



PRCC.16 14/15
Committee: Prosperous Communities
2 September 2014

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Subject: Report title: Leader Funding - Rural Development Programme (RDPE)

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Purpose / Summary:	To provide members with an update of the last RDPE programme and request support for the next programme due to commence in January 2015

RECOMMENDATION(S):
1. It is recommended that members acknowledge the success of the last RDPE programme.
2. It is recommended that members of the Prosperous Communities Committee support the proposal for West Lindsey District Council to support the next RDPE programme with up to £15,000 per year for 5 years commencing 2015, subject to approval by Policy and Resources Committee through the budget setting process for 2015/16.

IMPLICATIONS

Legal: None at this stage

Financial : West Lindsey District Council have been asked to support the next RDPE 2015-2020 and a request has been made for £15,000 per year, towards technical assistance, for 5 years commencing January 2015. It is proposed to meet the cost in 2014/15 only from surplus in salary budget. The further £60k (£15k pa over 4 years) will be built into future years budgets, subject to approval at Policy and Resources Committee via the budget setting process.

[\(FIN/46/15\)](#)

Staffing : None at this stage

Equality and Diversity including Human Rights :

NB: Please explain how you have considered the policy's impact on different groups (for example: young people, elderly, ethnic minorities, LGBT community, rural residents, disabled, others).

Risk Assessment : If West Lindsey District Council chooses not to support the next RDPE programme it may limit the technical assistance available to the applicants of the fund, this in turn may affect their success in obtaining RDPE funding.

Climate Related Risks and Opportunities : None at this stage

Title and Location of any Background Papers used in the preparation of this report:

Wherever possible please provide a hyperlink to the background paper/s

If a document is confidential and not for public viewing it should not be listed.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Background

What is LEADER funding?

The locally led approach to rural development known as LEADER was initially introduced in the EU as an experiment in 1991. LEADER is a French acronym for 'Liaison Entre Actions de Developement de L'economie Rurale' where the size and coverage of LEADER has increased with each subsequent round. From 2007 the principles of LEADER as an area-based, bottom-up approach managed by a Local Action Group were incorporated into the EU Rural Development Programme, rather than being a free-standing funding stream. Currently, Local Action Group areas have been restricted geographically to a maximum population threshold of 150,000.

What funding have we currently secured and what has been achieved?

Within the last LEADER programme (2007-2013) £4.5m of grant funding was awarded to the three Lincolnshire specific Local Action areas. The Lindsey Action was awarded £2million for the last programme.

West Lindsey was part of the **Lindsey Action Zone** which included 25 wards from East Lindsey District Council and 8 from West Lindsey*. The area was awarded £2m of grant funding. Using the number of wards as an indication West Lindsey had approx. **25% of coverage** across the programme area.

**Wards from West Lindsey - Bardney, Caistor, Kelsey, Market Rasen, Middle Rasen, Waddingham and Spital, Wolds View and Yarborough*

Lincolnshire County Council is the accountable body for the programme and employs the Technical Support Officer and part time Grant Support Officer. The cost of the technical assistance and on-costs for the last programme was £60K per year.

The programme is steered by a Local Action Group (LAG) which is made up of public and private members across a range of sectors. The LAG is responsible for the development of a local area strategy which details how the programme will be run and highlights objectives for that area. The LAG also endorsed all applications which are then ratified by DERFA.

Achievements in West Lindsey District

Total LAZ grant claimed in West Lindsey **£793K – (40% of total fund)**

This was claimed under the following measures:

Diversification	£13K
Micro enterprise	£415K
Tourism	£287K
Heritage	£77K
Training	£1k
Number of projects	15

Total investment **£738K**

Employment created 37.5

Therefore our contribution of £50K helped lever in **£1.531M** into the area.

For each £1 West Lindsey Contributed this generated £30.62

**Please note the employment created is still being monitored and is due to rise and the intervention rate and jobs target varies across each measure. Within the tourism measure two projects were across both East and West Lindsey.*

The figures are as accurate as possible, however some projects such as the Lincolnshire Wolds Walking Festival covered both East and West Lindsey therefore this funding has been equally split.

