

LEADER Programme – Rural Economic Development

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Action required

Members of the Scrutiny Committee are asked to note and comment on the report.

1. What is the programme?

LEADER is a community-led European funding programme that supports rural development. Local Action Groups (LAGs) each: prepare bids to be included in the Programme; research and set the priority themes through an approved strategy document and annual delivery plan and they make the grant decisions.

Each LAG facilitates the delivery of Rural Development Programme England (RDPE) funding across the LAG area throughout the current programme period (2015-2020). The framework has been set nationally as part of the RDPE with a much stronger emphasis on job creation and business expansion than earlier programmes.

All of South Somerset (apart from Yeovil which is not eligible) is included in 1 of 3 LAGs giving full geographical coverage. This is the first time that South Somerset has achieved this.

The 3 LAGs for the new programme all consist of large rural areas, extending well beyond South Somerset with populations approaching 150,000 people. These are:

- *Making it Local* – existing LAG largely based on the Blackdown Hills and mainly in Devon. The boundary has been extended eastwards to take in Chard and western parishes of Area West, including the Ilminster area. The accountable body is Devon County Council - SSDC Councillor appointment to AONB is Cllr Martin Wale
- *Heart of Wessex* – new LAG follows the A303/A30 corridor area, which is a strong economic area due to the impact of these major transport routes into Wiltshire. In Area West it covers the wards of Eggwood, Crewkerne and Parrett. It also includes some of south Wiltshire, eastern Mendip, all of Area East and rural parts of South. The accountable body is Wiltshire Council - SSDC Councillor appointment is Cllr Mike Lewis
- *The Levels and Moors* – existing LAG is an established area stretching from A303 to the Somerset coast. Minor boundary changes in South Somerset means that it has been possible to consolidate full coverage of Area North. The accountable body is Somerset County Council – SSDC Councillor appointment is Cllr Clare Aparicio Paul

The programme was delayed by the Election and the first round is due to be launched formally 14th October 2015.

2. What are the objectives?

Projects funded under the new LEADER Programme will need to focus on delivering jobs and growth; 70% of all projects funded under LEADER will directly support the rural economy (e.g. through creating and developing micro and small sized rural businesses) 30% of projects will also need to demonstrate that they are contributing to improving the rural

economy. The LAG will decide which projects it will fund in its area, based on the Local Development Strategy, but all projects must support one or more of the 6 national LEADER priorities, which are:

1. Support to increase farm productivity
2. Support for micro and small business and farm diversification
3. Support for rural tourism
4. Provision of rural services
5. Support for cultural and heritage activity
6. Support for increasing forestry productivity

LAGs have aligned their activities to Local Enterprise Partnerships (LEP), Local Authorities, Rural Growth Network Pilot areas, Rural and Farming Networks etc. to avoid duplication. The Local Development Strategies (LDSs) have been written to complement the activities of the relevant LEPs and the LEPs have formally endorsed the LDSs prior to approval

3. How much money is available?

Each of the 3 LAG areas has been awarded over £1.5m to run their programme. The net totals that are available in each LAG for grant spend are:

Making it Local - £1,371,000

Heart of Wessex - £1,425,000

Levels & Moors - £1,340,000

In total over £4,136,000 of grants will be awarded in the programme areas. The actual benefit within South Somerset will depend on the calibre and eligibility of schemes submitted

4. How is the programme managed?

The programme is part of the European Agricultural Fund for Rural Development (EAFRD). The Department for Environment, Food and Rural Affairs (Defra) has delegated managing authority responsibility to the Rural Payments Agency. This is a much more top down process than in previous years.

Each approved area is run by a Local Action Group (LAG) with a Programme Manager responsible for 1 or more LAG areas and there is a local accountable body which accounts for the finances. The LAG Programme Managers are:

1. Making it Local – Dominic Dunbrook (new appointment)
2. Heart of Wessex – Sarah Dyke-Bracher
3. Levels & Moors – Anne-Marie Spalding

Each LAG comprises private, public and community sector volunteers with a wide range of experience and knowledge of local rural issues. At least 50% of the membership of the LAG is comprised of local economic and social partners – community and business representatives exceed those of public sector organisations.

This is designed to add value by achieving community engagement. It puts the responsibility for local action with local people. It ensures a mix of local knowledge, technical expertise and experience is brought together to deliver a successful programme. SSDC and other LA officers act as advisers

5. What are the eligibility criteria?

Each LAG will consider applications against its strategic objectives as funding is limited and overall spend must fit with the national quotas. Capital grants will normally be in the range £5,000 to £100,000. Up to 40% grant can be awarded against the total scheme costs. In broad terms the following types of capital costs can be eligible:

- New capital equipment
- Improvements to premises
- Purchase of machinery and equipment
- New business start-up
- Processing and marketing of products
- Supporting shops and restaurants - where there are wider benefits to the tourism economy
- Development of access infrastructure
- Setting up, improving or expanding essential rural services for the local community
- Supporting events and festivals linked to cultural activity
- Adding value to forest products

In addition the Programme Managers will offer advice and assistance throughout the application process and beyond, some schemes coming forward maybe eligible for or better suited for other funding streams.

6. How is the Programme publicised and how can SSDC communities benefit from the Programme?

Each LAG has a website and has carried out local promotion:

Making it Local - <http://makingitlocal.org/index.php>

Heart of Wessex - <http://www.heartofwessex.co.uk/>

Levels & Moors - <http://levelsandmoors.somersetleader.org.uk/>

Each of the main SSDC rural Areas West, East and North have member representation linking to the LAG (see 1. above). Area Development Officers & Economic Development Officers will offer initial signposting & guidance to prospective applicants.

Overall the 3 LEADER programmes are expected to stimulate at least £2m of investment into South Somerset and mainly directly to small businesses, tourism and other economic schemes.
