TONBRIDGE & MALLING BOROUGH COUNCIL

ECONOMIC REGENERATION ADVISORY BOARD

3 June 2014

Report of the Chief Executive

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision

1 WEST KENT LEADER PROGRAMME 2015 - 2020

To set out proposals for the development of a new LEADER programme to support the rural and land-based economy.

1.1 Background

- 1.1.1 The first West Kent LEADER programme ran from 2007 to 2013. A total of £1.25M of grant funding was drawn down from the Rural Development Programme for England (RDPE) to support local projects under the following two axis:
 - To make agriculture and forestry more competitive and sustainable (Axis 1)
 - To improve the rural quality of life and diversification of the rural economy (Axis 3).
- 1.1.2 The programme resulted in 62 local projects being supported with 35 new jobs created and a further 110 existing jobs safeguarded. The total investment into the West Kent economy was in excess of £3.4M.
- 1.1.3 A Local Action Group (LAG) was established, with the support of the West Kent Partnership, to prepare a delivery strategy for the programme and to assess individual bids for grant support. Sevenoaks District Council was the accountable body for the programme and administration costs were shared between the local authorities involved. The programme was led by Caroline Lingham, employed by the accountable body, whose post was funded by the local authority contributions. The programme was a major success for West Kent; all available funding was fully committed to local projects by February 2012 and £100K of additional funding was awarded to the programme from underspends in other programmes. The West Kent LEADER programme was recognised by DEFRA as one of the best performing programmes nationally.

1.2 New LEADER programme for 2014 - 2020

- 1.2.1 A new RDPE programme for 2014-2020 has now been agreed between the EU and DEFRA. The LEADER element of the programme is to be retained and local areas have been invited to submit proposals for new LEADER programmes to be led by Local Action Groups as previously. A Local Development Strategy is again required setting out the scope of, and funding requirements for, each programme. The aim will be to establish these programmes by 1st Jan 2015. Local development strategies must also now been approved by the area's Local Enterprise Partnership, although the exact process for this remains unclear.
- 1.2.2 New programmes must each address the following priorities:
 - Support for increasing farm productivity
 - Support for micro and small enterprises and farm diversification
 - Support for rural tourism
 - Provision of rural services
 - Support for cultural and heritage activities
 - Support for increasing forestry productivity.
- 1.2.3 70% of funding must be directed to projects which <u>directly</u> support the local economy whilst the remaining 30% of funding needs to contribute at least partially to this objective. This is to address some criticism of the previous programmes which saw considerable funding support given to community projects, events etc. The original West Kent Leader project, whilst supporting some of this type of project, mainly focused its funding on supporting land-based activities and rural businesses.

1.3 A New LEADER Programme for West Kent

- 1.3.1 During 2014, work to develop a new LEADER programme for the West Kent area is now underway, led by the existing team at Sevenoaks District Council. Transitional funding form DEFRA has been awarded to undertake this work.
- 1.3.2 Given the overall success of the original LEADER programme and the considerable economic benefits it has generated to the local rural economy, I recommend that the Borough Council formally supports proposals for a further LEADER programme covering all rural areas in the Borough.

1.4 Area of Coverage of the New Programme

1.4.1 DEFRA has indicated that it wishes additional areas of the country, not previously covered by LEADER programmes, to now be included either via extensions to existing LEADER areas or by the development of new LEADER programmes.

- 1.4.2 Within Kent, there were previously two LEADER programmes in operation: West Kent and Kent Downs and Marshes. A bid for a programme for East Kent did not gain approval. Discussions across Kent are now underway to establish how additional areas of the County may now be covered by LEADER programmes. A revised bid for the East Kent area is now likely to be developed. There are, however, some parts of the west of the County which have not been covered previously including the rural area to the south of Maidstone and rural areas south of the M2 in Dartford and Gravesham boroughs.
- 1.4.3 A major issue with any proposed extension, however, is that the EU has limited the population to be covered by each LEADER area to a maximum of 150,000 population. Initial assessments suggest that the original West Kent leader area (which did include some small rural parts of Medway and Gravesham areas) now has a population (following updates via the 2011 Census) of a total population very near to that maximum.
- 1.4.4 DEFRA has acknowledged that, particularly in more densely populated areas like the South East, this population limit will cause difficulties for many existing LEADER areas, They are therefore seeking a 'derogation' from the EU to enable the limit to be increased to 200,000 population. This would be the only way in which the West Kent LEADER programme could be extended to cover additional areas although a minor extension, for example, to include the rural area to the north of Swanley in Dartford borough could be included and accommodated within the 150,00 population limit. Further work on these options is now being undertaken.

1.5 Legal Implications

1.5.1 Sevenoaks District Council will continue to acts as the accountable body for the new programme and will therefore be responsible for the related legal aspects.

1.6 Financial and Value for Money Considerations

- 1.6.1 There is a need for the participating local authorities to provide support funding to assist with the administration costs of the new programme. Such contributions are routed via the financial support the West Kent authorities already provide to the West Kent Partnership, currently £10K per year. To support the LEADER programme in addition to the WKP, an additional £5K contribution would be required.
- 1.6.2 In terms of value for money, the considerable overall economic value likely to be generated by the new LEADER programme would justify a contribution from the Council of £5K per annum. The LEADER programme will make a significant contribution to the delivery of the Council's key priority to promote economic regeneration in communities across the Borough with a focus on those in rural areas.

1.7 Risk Assessment

1.7.1 n/a

1.8 Equalities Impact Assessment

1.8.1 See 'Screening for equality impacts' table at end of report

1.9 Recommendations

- 1.9.1 That the development of a new West Kent LEADER programme for 2015/20 **BE SUPPORTED.**
- 1.9.2 That appropriate budgetary provision **BE MADE** to enable the Borough Council to contribute to the administration costs of the new programme as set out above.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby Chief Executive

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	There will be a focus on supporting rural communities but applications for grant support will not discriminate between different groups in the community.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	n/a	As above
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.