

## National RDPE Delivery Team

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## Department for Environment Food & Rural Affairs

By email only

**Date:** 22 January 2013

**Dear LAG Chair**

### **cc Accountable Body**

I wanted to update you on financial arrangements in the current programme and provide the latest detail on Leader transition funding.

### Current Programme

Firstly on a very positive note, as a result of your collective efforts we are now predicting that we will achieve our 5% Leader spend target providing we maintain the current momentum during this final year of the programme. Achieving the 5% target will be an outstanding shared success, delivering benefit to thousands of individuals, businesses and communities across England.

However, the range in performance across the network is still significant and in order to manage budgets effectively as we move towards the end of this programme period, we have put steps in place with several groups (you will have been contacted separately on this matter if this is relevant to your LAG) setting out specific financial targets that must be achieved by certain dates. Any group that misses a target will be required to surrender some of their funding allocation unspent.

We have carefully considered how to utilise any returned allocation from this process. In that context, I am sure you are all aware, the public finance across all Whitehall Departments, including Defra, is under significant and increasing pressure. We therefore need to manage resources extremely carefully over the next few years.

The predicted over achievement of our 5% target, even taking account of money expected to be surrendered through the performance management process, coupled with wider budgetary pressure means that we will not be in a position to redistribute any returned funding to other groups at this stage.

I would also like to take this opportunity to remind you of two important financial deadlines.

Firstly it is very important that we maximise legitimate Leader spend during the current financial year (up to March 31 2013). This includes claims on desk on March 31 2013. Your RDT manager will be in touch shortly to confirm year-end arrangements.

Secondly, we must collectively ensure that all LAG project activity is completed by the end of calendar year 2013. This should allow for all claims, including reimbursement claims for bankrolling LAGs, to be submitted to us (Defra RDT) and paid by the RPA by March 31st 2014 at the very latest.

We will continue to monitor progress carefully over the coming months to ensure our overall predicted spend, within the timeframe parameters set out above, remains on course. Whilst at this stage I do not expect any further redistribution of funding in the form of additional allocation to our strongest performing groups, I have not ruled out that possibility should we recover (as a result of under-performance) funding to a level that would mean achieving the 5% target becomes doubtful. As a result, I would urge you all to continue to work towards meeting agreed targets and delivering out successful programmes of activity, not least as this will put you in a strong position as we start planning for the next programme.

#### Transition funding

Many of you have been asking about our plans to support LAGs during the Transition to the next Programme. We are making progress on this and I am pleased to attach a letter that has been sent to Julie Jones in her capacity as Leader representative of the RDPE Programme Monitoring Committee. It explains the latest position regarding Leader transition funding during 2014.

A handwritten signature in blue ink that reads "Alison Webster".

If you have any questions, please contact your local RDT manager in the first instance.

Yours faithfully

**Alison Webster**  
**Head of National RDPE Delivery Team**