

## Rural Business Grants: **RDPE Growth Fund or LEADER**

### Which programme is right for your project?

Now that both the EU rural development fund LEADER and RDPE Growth Programmes are offering rural business grants in Swindon and Wiltshire, this short guide helps potential applicants to understand how the programmes compare. In most the simple terms, LEADER is an established community-level decision-making partnership, supporting local economic development in rural areas. There are six LEADER programmes operating in Wiltshire and Swindon, covering nearly all rural locations, with a total of over £6m of grants available - £5,000 up to £100,000. The RPDE Growth Programme is a national programme; it has three priorities and for the Local Enterprise Partnership has identified local specifications from its ESIF Strategy. Grant decisions are taken by the Rural Payments Agency, advised by local Committees.

	<b>LEADER</b>	<b>RDPE Growth Programme</b>
<b>Programme priorities</b>		
<i>National funding focus of each programme is set by government department, Defra.</i>	<p><b>6 national priorities</b></p> <ol style="list-style-type: none"> <li>1. Agricultural productivity</li> <li>2. Micro, small businesses and farm diversification</li> <li>3. Tourism</li> <li>4. Rural services</li> <li>5. Culture and Heritage</li> <li>6. Forestry productivity</li> </ol>	<p><b>3 national priorities</b></p> <ol style="list-style-type: none"> <li>1. Rural Tourism</li> <li>2. Business Development – linked to natural capital</li> <li>3. Food Processing</li> </ol>
<i>Government is looking for the jobs and business growth to come from both grant funds – but each programme has a local angle</i>	<p>In broad terms the <b>LEADER</b> funded projects should lead to:</p> <ul style="list-style-type: none"> <li>• Job creation – direct and indirect.</li> <li>• Developing and growing rural businesses</li> <li>• Supporting the rural economy</li> </ul> <p>Local Development strategies set out each LEADER programme’s priorities for its local area, and the challenges to the local economy and communities.</p>	<p><b>RDPE Growth programme</b> - all projects should create jobs. In addition <b>Rural Tourism</b> projects should encourage longer tourist stays and higher spending visits, extend the offer and increase in range of visitor attractions. <b>Food Processing</b> projects support business growth whilst providing benefits to growers and farmers, introducing new techniques, equipment or processes and to export goods. <b>Business Development</b> projects should aim to create new highly-skilled jobs and be innovative, introducing new products and processes to the business as part of a growth plan. Local specifications for projects linked to environment.</p>

Investment package	LEADER	RDPE Growth Programme
<p>Businesses receive a grant contribution at a standard 40% rate to match their privately funded business project – the rates does vary, and is managed under State Aid rules</p>	<ul style="list-style-type: none"> <li>• Standard 40% grant for commercial projects</li> <li>• Higher amounts for non-commercial projects under some of the 6 national priorities</li> <li>• All projects must fit with the State Aid <i>de minimis</i> rules</li> </ul>	<ul style="list-style-type: none"> <li>• Standard 40% grant for commercial projects</li> </ul> <p><b>Rural Tourism</b> projects go up to 100% depending on the status and nature of the project of project (ie; non-commercial information projects.) For <b>Food Processing</b> projects, a lower rate applies if a business is unable to rely on the State Aid <i>de minimis</i> exemption.</p>
<p>Minimum and Maximum grant amounts</p>	<p>£5,000 minimum to £100,000 maximum</p> <p>Smallest-sized project at 40% rate would mean a total investment of £12,500.</p> <p>The bigger the grant the more outputs expected (e.g. more jobs created).</p> <p>Size of grant will depends on:</p> <ul style="list-style-type: none"> <li>- Type of project</li> <li>- Size of business</li> <li>- Costs involved</li> <li>- Value for money</li> </ul>	<p>Grants begin at £35,000 and go up to around £170,000*.</p> <p>Smallest-sized project with 40% rate would mean a total investment of £87,500.</p> <p>Value for money is an important concept based on the size of grant measured against delivery of outputs.</p> <p><i>*The upper ceiling is pegged to the <u>State Aid de minimis</u> exemption ceiling which is the current Sterling equivalent of €200,000 state incentives over a 3 year period to the business, or for <b>Food Processing</b> grants, which can go up to £250,000.</i></p>
<p>Type of grant capital or revenue?</p>	<p>Mainly capital with some limited flexibility to fund revenue projects</p>	<p>All projects are capital projects with expenditure limited to ‘constructing or improving buildings and buying new equipment and machinery.’</p>
<p><b>Best for my business?</b></p>	<p><b>LEADER</b></p>	<p><b>RDPE Growth Programme</b></p>
<p>Who can apply?</p>	<p>Projects must be in the defined LEADER area. See maps in the delegate packs provided, and online.</p> <p>Organisations should be one of the following</p> <ul style="list-style-type: none"> <li>• Private businesses</li> <li>• Public organisations</li> <li>• Voluntary organisations</li> <li>• Groups of businesses</li> <li>• Charities</li> </ul> <p>Or someone wanting to start a business</p>	<p><b>Rural Tourism</b> projects “must be in a rural area” – they can be delivered by a range of organisations. These include:</p> <ul style="list-style-type: none"> <li>• Rural businesses, including social enterprises</li> <li>• Farmers wanting to diversify into tourism</li> <li>• Land-owners</li> <li>• People or groups representing rural communities</li> <li>• Charities</li> <li>• Public bodies</li> </ul> <p><b>Business Development</b> projects must be in a ‘rural area’ and promoted by a small or micro-business, including social</p>

