

BOROUGH OF KETTERING

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Report Originator	Lisa Hyde	<i>Fwd Plan Ref No:</i>	
Wards Affected	Slade, Queen Eleanor & Buccleuch & Welland	15 th September 2016	
Title	RURAL DIVERSIFICATION BUSINESS GROWTH		

1. PURPOSE OF REPORT

To provide details of possible rural business funding opportunities through the European Agricultural Fund for Rural Development (EAFRD).

2. INFORMATION

EAFRD

- 2.1 EAFRD is a specific rural fund and all projects must be located or deliver outputs in a designated rural area. The fund is managed by DEFRA (under the DEFRA Rural Development Programme - it is known as the Growth Programme) and calls for applications to be made through South East Midlands Local Enterprise Partnership who each have an allocation.
- 2.2 The minimum grant size is €35,000 with a maximum grant of €200,000 and is for capital expenditure only. Intervention rates vary, but the norm is 40% of the project total cost.
- 2.3 Grant priorities include:
- Business development
 - Food processing
 - Small-scale tourism infrastructure
 - Tourism cooperation
 - Supply chain cooperation
 - Renewables
- 2.4 Businesses eligible to apply for grants are as follows:
- All micro and small businesses in a rural area
 - New businesses or individuals who want to start a business in a rural area
 - Rural community groups

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- Any public or private bodies working in partnership with rural small or micro businesses or rural community groups
- Organisations in charge of tourist and recreational development
- Some EAFRD priorities are available for 'not for profit' organisations and a higher intervention rate may be applicable

2.5 Project briefs will be released on a priority by priority basis. The call will normally be open for a period of three months during which time it is advertised by the Local Enterprise Partnerships. At present there are no calls open, the last one closed on 27th November 2015.

LEADER

- 2.6 The LEADER programme is designed to support rural businesses to create jobs and support the rural economy and has been running across England for more than 10 years.
- 2.7 A new round of grant funding will operate from 2015-2019. Ngage Solutions managed LEADER grant funding for the Chilterns, Aylesbury Vale and rural Milton Keynes from 2009 to 2013. 124 projects were awarded funding which in turn sustained 206 jobs, created 117 new jobs and helped launch 39 new businesses over the course of the programme.

In the current round of funding, Ngage are running LEADER programmes in the following areas:

- Chilterns
- Clay Vales
- North & West Northamptonshire

Kettering Borough is part of the North and West Northamptonshire LEADER area

- 2.8 Funding grants for rural businesses are available between £10,000 and £100,000
- 2.9 Submission dates for applications occur on a rolling 6-8 week basis for the following areas:
- Support for Increased Farm Productivity
 - Support for Micro and Small Enterprises and Farm Diversification
 - Support for Rural Tourism

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- Support for provision of Rural Services
- Support for Increasing Forestry Productivity
- Support for Cultural and Heritage Activity

2.10 Further information can be obtained from the following website - <http://www.leader-programme.org.uk/>

3. **POLICY IMPLICATIONS**

None

4. **CONSULTATION AND CUSTOMER IMPACT**

None

5. **FINANCE and HR RESOURCE IMPLICATIONS**

None

6. **RECOMMENDATION**

That the forum notes the opportunities for rural business funding through the European Agricultural Fund for Rural Development (EAFRD).

Background Papers:

None

Previous Reports/Minutes: