

Commitment to Working with Rural Communities 2025 - 2027

Report of the Climate Emergency and Countryside Portfolio Holder

Recommended:

- 1. That our commitment to working with rural communities, as shown in the Annexes to the report, be approved.**
- 2. That £200,000 be allocated from the New Homes Bonus Reserve for the creation of a new Rural Business and Community Enterprise Fund from 01 May 2025 – 31 March 2027 (£100k per annum), as outlined in section 4 and Annex 3 of the report.**
- 3. That the Head of Finance and Revenues be authorised to add any grants that are capital in nature to the Council’s Capital Programme.**
- 4. That the Head of Planning Policy and Economic Development and Head of Community and Leisure be given delegated authority to establish a suitable application process and approve grants from this new Fund in consultation with the Climate Emergency and Countryside Portfolio Holder and Finance and Resources Portfolio Holder.**

Recommendation 2 is a recommendation to Council

SUMMARY:

- This report highlights the importance of recognising, continuing and developing further, the council’s approach to working with our rural communities.
- This is underpinned by an action plan, setting out how we will do this, and the resources required.

1 Introduction

- 1.1** Our Corporate Plan, *A place for everyone – supporting our communities to thrive*, was launched in April 2023 gives a clear focus and commitment to just that, recognising the differences within our communities and the different approaches that might be needed in supporting them to thrive.
- 1.2** Our Corporate Plan describes the importance of being place-focussed, but also specifically identifies that Test Valley is not one single place. Large areas of the borough are considered rural, comprising small villages and numerous different communities – so the way we work with different communities, will look and feel different in different places.

- 1.3 Our model of supporting the community councillor and enabling place-based action planning is at the heart of our approach. Supporting the Community Councillor as a convener and activist for local decision making, and an ambassador for the development of community led action planning, is the product of over a decade of evolving our place-based approach to supporting local communities.
- 1.4 Our commitment to continue to work in an increasingly place-focussed way, working with local communities to respond to jointly agreed priorities, and to co-create local action plans that deliver against these priorities, is every bit as important (if not more so) within our rural communities.
- 1.5 The challenges around sustainability and development of rural neighbourhoods and villages, access to services and facilities, rural isolation and connectivity, access to the right type of housing, and support and sustainability of rural businesses, are all ever-present reasons as to why a focus on our rural communities, is both timely and necessary.
- 1.6 The content of the forthcoming local plan will need to reflect the Government's planning reforms and their housing targets. How housing and necessary infrastructure can be brought forward in our villages will be a key area of focus.
- 1.7 The purpose of this report therefore is to re-affirm our current commitment to working with rural communities, as well as set our commitment to enhance this going forward – as annexed to this report.

2 Background

- 2.1 The Council has developed a national reputation for the way it works with and for communities and already has strong offer and narrative around it – built through trust and relationship building between the Council, its Councillors, communities, and partners - resulting in the co-development of shared priorities and actions to achieve them.
- 2.2 This is not about creating or starting something new, but it is the product of a sustained commitment to a purposeful and effective way of working, as an invested partner in place. It is therefore vitally important to 'tell our story', set the scene, and give context to our organisational culture and our journey so far.
- 2.3 It is also important to codify our offer and strengthen public narrative as to the impact, action and outcomes we are striving to achieve. An important commitment to our ongoing rural offer will be to coherently capture what we do and what we will be challenging ourselves (along with our partners) to do next, with a commitment to a sustained and continued action plan.
- 2.4 Our recent Corporate Peer Challenge is a timely reminder, acknowledging and endorsing the Council's commitment to community focus. It serves as a platform from which to capture, build, evaluate, and commit to future action, and in addition to what the Council will do, it will also describe how the Council will continue to act and operate as a partner in place with communities.

- 2.5 In developing our rural offer, officers have engaged with OSCOM, undertaken internal consultation, engaged with community stakeholders, and reviewed the approach of other local authorities. This evidence-led approach will help to ensure our rural offer is both ambitious and realistic and will achieve the outcomes set out in our corporate plan.

3 Challenges and influences

- 3.1 With known challenges at a local government level, a strong narrative as to why this focus is necessary in the face of competing demands on services, is a key driver.
- 3.2 The Government's direction of economic and housing growth will require honest conversations with rural communities about meeting housing need, along with if and how they can be influenced by community planning processes.
- 3.3 These issues will not be 'solved' by bringing together our way of working with rural communities, but it will provide direction as these, and other challenges are faced in the coming years.
- 3.4 Whilst some of the challenges are clear, consequential action and their impact going forward are less-so currently. Our way of working equips us with the tools to spot opportunities to be agile in how we respond, acknowledging that influences will be constantly changing, and our approach will continue to evolve.

