

Delegated Decision Report

19th September 2023

Subject: Rural Catalyst Core Capability
Report of: Senior Regeneration and Economic Development Officer
Portfolio: Culture, Creative and Rural

Report Summary

- 1.1 The purpose of this report is to approve an investment funding award to Newcastle University for the Rural Catalyst Core Capability project in line with the implementation plan approved by NTCA Technical Officer Group and Investment Panel.
- 1.2 The Rural Catalyst Core Capability project that will maintain delivery and stabilise the core capacity for innovation project development, delivery, innovation diffusion and knowledge transfer that has been built within the National Innovation Centre for Rural Enterprise and the Rural Design Centre during the last two years. This will also enable innovation-led rural economic and community development into the future which is a core component of the rural component of the North of Tyne Stewardship and Rural Growth Investment Plan and the North East devolution deal. The Rural Catalyst is a crucial step in strategic planning for the new North East Mayoral Combined Authority and acknowledges the unique and complex rural environment in the North East.

Recommendations

The Chief Executive is recommended to approve:

- i) £249,352 to Newcastle University for the Rural Catalyst Core Capability project.

1. Background Information, Proposals and Timetable for Implementation

Proposal Name	Rural Catalyst Core Capability Project
Lead Organisation	Newcastle University
Delivery Areas	Rural areas of the North of Tyne Combined Authority
Timescales	1 st July 2023 – 30 th June 2024
Project Value	£522,685
Grant amount requested	£249,354
NTCA Budget Implications	Cabinet have approved £6,043,546 allocation (UKSPF+REPF+ IF) till Mar 25, if this proposal is approved £278,037 remains in the allocation till March 25. A further £750,000 UKSPF provision has been approved.

1.1 The Rural Catalyst forms part of a wider strategic approach to levelling up the North East through its role as a stimulus in the rural economy. This is a dual role that both enables places, businesses and people to identify and respond to opportunities and challenges, and encourages and prompts investment in innovation to improve the lives and prospects of rural businesses and communities. Protecting the core capability of the Rural Catalyst is a crucial step in strategic planning for the new devolution deal, which acknowledges the unique and complex rural environment in the North East.

1.2 Cabinet agreed on the 22nd November 2022 that a total of £3m of resources are allocated until March 2025 from the North of Tyne Investment Fund and UK Shared Prosperity Fund; £3,043,546 Rural England Prosperity Fund (REPF); and £3m indicative North of Tyne Investment Fund for 2025/28 is allocated to support the Stewardship and Rural Growth Plan; the Rural Catalyst is a key initiative in the delivery of those priorities. Cabinet also Authorised the Chief Executive, in consultation with the Investment Panel, the Mayor and the Portfolio Holder, to consider and approve individual business case and delivery models.

1.3 To illustrate how this funding is being distributed see the table below. Please note that the Northumberland Small Business Service also incorporates a separate UKSPF provision of £600k for localised business support and £150k towards the IP centre which is additional to the rural specific allocations agreed by Cabinet.

Funding Stream	Cabinet Approval 2023-28	Cabinet Approval (indicative) 2025-28	Total
UKSPF (revenue rural + localised business support)	£2,000,000		£2,000,000
UKSPF (capital)	£3,043,546		£3,043,546
IF (revenue)	£1,750,000	£2,500,000	£4,250,000
IF (capital)		£500,000	£500,000
TOTAL	£6,793,546	£3,000,000	£9,793,546

Project	2023-25	2025-2028	Total
Northumberland Small Business Service	£3,391,570	£1,419,232	£4,810,802
RAMP	£2,724,587	£785,885	£3,510,472
IP Centre	£150,000		£150,000
Rural Catalyst	£249,352		£249,352
TOTAL	£6,515,509	£2,205,117	£8,720,626
Remaining	£278,037	£794,883	£1,072,920

2. Potential Impact on Objectives

2.1 Project delivery as described in the report is consistent with the priorities set out in NTCA's vision and in line with the North of Tyne Stewardship and Rural Growth Investment Plan.

3. Key Risks

3.1 Risks associated with the project have been considered as part of the application and appraisal process. Risk management processes are clearly set out and will be consistently reviewed during project delivery.

4. Financial and Other Resources Implications

4.1 All funding provided will be revenue. In line with our agreed claim process, grants will be paid at the agreed intervention rate quarterly in arrears and upon verification of costs. All funding is expected to be claimed by June 2024.

5. Legal Implications

5.1 The Monitoring officers' comments have been incorporated in this report.

5.2 The award is subject to compliance with the requirements of subsidy control advice received and the GFA shall include any conditions deemed appropriate in this respect.

6. Equalities Implications

6.1 As required by Section 149 of the Equality Act 2010, the Combined Authority has considered its obligations regarding the Public Sector Equality Duty and there will be no anticipated negative impact on groups with protected characteristics from these proposals.

7. Inclusive Economy Implications

7.1 The Inclusive Economy impact of the proposal was considered as part of the appraisal and NTCA. The appraiser notes that the project is community focused and is expected to stimulate some business activity and growth as a legacy. It will focus on setting out those opportunities to address specifically rural issues together with the inequality created by those rural issues and the ageing demographic of many rural communities.

8. Climate Change Implications

8.1 The implication relating to climate change have been considered and believe there will be no negative impact as a result of this project.

9. Consultation and Engagement

9.1 The project will work with local communities, partners, key stakeholders, incorporating the strand of inclusive rural growth.

10. Appendices

10.1 None

11. Background Papers

11.1 Northumberland Stewardship and Rural Growth Investment Plan

12. Contact Officers

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13. Sign-off

1) Mayor: Yes	2) Portfolio Holder: Yes	3) Director of Policy and Performance / Head of Service: Yes	4) Director of Finance: Yes	5) Monitoring Officer: Yes
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