

Report to: Partnerships Scrutiny Committee

Date of Meeting: 18 December 2014

Lead Member/ Officer: Lead Member for Tourism, Leisure and Youth and the Lead Member for Education

Report Author: Team Leader Economic and Business Development (South)

Title: Rural Development Plan Partnership

1. What is the report about?

This report explains the Rural Development Plan (RDP) for Wales - 2007-2013 and the process by which Welsh Government delivers activities which support the countryside and rural communities. The Rural Development Plan for Wales 2007-2013 is part of a joint Welsh Government and European Union strategy to make our country a better place to live and work.

2. What is the reason for making this report?

This report will provide the Partnership Scrutiny Committee with the current position of Welsh Government's Partnership approach to the delivery of the Rural Development Plan (2007-2013). It will also provide information on the Rural Development Plan for Wales 2007-2013 and the delivery in Rural Denbighshire. The current programme will end in December 2014, however as yet the Rural Development Plan 2014-2020 has yet to be approved by the European Commission a verbal update will be given on progress at the meeting.

3. What are the Recommendations?

The recommendations are the identification of good practice in the delivery of the current programme of RDP funding in Rural Denbighshire and any learning which can be implemented for the new programming period.

4. Report details.

The RDP is being funded by the by the European Agricultural Fund for Rural Development (EAFRD) and the Welsh Government. The funding for this programme is confined to areas defined as Rural, therefore in Denbighshire all wards are eligible with the exception of Rhyl, Prestatyn & Meliden and Dyserth.

The RDP consists of four areas, which have been called Axes 1, 2, 3 & 4.

AXIS 1 – Making farming, forestry and food processing more competitive.

AXIS 2 – Conserving our landscape and environment.

AXIS 3 – improving quality of life and encouraging diversification.

AXIS 4 – pilot approaches to assisting communities with rural development via the LEADER approach (a methodology for engagement at grassroots and pre-commercial trialling of innovative approaches, processes and products).

Axis 1 and 2 are managed and delivered directly by Welsh Government.

Axes 3 and 4 are managed by local partnerships and Local Action Groups.

In order to be eligible to apply for funding under this programme Local Partnerships and Local Action Groups were required to submit a Local Development Strategy (LDS). The initial LDS was written in 2007 and linked to the Denbighshire Strategies that were current at the time. (Copies available upon request but not appended due to size).

Axis 3 is being delivered via a Local Partnership at Unitary Level, Axis 4 LEADER is being delivered by a Local Action Group (LAG). The Local Partnerships and Local Action Groups deliver projects to improve the quality of life in rural areas and diversify the rural economy. Projects under Axis 4 are being delivered by the LEADER approach.

All Local Partnerships are incorporated and have appointed a Lead Body as an administrative and financial Lead actor. In all cases the Lead body appointed for the Local Partnerships is the relevant Local Authority.

The Lead Body (Denbighshire County Council) has overall responsibility of assisting the Denbighshire Rural Development Plan Partnership to meet its responsibilities under the WG Funding Agreement for the delivery of Axes 3 and 4. It provides a secretariat function for the partnership and also facilitates the relationship between the LAG and the Partnership, and the LAG and the Financial Coordination which is undertaken by the Denbighshire County Council External Funding Claims Team.

The LAG is Cadwyn Clwyd Cyfyngedig. Cadwyn Clwyd is a company limited by guarantee which is a rural development agency providing guidance and support to develop and diversify the rural economy in Denbighshire and Flintshire through RDP funds, UK domestic funds and private sector funds. It works directly with local communities to assist in the development and implementation of projects, which benefit the area's local economy.

The LAG comprises of a Board of Directors, the Partnership Technical Advisory Group (PTAG), Project Working Groups and the LAG staff. Overall, the LAG will assist in the development and implementation of Axes 3 and 4, and has responsibility specifically for the development and implementation of Axis 4 using the LEADER methodology. The LAG will develop innovative actions to implement Axis 4 within the context of the LDS, and ensure complementarity between actions piloted under Axis 4 with mainstream projects implemented under Axis 3.

Following WG's acceptance of Denbighshire's Local Development Strategy (LDS) the Denbighshire Rural Development Plan Partnership was originally invited to submit a business plan and projects under Axis 3 & 4 for Business Plan One (2007-2011) and more recently for Business Plan Two (2011-2013), now extended to 2014.

