addition of the new fishing pond and touring site, the applicant has projected Year 1 revenue from the fisheries of approximately £190k (based on the industry standard 40% occupancy rate) and revenue from the shop/café of approximately £208k (an anticipated 30% increase). He hopes to increase this by £100k per year for each following year. The additional demand on the shop and café will help to safeguard the jobs currently at risk.

As part of the overall development, the applicant will also be installing Electric Vehicle charging ports on site and an automated entry/exit system monitored by CCTV, to provide easier access for vehicles. Whilst the current premises already benefit from some solar power generation, this is not enough to fully power the site, therefore there is still some reliance on the grid. The site does currently experience occasional power outages due to its rural location and whilst the proposed development does include the cost of upgrading the power supply from the grid, the applicant also proposes to install a HVO (Biofuel) Generator as a backup. HVO offers a reduction in carbon emissions of up to 90% in comparison to diesel.

The applicant plans to undertake the majority of the construction work using his own maintenance staff to help keep project costs down. This will develop and enhance the skills of his current employees and provide better employment opportunities in the long-term. The majority of the suppliers that are being used are also based locally, either from within the Doncaster borough or the wider South Yorkshire area.

The applicant's request for £50k of grant funding represents a good return on investment, considering the anticipated commercial growth and increased turnover for the business, as well as the considerable social and economic benefits that will be delivered within the local area throughout the lifecycle of this project and beyond.

A funding agreement template has already been drawn up for successful REPF applicants by the Legal Department and will be signed off by Scott Cardwell (Assistant Director for Place, City of Doncaster Council) and then signed by the Company.

The grant funding would be paid to the recipient at the very end of project completion, once all works are complete and the applicant has supplied copies of defrayed invoices and proof of payment from his bank account for all eligible expenses.

██████████ have also received additional Rural Prosperity Grant funding of £12,499 towards the cost of launching a local shuttle service for customers, as well as Productivity Grant funding of £11,700 towards the cost of a digital customer relationship management system which will eventually be linked to the automated entry/exit system that is proposed in this development.

The company has certified the amount received in subsidy aid in the last 3 financial years. This amount, together with the aid sought from City of Doncaster Council (including those grants mentioned above) is below the subsidy control limit of £315,000.

Monitoring and follow up of the outcomes being delivered by the proposed project (including the specific jobs being created) will be undertaken by the Project Manager and Business Doncaster in line with Business Doncaster's current best practice.

BOX 4

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The alternative option is to not approve the grant award. This could have a potentially detrimental effect on the applicant's ability to deliver this project.

- 1) The applicant would not be able to receive the level of grant funding requested which may negatively impact the applicant's ability to secure additional funding for completion of the proposed project.
- 2) There would be more pressure to expend a higher allocation of REPF grant funding in 2024/25 than is currently accounted for.
- 3) Reputational damage to Business Doncaster (and by extension, the Council) given the time that has already been spent working with the applicant and his representatives to determine the eligibility of the application and consultation with members of the public on the application for planning permission and the application for grant funding

BOX 5

LEGAL IMPLICATIONS

The Localism Act 2011 provides the Council with a general power of competence which allows a Council to do anything which an individual may generally do.

The report author should ensure all head funding terms are complied with (especially the provision that requires exceptional circumstances justifying the payment of a grant above the standard grant envelope of £2,500 - £12,499) to avoid the risk of clawback.

The grant must comply with the terms of the Council's financial procedure rules.

A formal legally binding grant agreement must be entered to ensure that the Council's interests are protected. The report author should also ensure that the recipient contractually commits to the match funding and the delivery of the outputs in the required timescales set out in this decision record.

Legal services may be consulted for support in respect of this matter.

Name: Phil Crawley

Date: 12 February 2024

Name of Assistant Director of Legal and Democratic Services (or representative)

BOX 6

FINANCIAL IMPLICATIONS:

The proposal is to approve £50k funding to the [REDACTED]. There is sufficient funding available for this proposal and the application has been approved by the REF grant assessment panel. Subject to approval of this ODR, if approved the total funding committed is £86,646.26 for 2024/25 leaving £369,905 uncommitted. A recent ODR (ref: PLACE24 0917) was submitted and approved which removed the cap of £12,499 that could be awarded to eligible businesses in exceptional circumstances.

