

A vertical photograph of a rural landscape. In the foreground, there is a field of tall, golden-brown grass. To the right, a row of green crops, possibly corn, is visible. In the background, a dense line of green trees stretches across the horizon under a clear sky. A large, leafy tree is partially visible on the left side of the frame.

Rural Development Programme for England

savills

The new Rural Development Programme for England (RDPE) was approved by the European Commission at the end of 2007. Seven Regional Development Agencies (RDAs) will be responsible for delivering the programme on a regional basis and are now in the process of rolling out the schemes. About £3.9 billion will be available to farmers and rural businesses in the period 2007-2013 via four 'axes'.

Axis 1: Improving the competitiveness of the farming and forestry sectors

- Regional budgets
- Top-down
- Likely to be accessed via larger organisations on behalf of members and clients
- Farming and forestry

Axis 2: Enhancing the environment and the countryside

- National budget managed by Natural England
- Environmental Stewardship

Axis 3: Improving rural quality of life and diversification of the rural economy

- Regional budgets
- Top-down
- Likely to be accessed via larger organisations on behalf of members and clients
- Farms competing with other rural businesses

Axis 4: Leader

- Area-based
- Bottom-up
- Accessed via Local Action Groups

National priorities:

- Improve the competitiveness of agriculture
- Safeguard and enhance the rural environment
- Foster competitive and sustainable rural businesses and thriving rural communities



Each region has developed a **Regional Implementation Plan (RIP)**; typical targets include:

- **Business efficiency** – focus on knowledge transfer, skills development and collaboration
- **New markets and products** – supporting new product development and marketing
- **Resource protection** – addressing diffuse pollution, improving the management of water and wastes and improving the management of soils
- **Conservation of the environment** – Supporting land management regimes which balance production with the needs of the landscape, habitat and bio-diversity

Axis 1 & 3

Generally RDAs will deliver RDPE funding in 3 ways:

1. **Open Application** – where the idea for a project is from a single applicant or collaborative group. Successful projects are likely to involve collaboration however applications from single businesses will be accepted. Projects led by a single applicant will need to demonstrate an innovative approach to addressing an issue which could be replicated across the region and have wider benefit to other organisations, businesses or communities across the region.
2. **Invitation to Tender** – where there is a clearly defined need for the region and a variety of potential partnerships or delivery bodies could undertake the project.
3. **Commissioning** – where there is a single clear industry lead body to undertake a particular area of work on behalf of the region.



The budget for Axis 1 and 3 (2007-13 (£m)) has been allocated as follows:

	Axis 1	Axis 3	Total
North East	14.96	32.73	47.69
North West	38.47	36.45	74.92
Yorkshire and Humber	31.99	33.87	65.86
East Midlands	28.09	32.44	60.53
West Midlands	34.02	20.97	54.98
East of England	24.50	41.32	65.82
South East & London	27.69	36.74	64.43
South West	49.30	52.53	101.83

(source: DEFRA)

Axis 1 focuses on raising the competitiveness of the livestock sector and the regional budget has been weighted to livestock farming areas. £47 million is available nationally for establishing perennial energy crops (miscanthus and short rotation coppice) under the Energy Crops Scheme. The budget for Axis 3 has been balanced between rural population criteria and weighting towards 'economically lagging' areas.

Axis 2

Primarily funding will be directed towards existing Environmental Stewardship delivered by Natural England through Entry Level Stewardship (ELS), Organic Entry Level Stewardship (OELS) and Higher Level Stewardship (HLS). Axis 2 has no formal regional budgets and is managed nationally.

Axis 4 (Leader)

Leader is designed as a 'bottom up' community approach to be delivered through Local Action Groups (LAGs) which are partnerships with a non public representation of at least 50%. LAGs will be responsible for selection, monitoring and reporting the outcomes of the projects. It is envisaged that LAGs will deal with many of the smaller projects that previously would have been dealt with by Rural Enterprise Scheme (RES).



Proposals for funding should:

- Be relevant to the Regional Implementation Plan
- Have clear objectives
- Represent value for money
- Demonstrate a track record
- Provide an outcome that would not otherwise happen

What outputs are sought from the RDPE?

- To receive funding, projects will be expected to demonstrate that they will positively benefit the rural economy
- Projects on a significant scale that create benefits to the wider rural economy and local community are encouraged

Who are the grants for?

- Farmers and all land based businesses, including foresters, horticulturists and equine businesses
- Collaborative or Group applications are encouraged

Which project types are eligible?

- Adding value to agricultural, horticultural or forestry products; including the development of new products, processes and technologies
- Co-operation and collaboration between businesses to improve efficiency; including infrastructure and equipment investments
- Projects that promote diversification in the rural economy
- Training and Skills for management and business development within rural businesses and organisations

How much funding?

- Grants will generally be between £25,000 minimum and £250,000 maximum
- The funding rate is likely to be in the range 25% and 50% of total project costs
- For a collaborative project the upper grant limit will be dependant on the number and type of businesses involved
- An applicant's 'in kind' contributions can be counted as their input in certain circumstances
- Each application will be assessed on a case by case basis with RDAs deciding how much grant funding an individual project may be offered

What items can grants be used for?

- Investment in property, machinery and equipment (second hand equipment will be grant eligible for medium-sized enterprises or smaller)
- Professional fees / technical support e.g. architect, surveyor or engineer
- Market research / feasibility study costs
- Product development expenses
- Skills acquisition and training programmes

What is the application process?

- Usually it will involve the submission of an initial Expression of Interest (EOI) form for RDA assessment
- Depending on the outcome of the initial EOI, if positive, the next stage is to progress to the full application stage



English RDA contacts:

South West

www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm

South East

www.seeda.co.uk/Work_in_the_Region/Rural_Issues/Rural_Development_Programme_for_England/

East of England

www.eeda.org.uk/648.asp

East Midlands

www.emda.org.uk/rdpe/rdpe20072013.asp

West Midlands

www.advantagewm.co.uk/working-with-us/rural-development-programme-for-england.aspx

North West

www.nwda.co.uk/rdpe

North East

www.onenortheast.co.uk/page/rural/rdpe.cfm

Yorks and Humber (Yorkshire Forward)

www.yorkshire-forward.com/www/view.asp?content_id=4405&parent_id=316

Devolved region contacts:

Scotland, Wales and Northern Ireland have their own RDP budgets and targets, further information can be obtained by contacting the respective devolved authorities:

National Assembly of Wales Agricultural Department

www.wales.gov.uk

Scottish Executive Environment and Rural Affairs

www.scotland.gov.uk/agri

Northern Ireland – Department of Agriculture and Rural Development

www.dardni.gov.uk



How can Savills help access funding from the RDPE?

- We have a national team of dedicated agribusiness consultants who have established links with all local RDAs
- We understand the grant application process and have helped clients win over £4 million in grant funding under previous schemes
- We have access to market research which makes the business planning and application process easier
- We can help manage complex projects from start to finish including planning applications and sourcing additional funding

If you would like to discuss the RDPE further and how to go about accessing funding for your business please contact one of the Savills Agribusiness team below:

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