

## **FUTURE DELIVERY OF THE SOCIO ECONOMIC ELEMENTS (AXIS 1 AND 3) OF THE RURAL DEVELOPMENT PROGRAMME FOR ENGLAND**

### **Q & A BRIEFING**

#### **BUDGET POSITION**

#### **Q1. How much funding will be available to support on-going delivery of the RDPE socio-economic elements?**

A. Over the remainder of the Programme period to the end of 2013 there is about £384 million available under Axis 1 and 3 of the RDPE to support improvements in farming competitiveness and support for the broader rural economy. About three quarters of this funding will be delivered through the RDAs and the successor delivery arrangements in Defra. The remainder is for other schemes; predominantly the agri-environment schemes and catchment sensitive farming schemes managed by Natural England and also Forestry Commission schemes.

#### **Q2. What is the budget allocation for RDPE socio-economic elements under Axis 1 and 3 in 2011/12?**

£117.19 million has been allocated to Regional Development Agencies to support eligible actions under the RDPE socio-economic elements under Axis 1 and 3 in 2011/12 financial year.

#### **Q3. Why have regional budget allocations been reduced?**

A. As part of the Spending Review 2010, Defra was able to make significant savings from RDPE to contribute to reducing the deficit. Most of the savings were achieved by taking advantage of exchange rate gains and making better use of the available European funding. This meant that Defra was able to maintain a commitment to funding of all the Axes for the remainder of the programme period. But it was also necessary to make some reductions in parts of the programme. Therefore budgets for Axis 1 and 3 delivery by the RDAs and for Axis 4 Local Action groups will be lower than anticipated at the outset of the programme. Over the programme period as a whole, spend on Axis 1, 3 and 4 is expected to be in the region of £530 million.

#### **Q4. Will there still be a regional allocation of RDPE budgets after 2011/12?**

A. 2011/12 will be the last year in which budgets will be allocated regionally on the current basis. Delivery of Axis 1 and 3 of the RDPE will transfer to Defra and will move towards a more consistent national approach. As part of this transition, current processes used to determine the allocation of budgets will be reviewed and may be changed to better support the new delivery arrangements.

#### **Q5. Why has the budget allocation to Local Action Groups been reduced?**

A. All areas of the Programme have had to take a share of budget pressures following the Spending Review. Whilst the budget allocations to Local Action

Groups might be lower than anticipated, RDAs have committed to reviewing the position with LAGs in the early part of the financial year, taking account of success in delivering the available funding. Where possible, and if sufficient funding is available within the programme budgets, we shall consider the possibility of adjusting allocations at that time.

**Q6. How will you decide whether to increase Local Action Groups' budget allocations?**

A. We shall need to take account of Local Action Groups' performance in delivering the funding so far. More detailed criteria will be available shortly.

**Q7. If the budget allocation to Local Action Groups is reduced, how will existing commitments against management and administration costs be met?**

A. The EU regulations governing the Programme limit the amount that can be spent on management and administration to 20%; this is designed to ensure that a disproportionate amount of the available programme funding is not spent on administration costs. LAGs are recommended to discuss their individual position with their RDA team who can help them assess whether any management action needs to be taken.

**Q8. The previous Government made a commitment to target £107m of funding under Axis 1 of the Rural Development Programme for England derived from voluntary modulation to the Livestock sector, will this be protected?**

A. Axis 1 of the Rural Development Programme for England is focused on providing support to the agriculture and forestry sector in improving its competitiveness and sustainability. Targeted support to the livestock sector under Axis 1 will continue to be an important priority for delivery under the Programme for the remainder of the programme period (2007-2013).

**Q9. Will the same type of projects continue to be supported under the RDPE?**

A. The Programme will continue to support projects that address the Programme objectives and priorities for delivery. However, given existing levels of commitment and the pressures on remaining budgets, access to funding support is likely to become increasingly competitive. Future delivery will be focused on identified priorities under the Programme, including: farming competitiveness, skills, the Uplands, rural broadband and tourism.