4 Creation of Rural Business and Community Enterprise Fund

- 4.1 The Corporate Plan identifies the need to proactively support rural businesses. This is proposed, in part, to be achieved via the introduction of a Rural Business and Community Enterprise Fund. This will help deliver prosperity and enable communities to thrive by potentially supporting those businesses, pubs and shops, that secure the sustainability of communities.
- 4.2 This grant is in line with the adopted Economic Development Strategy 2024 – 2029. Unlike other current grants, which support either community organisations or businesses, this fund will have the flexibility to support both sectors to encourage new ways of delivering economic prosperity and community sustainability. It must be able to fund both community and commercial operations and support new ideas to deliver resilience and prosperity in our rural areas.
- 4.3 This is in addition to the recent government announcement regarding the continuation of Rural England Prosperity Fund (REPF) into 2025/26. The intention is that both grant streams will complement one another (with REPF continuing to be focussed on larger projects).
- 4.4 Summary of the key eligibility criteria are captured in the table below;

Grant Fund	£100,000 p/a
Source	New Homes Bonus Reserve
Period of funding	2025 – 2027 (2 years)
Grant Value	Up to £10,000
Maximum proportion of funding	Grant can cover up to 80% of project costs (20% matched funding required by applicant)
Type of Funding	Capital (and/or revenue to support skills and training costs)
Eligibility (by area)	Rural wards of Test Valley
Eligibility (by type of organisation)	Flexibility to support both not-for-profit organisations, and rural businesses, including pubs and shops - where projects have social impact or contribute towards community resilience (such as a business providing a community service or contribute toward making a facility more sustainable).
Evidence of need	Be able to demonstrate evidence of community support / need (such as by being the only facility in a place, or becoming a community hub)

4.5 Principles for the proposed new grant are outlined in Annex 3 to this report.

5 Corporate Objectives and Priorities

5.1 The Corporate Plan, *A place for everyone – supporting our communities to thrive*, gives a clear focus and commitment to just that, recognising the differences within our communities and the different approaches that might be needed to support them all to thrive.

5.2 The themes of our commitment to working with rural communities reflect our corporate plan priorities, observed through the lens of our rural communities, contributing directly to all our corporate priorities, but with a particular focus on connection, inclusion and prosperity.

6 Consultations/Communications

6.1 Our commitment to working with rural communities has been developed in an evidence-led way engaging with community stakeholders, parish councils and councillors. The most visible of which being the numerous place-based workshops and marketplace events convened across multiple communities throughout 2023 and 2024.

- 6.2 A number of the proposed actions have been informed by the emerging themes from these events, in consultation with local councillors.
- 6.3 Members of OSCOM were engaged in early development of this report, and gave direction to aspects of key policy development, including the proposed recommendations for the new grant scheme.

7 Options

- 7.1 Support the recommendations to approve our renewed rural offer and action plan including the creation of a new Rural Business and Community Enterprise Fund.
- 7.2 Choose not to support the renewed rural offer and / or grant scheme.
- 7.3 Choose to seek changes to the proposed offer and / or grant.

8 Option Appraisal

- 8.1 Support for the recommendations will further enhance an already strong public narrative about the way we work (and will continue to work) with our rural communities, to co-create action plans on shared priorities. It is therefore the recommended option.
- 8.2 Choosing not to support the recommendations, will mean no current change, but would also mean making no specific commitment to supporting rural communities, or the establishment of a new Rural Business and Community Enterprise Fund stream. This is not the recommended option.
- 8.3 Choosing to seek changes are possible but would delay implementation of the actions and/or grant stream whilst further work to review options and report back are undertaken. In light of the strong support for the recommendations as presented, this is not the recommended option.

9 Risk Management

- 9.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified at this time.

10 Resource implications

- 10.1 Approval of our commitment to working with rural communities itself does not result in any direct additional resource implications at this stage.
- 10.2 The recommended budget allocation for the new Rural Business and Community Enterprise Fund is £100,000 in 2025/26 and 2026/27 – and will be subject to further review beyond March 2027.
- 10.3 The funding of £200,000 is recommended to be drawn from the New Homes Bonus Reserve. This reserve was created from government grants related to new housing development across the borough and is considered to be the most appropriate form of funding for the two-year programme.

11 Legal Implications

11.1 There are no legal implications arising from this report.

12 Equality Issues

12.1 No equality issues have been identified at this stage. However, individual equality impact assessments will be completed as and when appropriate for projects, initiatives and activities, to ensure any equality issues are considered in line with our duties under the Equality Act and our Corporate Equality Objectives.

13 Other Issues

13.1 Wards / Communities affected.

13.1.1 All of the rural wards of Test Valley. This includes Bourne Valley, Bellinger, Charlton and the Pentons, Mid-Test, Anna, Harewood, Blackwater, Ampfield and Braishfield.

14 Conclusion

14.1 This report will guide the council's approach to way we work with rural communities and reflects and responds to the changing needs of our rural residents, communities and businesses.

14.2 It is intended to codify our existing offer and set the direction for future action with a clear and coherent rural focus.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	3	File Ref:	N/A
(Portfolio: Climate Emergency and Countryside) Councillor A Johnston			
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Report to:	Cabinet	Date:	9 April 2025