The Partnership opted to invite applications in both Business Plan one and two through an 'open call' whereby project applications were invited that addressed the needs of the LDS. If successful, the applicants would then deliver the project. Under business plan

two only one application for each of the seven RDP measures could be submitted for Axis 3 and one application for Axis 4.

Applications were therefore combined by the Lead Body to maximise the benefit to the rural area, approved by the Denbighshire Rural Development Plan Partnership and subsequently scored by WG. Those scoring above the threshold (this is a competitive process with limited budget) were approved by WG. Performance Indicators are suggested at application stage and if the projects are successful then these PI's are also approved by WG.

Please see attached Appendix 1 providing details of projects and outputs under Business Plan 2 and Appendix 2 the RDP Partnership and LAG Membership details.

5. How does the decision contribute to the Corporate Priorities?

The current projects approved by WG under Business Plan two provide:

Priority - developing the local economy:

New quality job opportunities in the rural area and the skills required to access these jobs, to reduce economic inactivity where feasible, to diversify the local economic base, to develop new markets for businesses. This will be achieved by the Grants for micro Businesses and the Bursary scheme. Cadwyn Clwyd has recently established a 'women in enterprise' bursary scheme.

Priority – clean and tidy streets:

Working directly with the Community in adopting Axis 4 LEADER methodology enables engagements at grass-roots and prioritises the needs of those on a local basis. As a result this strengthens and safeguards the vitality of rural communities and improves the quality of life of people. The activity of the Local action group can work with the community to identify problem areas and pilot approaches that will lead to improvements been made contributing to enhancing the environment.

Both Axis 3 and Axis 4 projects address the Denbighshire Local Development Strategy's vision, objectives and strategic themes to build on the inherent strengths of Denbighshire's rural areas. The overall aim of the projects is to support the development of sustainable rural communities, helping to create a rural area in which people want to live, work and invest in.

6. What will it cost and how will it affect other services?

The cost of the running the Lead Body function is met entirely through a WG budget which is derived through 15% of the total Public expenditure of Axis 3 projects.

Whereas the running costs of the Local Action Group (LAG) is met again by a WG budget up to 20% of the total public expenditure approved.

The Lead Body Budget also includes an allocation of time for the External Funding Claims team in the compiling of the claims to WG. Some other services are involved in the delivery of the Business Plan two Axis 3 projects – such as the Tourism team in the delivery of 'Destination Denbighshire' Project and Economic and Business Development in the delivery of the Rural Denbighshire Business Creation and Development Business Grants. Cadwyn Clwyd whilst also delivering Axes 4 activity through the LEADER approach also delivers axes 3 projects 'Green Tourism' and Rural

Denbighshire Enterprise Bursary.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.

See attached equality impact assessment at Appendix 3.

8. What consultations have been carried out with Scrutiny and others?

The Welsh Government has responsibility for preparing the RDP in Wales. As a result they undertake extensive consultation prior to the launch of any new programme period.

Welsh Government launched the consultation for the CAP reform in 2013, Denbighshire County Council provided a response in addition to a collective response from the North Wales Economic Ambition Board.

The Welsh Government's former Minister for Natural Resources and Food, Alun Davies AM, launched the public consultation on the new RDP programme in February 2014.

Both the RDP Partnership and LAG have been consulted on the proposed way forward.

For the new programme of EU funding there will be a single Programme Monitoring Committee (PMC) which will oversee the implementation of all the various European Structural and Investment (ESI) funds, including the Rural Development Plan and Structural Funds, to ensure they achieve maximum impact.

9. Chief Finance Officer Statement

There are no obvious financial implications contained in the report. The budget for Lead body is met entirely by WG & hence there should be no impact on existing budgets.

10. What risks are there and is there anything we can do to reduce them?

Denbighshire County Council as Lead Body has entered into a Funding agreement with WG for the delivery of Business Plan Two projects. The Lead body therefore operates in accordance with this agreement and Verifiable standards to avoid any reduction or penalty been imposed. All RDP Projects are subject to 'on-the-spot' audits by the Rural Inspectorate for Wales. (Copies of the funding agreement & verifiable standards available upon request but not appended due to size). Denbighshire County Council has underwritten the match funding for the Axis 4 element but there has been no requirement to actually contribute any funding to date.

11. Power to make the Decision

Section 2 of the Local Government Act 2000 gives the Council the power to do anything which it considers is likely to promote or improve the economic, social and environmental well-being of the area.

Articles 6.3.3(d) and 6.3.4(d) outline scrutiny's powers with respect to this matter.

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