**Q10. Will projects that currently receive RDPE support be affected by the changes?**

A. Existing project activity should not be affected by the changes and they should continue to operate within current arrangements unless advised otherwise. The Regional Development Agencies (or Local Action Groups for Leader projects) continue to be the first point of contact for all projects. Defra/RDAs will inform existing projects of the changes to contact details before the transfer date.

**Q11. Will there be gaps or interruptions to project approval?**

A. We are working with the RDAs to minimise any disruption as a result of the transfer to Defra, though there may be some small administrative delays as processes switch over from one organisation to another, and as accommodation and IT moves take place. However, available budgets for 2011/12 are already heavily committed and this might result in some gaps in programme delivery as we move towards a more nationally consistent approach.

**Q12. Will the programme be open to new applications in 2011/12?**

A. Programme budgets for 2011 are now heavily committed and there will be limited scope for new applications in 2011/12. Potential applicants should contact their RDA as early as possible to discuss their plans and whether any funding support is available.

**Q13. How will new applications be dealt with?**

A. Over 2011/12, as we manage the transition to a more nationally consistent approach for the rest of the programme period, new application processes will be put in place. Further information on any planned changes will be provided.

**Q14. My project is currently being appraised. Will it get funding?**

A. Your RDA will be in touch with you shortly about your project application.

**Q15. I have an approved Expression of Interest. Will I be able to bring forward an RDPE application this year?**

A. There is limited headroom for new projects in 2011/12 and competition for funds will be very tight. You should discuss your plans with your RDA team before you do any further work to develop your application.

**Q16. Will the existing schemes still be available in my region?**

A. 2011/12 will be a transitional year for delivery of the Programme. Existing regional schemes may continue until the end of 2012, dependent on what can be afforded. Anyone interested in the Programme should contact their RDA to find out what is available. By 2012, new nationally consistent schemes will be operating.

**Q17. How does the reduced budget for RDPE funding fit with the Government's stated priority for the uplands?**

A. A specific emphasis on providing support for the uplands will be incorporated into the planning of future delivery under the Programme.

**Q18. How do the reduced budgets for RDPE funding fit with the Government's stated priority for farming competitiveness?**

A. Programme funding will continue to be used to support farming competitiveness for the remainder of the programme period, to end-2013.

**Q19. How do the reduced budgets for RDPE funding fit with the Government's stated priority for rural broadband?**

A. Support for rural broadband actions will continue under the Programme where it is affordable. Defra is also exploring whether additional funding support can be provided to support rural broadband projects under the RDPE.

**Q20. How will the reduced budgets for RDPE funding help to realise the Government's stated priority for the Big Society?**

A. Delivery of the Leader Approach through Local Action Groups will continue for the remainder of the programme period. The Leader Approach under the RDPE is based on local decision-making by community partnerships known as Local Action Groups; which operate in geographically defined rural areas. Each group identifies the local priorities for action and then draws upon Programme funds to support local projects that address the identified priorities.

**Q21. Will there be any changes to RDPE support for Environmental Stewardship?**

A. Environmental Stewardship is mainly delivered through Axis 2 of the RDPE. The government has maintained its commitment to the scheme, including safeguarding environmental achievements so far, providing continued growth in new Higher Level Stewardship (HLS) agreements; with spend on HLS, which delivers the biggest benefits for biodiversity and the natural environment, increasing by more than 80% by 2013/14 compared with 2010/11. Entry Level Stewardship (including Organic and Uplands ELS) remains open to all farmers. We are exploring ways to improve the effectiveness of Environmental Stewardship to strengthen the environmental benefits from the scheme.

**Q22. Will Natural England continue to deliver Environmental Stewardship?**

A. Yes, all elements of Environmental Stewardship continue to be delivered by Natural England.

**TRANSITION OF DELIVERY FROM RDAS TO DEFRA**

**Q23. What is going to happen to the delivery of RDPE once the Regional Development Agencies are abolished?**

A. Delivery of the RDPE socio-economic elements (Axis 1, 3 and 4) will continue for the remainder of the programme period, to December 2013. This will be delivered through Defra by providing a stronger national lead and a network of locally accessible delivery support.