Case studies from West Lindsey:

Rural Out of School Provision – Caistor

The development of a former barn to provide out of school childcare provision for local children aged 4-11, before school, after school and during school holidays.

Grant Awarded: £65,184

RDPE Measure 312: Support for the Creation & Development of Micro-enterprises

Treetops Self-catering Holiday Cottages

Grant funding helped to convert a redundant stable block into three, high quality, self-catering holiday cottages. The cottages are heated by a ground source heat pump & are set within 6 acres of landscaped gardens.

Grant Awarded: £54,060

RDPE Measure 313: Encouragement of Tourism Activities

The Old Paper Shop, Caistor (now The Settlement)

The LAZ funding enabled the renovation of all the historic internal & external features of this listed Georgian building. The building had previously suffered years of deterioration and become an eyesore in the Market Place. The refurbishment has now allowed the owners to lease the building to a restaurant business and it is now called 'The Settlement'.

Grant Awarded: £77,318

RDPE Measure 323: Conservation & Upgrading of Rural Heritage

Further case studies are available on request

Future Leader Funding Opportunities

We are now starting to position ourselves to access LEADER funding in the next Rural Development programme 2014-2020 which will have a much greater focus on supporting rural jobs and growth. Nearly 5%, approximately £139m, of the overall European Agricultural Fund for Rural Development (EAFRD) will be used to support LEADER activities across the country and the funding can only be used in rural areas. The programme will also be expected to deliver Community Led Local Development (CLLD) through a

multi-fund approach, so alignment with the overall priorities in the Strategic Economic Plan and European Structural and Investment Fund strategy is important.

The multi-fund approach promotes greater emphasis on integration which means that project proposals will need to have a much greater relevance to local communities/localities as opposed to individual schemes meeting a specific issue. By creating a 'sense of place' as the stimulus there is opportunity to open up new forms of enterprise with local and social benefits. The main priorities for investment through the LEADER approach will be:

- Support for micro and **small** enterprises and farm diversification
- **Support for increasing farm productivity**
- Support for rural tourism
- **Support for increasing forestry productivity**
- **Provision of rural services**
- Support for cultural and heritage activity

The areas highlighted in bold indicate new investment/activities that can be supported under the new programme which should provide wider funding opportunities.

Opportunities for West Lindsey

The new RDPE will cover a greater area than the last programme, it is envisaged that all of West Lindsey will have coverage in the new programme. With this increased coverage for the district it is proposed we increase our financial support package. With the last programme West Lindsey provided £10,000 per year for the 5 years of the project and for 2015-2020 it is suggested that we provide up to £15,000 per year for the 5 years. Where possible any support would come from existing resources.

The increase in contribution has been calculated to account for the additional coverage West Lindsey will have, taking the total number of wards covered to 25.

We have been advised from DEFRA we should use **£2,302,000** as a guide to our funding allocation. This is just an indicative figure to help us develop our LDS/application and is no guarantee of funding at this stage.

Timescales:

June	Consultation exercise
End of July	Completion of 2007-2013 Evaluation
September	Submission of Local Development Strategy
November 2014	Decision from DEFRA
January 2015	New 2015-2020 programme commences

Benefits of the RDPE for West Lindsey:

- Funding opportunities for our local businesses
- Increased investment in the area
- Job creation
- Opportunities for development of best practice
- Innovative training
- Additional income via increased NNDR

How RDPE fits in with priorities for West Lindsey:

This scheme will specifically support the growth of small rural businesses, with a focus on agricultural productivity and tourism businesses (support to micro businesses, agri-food and tourism sector are all key priorities identified in the draft Economic Growth Strategy). It will complement the proposed Gainsborough Growth Fund which will focus on supporting the growth of businesses in Gainsborough where manufacturing is a much more significant feature of the economy (also a priority within the Economic Strategy but not covered under the LEADER programme).

