



The European Agricultural Fund  
for Rural Development:  
Europe investing in rural areas



## RDPE Growth Fund or LEADER

### Which programme is right for your project?

Now that both the EU RDPE LEP Growth and LEADER Programmes are offering rural business grants in Thames Valley Berkshire, this short guide is intended to help potential applicants to understand how the programmes compare. LEADER is an established community-level decision-making partnership, supporting local economic development in rural areas. There are three LEADER programmes operating in Thames Valley Berkshire covering large areas of the rural landscape but not all the rural areas are covered. The RDPE 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.

Programme priorities	LEADER in Berkshire	RDPE Growth Programme in TVB LEP
<i>National funding focus of each programme is set by Defra.</i>	<b>6 national priorities</b> <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>	<b>2 relevant national priorities</b> <ol style="list-style-type: none"> <li>1. Rural Tourism Infrastructure</li> <li>2. Business Development</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>	In broad terms the <b>LEADER</b> funded projects should lead to: <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>	<b>RDPE Growth programme</b> - all projects should create jobs. In addition <b>Rural Tourism</b> projects should create or expand infrastructure to increase rural tourism including outdoor tourism, particularly cycling and walking; create or develop sustainable visitor attractions particularly culture and heritage attractions; create sustainable events and

	<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>festivals; create new or develop existing quality serviced accommodation where there is clear evidence of: need and demand, at least 4* accreditation rating or equivalent accreditation rating, and/or existing serviced accommodation it will be above the current accreditation rating. <b>Business Development</b> projects should aim to implement new technologies, processes or equipment to improve productivity; allow farm businesses to diversify into non-agricultural activities; construct and develop workshops, factories and other premises and facilities where there is clear evidence of need and demand.</p>
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Investment package	LEADER in Berkshire	RDPE Growth Programme in TVB LEP
<p><i>Businesses receive a grant contribution at a standard 40% rate to match their privately funded business project – the rates do vary. State Aid rules apply.</i></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 rules</li> </ul>	<ul style="list-style-type: none"> <li>• Standard 40% grant for commercial projects</li> <li>• <b>Rural Tourism</b> projects go up to 100% depending on the status and nature of the project (i.e. non-commercial information projects).</li> <li>• State Aid rules apply.</li> </ul>
<p><i>Minimum and Maximum grant amounts</i></p>	<p>Usually £5,000 minimum to a possible £100,000 maximum (depends on LAG).  Smallest-sized project at 40% rate would mean a total investment of £12,500.  The bigger the grant the more outputs expected (e.g. more jobs created).  Size of grant will depend on: type of project; size of business; costs involved; value for money.</p>	<p>Grants begin at £35,000 and go up to around £170,000*.  Smallest-sized project with 40% rate would mean a total investment of £87,500.  Value for money is an important concept based on the size of grant measured against delivery of outputs.  *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..</p>

Type of grant capital or revenue?	Mainly capital with some limited flexibility to fund revenue projects.	All projects are capital projects with expenditure limited to 'constructing or improving buildings and buying new equipment and machinery.'
<b>Best for my business?</b>	<b>LEADER in Berkshire</b>	<b>RDPE Growth Programme in TVB LEP</b>
Who can apply?	<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>Applications must be by a legal entity.</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 enterprises in rural areas <i>and</i> farmers (or members of the farm household) diversifying into non-agricultural activities.</p>
Who can't apply?	<ul style="list-style-type: none"> <li>• Government departments</li> <li>• Producer Organisations</li> <li>• Medium (except for forestry businesses) and large businesses</li> </ul>	<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	<p>Please read in the LAG Applicant Handbooks e.g. <a href="http://northwessexleader.org.uk/how-to-apply.html">http://northwessexleader.org.uk/how-to-apply.html</a></p>	<p>Please read the <a href="#">handbooks</a></p>
Eligible geography	<p>A large proportion of the Defra rural-classified areas of Thames Valley Berkshire are covered by LEADER funding but some areas are not covered.</p> <p>3 LAG areas:</p>	<p>In the Handbook Thames Valley Berkshire section, follow the link to the Defra rural classification maps. These show the rural areas in Thames Valley Berkshire which are</p>

	<ul style="list-style-type: none"> <li>• North Wessex Downs</li> <li>• Loddon and Test</li> <li>• Chilterns</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>  Instructions on how to use MagicMap are available on: <a href="http://northwessexleader.org.uk/about-us/map.html">http://northwessexleader.org.uk/about-us/map.html</a></p>	<p>categorised by Defra to be eligible for RDPE Growth Projects.</p> <p>You can also check <a href="http://www.magic.gov.uk/">http://www.magic.gov.uk/</a> to see if your postcode is classified as rural.</p> <p>There are instructions on how to use MagicMap on the Thames Valley Berkshire LEP website.</p>
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<b>I am very busy ...</b>	<b>LEADER in Berkshire</b>	<b>RDPE Growth Programme in TVB LEP</b>
<p><i>Each programme follows similar, but not identical stages in reaching a decision to award a grant.</i></p> <p><i>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.</i></p>	<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 with 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> <li>• Local Action Group funding decision – Grant award</li> <li>• Contracts offered</li> <li>• Project delivers</li> <li>• Claims made – payment in arrears, typically 2-3 phased claims.</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 approx. 12 weeks, but a longer</p>	<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 the 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 Thames Valley Berkshire ESIF sub-Committee panel.</li> <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>time period should be planned for, especially for development control, planning and contracting. LAG websites inform about LEADER programme calls.</p> <p>LEADER Programmes can contract with projects up to the date the UK leaves the EU.</p>	<p>Typical decision process is around 7 – 8 months.</p> <p>The call is open until 31 January 2018.</p> <p>Claims must be made and paid by end December 2019.</p>
<p><i>What support is available to businesses making an application?</i></p>	<p>LEADER Programme manager can support applicants approaching the programme and will maintain a relationship with the project throughout its lifetime.</p> <p>Local Action Group committee members can champion projects and support their development.</p> <p>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> and <a href="mailto:uknquiries@rpa.gsi">uknquiries@rpa.gsi</a></p> <p>There is limited local support – see delegate pack Further Information.</p>

<b>Managing the grant</b>	<b>LEADER in Berkshire</b>	<b>RDPE Growth Programme in TVB LEP</b>
<i>Managing your grant</i>	<p>Whilst the grant supports your business project, the grant is managed through terms of an agreement offered by the relevant Accountable Body. This includes a 5-year period after you have received your final claim. You should retain and not transfer any assets within that period which have been funded by LEADER.</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>
<i>Claim for payment</i>	<p>Claims submitted to LEADER Programme Managers and then for the Accountable Body to certify the claim before payment</p>	<p>Directly to the Rural Payments Agency</p>
<i>Compliance / audit regime</i>	<p>Controlled by RPA</p>	<p>Controlled by RPA</p>

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