**Q24. When will the new arrangement take effect?**

It is anticipated that the transfer of on-going RDPE delivery functions from Regional Development Agencies to core Defra will take place on 1 July.

**Q25. What changes will I see and how quickly?**

A. We will need to make some changes in business processes and management of the programme before the 1 July. After this, it is likely that further changes will

take place on a staggered basis to allow programme delivery to continue on an on-going basis.

We will re-locate current RDA delivery staff into offices within all 8 regions, in most cases within the same town as the current main RDA location. However, over the next year, we expect to move away from regions as the main governance tier, while maintaining the right balance between local input and national consistency.

**Q26. What will happen to Regional Implementation Plans in future?**

A. Existing Rural Development Programme for England Regional Implementation Plans will continue to provide a basis for delivery of the programme for the immediate period post-transition to new delivery arrangements. Over 2011/12 we will be developing a new approach that reflects local economic reforms and delivers a more nationally consistent offer but which also enables the Programme to retain the valuable input of delivery partners and stakeholders in shaping delivery of the Programme.

**Q27. How will stakeholders be able to influence how RDPE support is used?**

A. The contributions made by local partners in supporting delivery of the RDPE have been appreciated and where possible we will seek to continue such collaborative working under the Programme going forward. Over 2011/12 we will be developing an approach that retains the engagement of stakeholders and customers in shaping delivery of the Programme.

**Q28. What will be the role for Local Enterprise Partnerships going forward?**

A. Defra has already had positive discussions with some Local Enterprise Partnerships (LEPS) who have an interest in rural areas. Further discussion is planned to consider how LEPs can have a role in supporting Programme delivery. The Leader approach under the Programme provides an immediate opportunity for LEPS, and collaboration with the Local Action Groups responsible for delivery of the Leader Approach has been encouraged.

**Q29. Why are these changes happening?**

A. Our main concern is the effective and efficient delivery of the RDPE programme, including clarity for customers. To ensure this, we are moving to a more nationally consistent offer, which will streamline processes and ensure that every location reaches the best standards. In the context of the proposed abolition of the RDAs, moving the relevant functions to Defra is the best way of achieving this.

**Q30. What will happen to RDPE delivery during the transition into Defra?**

A. Delivery of the RDPE will continue. RDAs and Defra are working together to ensure a smooth transition to the new delivery arrangements which minimises disruption to customers and maintains the momentum of this expenditure to improve agricultural competitiveness and support rural businesses and rural communities.

**Q31. How will the Leader approach be managed when Regional Development Agencies are abolished?**

A. Management of the Leader approach will transfer to Defra along with the on-going RDPE delivery functions. Local Action Groups and Leader projects should continue to operate within the current arrangement unless advised otherwise.

**Q32. What will happen to the RDPE Network?**

A. The RDPE Network and UK National Rural Network will continue to operate through to 2013, as required under the European Rural Development Regulation. The hosting of both networks has now transferred to Defra.

**Q33. Does this strategy not abandon support for the rural economy?**

A. Not at all. Defra has confirmed its commitment to continued funding of the Rural Development Programme for England (RDPE) for the remainder of the programme period (2007-2013), including continuation of funding support for agricultural competitiveness and the broader rural economy, which is currently delivered through the Regional Development Agencies.

**Q34. Does the return to Defra of RDPE delivery not go against the drive towards localism and the Big Society?**

A. No. It is an opportunity to develop greater national consistency in delivering the support that is available. This will be supported by an on-going sub-national network of delivery support. As part of the transitional planning, Defra is exploring how stakeholders at the regional and local level can continue to influence delivery of the Programme.

**Q35. How do I find out further information about changes to the Programme?**

A. Regional Development Agencies (or Local Action Groups for Leader projects) will continue to be the first point of contact for all projects. Defra will ensure further messages about changes to the programme will be made available to stakeholders over the next few months.