	Applications must be by a legal entity.	enterprises in rural areas <i>and</i> farmers (or members of the farm household) diversifying into non-agricultural activities.
Who can't apply?	<ul style="list-style-type: none"> <li>• Government departments</li> <li>• Producer Organisations</li> <li>• Medium and large businesses</li> </ul>	<p><b>Food Processing</b> projects can be <u>in urban or rural areas</u>, though if the project is not dealing with raw products (ie; processed foodstuffs), it must be a small or micro-business or a diversifying farmer in a rural area.</p> <p>Crown bodies and projects that are carried out only to meet a legal requirement cannot apply. There are also businesses which will not be able to apply due to the combination of national and local priorities.</p>
Ineligible costs	Please read the <a href="#">LEADER handbook</a>	Please read the <a href="#">handbooks</a>
Eligible geography	<p>Almost all of the Defra rural-classified areas of Swindon and Wiltshire unitary authority areas are covered by LEADER funding. (A small area to the NE of Swindon not covered.)</p> <p>6 LAG areas:</p> <ul style="list-style-type: none"> <li>• North Wessex Downs</li> <li>• Plain Action</li> <li>• Vale Action</li> <li>• Heart of Wessex</li> <li>• New Forest</li> <li>• Cotswolds</li> </ul> <p>It is important to see MagicMap to check your postcode is classified as rural: <a href="http://www.magic.gov.uk/">http://www.magic.gov.uk/</a></p>	<p>In the Handbook Swindon and Wiltshire section, follow the link to the Defra rural classification maps. These show the rural areas in Swindon and Wiltshire which are categorised by Defra to be eligible for RDPE Growth Projects.</p> <p>To check in greater detail, the Rural Payments Agency advises applicants to consult its <b>Magic Map</b>. It is important to see MagicMap to check your postcode is classified as rural.</p> <p><i>On Magic Map you will need to use the Administrative Geography drop-down, layering Local Enterprise Partnership Boundary and Rural Development Fund eligibility for LEADER groups (England) data to see if your project is in a rural area.</i></p>
I am very busy ...	<b>LEADER</b>	<b>RDPE Growth Programme</b>
Each programme follows similar, but not identical stages in reaching a decision to award a grant.	<p>Summary LEADER project lifespan</p> <ul style="list-style-type: none"> <li>• Outline application - reviewed for eligibility and fit with Local Development Strategy objectives / budget</li> <li>• Full application invited for detailed cash-flows, financial forecasts, market research, planning, match-funding.</li> <li>• Independent appraisal - 7 published criteria</li> <li>• Appraisal quality check – Rural Payments Agency</li> </ul>	<p>RDPE Growth Programme stages are similar to LEADER. But it is a different application process. Once a proposal is submitted to one fund, it cannot then cross to other later. The process in summary</p> <ul style="list-style-type: none"> <li>• Expression of Interest – reviewed by RPA, advised on strategic fit by Swindon and Wiltshire ESIF sub-Committee panel.</li> </ul>

<p>Each process has a rigorous appraisal and includes local influence; however the LEADER programme Local Action Groups decide on grant awards, whereas in the RDPE Growth Programme, the local committee advises the RPA which takes the final decision based on its appraisal.</p>	<ul style="list-style-type: none"> <li>Local Action Group funding decision – Grant award</li> <li>Contracts offered - by Wiltshire Council</li> <li>Project delivers – by 2019</li> <li>Claims made – payment in arrears, typically 2-3 phased claims. Wiltshire Council and LEADER programme managers account for programme.</li> <li>Inspections and audits – interim and final claims.</li> </ul> <p>Quickest turnaround from submission of outline to decision to award a grant is 12 weeks, but a longer time period should be planned for, especially for development control, planning and contracting. Websites inform about LEADER programme calls.</p>	<ul style="list-style-type: none"> <li>Full application – cash-flows, financial forecasts, market research, planning, match-funding, outputs.</li> <li>Full appraisal – by RPA staff team member. The result is passed back for local advice if the strategic fit scores lower or there has been a material change to the plan.</li> <li>Grant funding agreement – offered by Rural Payments Agency, who will manage the rest of the project directly, including inspections, audits and receiving claims and paying up to 3 phases of reimbursements.</li> </ul> <p>Typical decision process is around 7 – 8 months. The call is open until 31 January 2018.</p>
<p>What support is available to businesses making an application?</p>	<p>LEADER Programme manager can support applicants approaching the programme and will maintain a relationship with the project throughout its lifetime. Local Action Group committee members can champion projects and support their development. Wider Local Action Groups can actively support ideas to come forward.</p>	<p>Defra Rural Services helpline on 03000 200 301 – and by email <a href="mailto:GPEnquiries@rpa.gsi.gov.uk">GPEnquiries@rpa.gsi.gov.uk</a> <a href="mailto:uknquiries@rpa.gsi">uknquiries@rpa.gsi</a></p> <p>There is limited local support – see delegate pack Further Information.</p>
<p><b>Managing the grant</b></p>	<p><b>LEADER</b></p>	<p><b>RDPE Growth Programme</b></p>
<p>Managing your grant</p>	<p>Whilst the grant supports your business project, the grant is managed through terms of an agreement offered by Wiltshire Council. This includes a 5-year period after you have received your final claim which can be audited and where you should retain and not transfer any assets funded by the project.</p>	<p>Successful applicants to the RDPE Growth Programme proposals will be offered a grant funding agreement from the Rural Payments Agency. It is expected this will carry similar terms to the LEADER contract, though managed by the Rural Payments Agency.</p>
<p>Claim for payment</p>	<p>Claims submitted to LEADER Programme Managers and then for Local Authority (Wiltshire Council) to certify the claim before payment</p>	<p>Directly to the Rural Payments Agency</p>
<p>Compliance / audit regime</p>	<p>Controlled by RPA</p>	<p>Controlled by RPA</p>