The company has certified the amount received in subsidy aid in the last 3 financial years. This amount, together with the aid sought from City of Doncaster Council is below the subsidy control limit of £315,000.

There is no requirement for match funding from the Council, however the schemes require private sector 50% match, contributions from businesses.

The project officer must administer any grants in line with the Council's Contract and Financial Procedure Rules (particularly FPRs E17:E20 External Arrangements including Grants to Outside Bodies) and ensure that any other internal governance is complied with. The grant scheme should

have robust processes in place and use of the grants awarded should be monitored. Funding agreements with third parties receiving grants will need to transfer any obligations as required in order to ensure compliance with the terms and conditions of the REPF grant funding.

FPR's require that Directors are responsible for ensuring that action plans are in place (including exit strategies) for all external funding within the Directorate.

Name: Cheryl Slade

Date: 15/02/24

Name of Chief Financial Officer and Assistant Director of Finance (or representative)

BOX 7

OTHER RELEVANT IMPLICATIONS

Name: _____

Date: _____

Name of Assistant Director (or representative)

ANY IMPLICATIONS SENT TO DEPARTMENTS SHOULD GENERALLY BE SUBMITTED AT LEAST 5 WORKING DAYS IN ADVANCE TO ENSURE THESE CAN BE GIVEN THE RELEVANT CONSIDERATION.

BOX 8

EQUALITY IMPLICATIONS: (To be completed by the author).

This scheme is open to all micro and small businesses; and businesses involved in the visitor economy, that are located within eligible rural areas of the borough. City of Doncaster Council complies with the Equality Act 2010 insofar as those that fall under one or more of the protected characteristics are not discriminated against.

BOX 9

RISK IMPLICATIONS: (To be completed by the author)

Should a grant award of £50,000 not be approved this may impact on the applicant's ability to secure additional funding towards the cost of the project and thus affect his ability to deliver the project. This may reflect negatively on the Council given the time and effort already invested in the applications for planning permission and for grant funding. There would also be additional pressure to expend a higher allocation of REPF funding in 2024/25 than is currently accounted for.

BOX 10

CONSULTATION

Business Doncaster

Planning

Finance

Legal

Policy Insight and Change

BOX 11

INFORMATION NOT FOR PUBLICATION

Company information in box 2, 3, 6 should be redacted under section 43 of the Freedom of Information Act 2000 because this is deemed commercially sensitive information. Signatures should also be redacted under section 40 of the Freedom of Information Act 2000, as the information is personal and sensitive and exempt from publication.

Name: A J Rowbotham **Date: 20th Feb 24**

Name of FOI Lead Officer for service area where ODR originates

BOX 12

BACKGROUND PAPERS

Please confirm if any Background Papers are included with this ODR – NO Papers

**BOX 13
AUTHORISATION**

Name: Dan Swaine **Signature:** _____ **Date:** 22.02.24
Director of Place

Name: Debbie Hogg **Signature:** _____ **Date:** 29.2.24
Director of Corporate Resources

Does this decision require authorisation by the Chief Financial Officer or other Officer

YES

If yes, please authorise below:

Name: Faye Tyas **Signature:** _____ **Date:** 22.2.24
Assistant Director of Finance & Technology

Consultation with Relevant Member(s)

Name: _____ **Signature:** _____ **Date:** _____

Designation _____

(e.g., Mayor, Cabinet Member or Committee Chair/Vice-Chair)

Declaration of Interest YES/NO

If YES, please give details below:

PLEASE NOTE THIS FORM WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE IN FULL UNLESS IT CONTAINS EXEMPT OR CONFIDENTIAL INFORMATION.

Once completed a PDF copy of this form and any relevant background papers should be forwarded to Governance Services at Ladem@doncaster.gov.uk who will arrange publication.

It is the responsibility of the decision taker to clearly identify any information that is confidential or exempt and should be redacted before publication.