

## **Transfer of the ERDP “Project Based Schemes” to North West Regional Development Agency (NWDA)**

On 30 September 2006 some of the projects delivered in the North West region by Defra’s Rural Development Service (RDS) will be transferred to the North West Regional Development Agency.

The RDS ‘Project Based Schemes’ – which include the Rural Enterprise Scheme, the Processing and Marketing Grant, the Vocational Training Scheme and the Energy Crops (SRC) Producer Group Scheme – will be managed by NWDA from this date until the end of 2006.

These projects aim to provide new opportunities to protect and improve the countryside, to develop sustainable enterprises and to help rural communities to thrive.

Existing schemes that are not transferring over to NWDA include Environmental Stewardship Projects, covering agri-environment funding, the Energy Crops Scheme Establishment Grants, the Hill Farm Allowance, and the English Woodland Grant Scheme. Responsibility for these schemes will rest with Natural England which will formally be established on 1<sup>st</sup> October 2006.

Customers receiving support from ‘Project Based Schemes’ will deal directly with NWDA from September 2006, who will manage their payments. This will not result in any changes to the terms and conditions of the grant award and details of the revised administrative arrangements will be sent out to customers nearer the time.

From 1<sup>st</sup> January 2007, NWDA will be introducing a new programme to support social and economic development in rural area. This programme is part of the Rural Development Programme for England (RDPE).

NWDA is consulting with existing and potential partners during the next few months to design the programme to meet their needs.

### **Transfer Q and A**

#### **Q – Why are the social and economic projects transferring from RDS to RDAs?**

*A – The Government asked Lord Haskins to undertake a review of Rural Delivery Services in England, which was completed in 2003. The report laid out how the Government could better*

*align its funding to meet the needs of rural communities and businesses. These recommendations considered accountability and roles and responsibilities; bringing delivery closer to the customer through devolved regional decision-making; simplification of current systems; and better value for money for the taxpayer. Defra Ministers considered Lord Haskins’ recommendations and produced Defra’s Rural Strategy (2004), as a formal response. This outlined the Government’s rural policy for the next 3-5 years. One of the changes related directly to the England Rural Development Programme Project Based Schemes, suggesting that responsibility for their delivery should pass to the Regional Development Agencies who should in turn design new regionally tailored schemes.*

#### **Q - What are the new funding arrangements?**

*A – The new funds for socio-economic investment will be delivered by NWDA through a new programme. The detail of this new scheme has not yet been finalised and NWDA and sub-regional partners are engaged in detailed discussions about the design of the new Regional programme. NWDA will be responsible for the management of the socio-economic elements of the new Programme, investment, including the arrangements for Leader. Natural England will be responsible for environmentally-led investment. It is likely that the Rural Payments Agency will continue to administer payments directly to customers.*

*The objectives of the new programme will ensure an alignment with regional strategies and funding will be allocated in accordance with contribution to strategic priorities.*

#### **Q – When will they be introduced?**

*A – From the 1st October 2006, the responsibility for the delivery of the legacy Project Based Schemes in the North West will pass to NWDA. All applications to the current scheme are to be submitted to the Rural Development Service by the 30th June 2006 and they will be processed under existing arrangements. From October 1st, grant recipients will be accountable to NWDA for all monitoring and evaluation requirements. Payments will continue to be made by the Rural Payments Agency. NWDA will not be assessing any new applications but managing the legacy commitment passed from the RDS to NWDA.*

*This means that from June 30th to January 1st there will be a period during which applications cannot be submitted*

**Q – Are you going to replace the Rural Enterprise Scheme with a similar grant aid programme?**

*A – The exact nature of the new programme is to be decided and as yet we are unable to provide details as to the types of projects that will be supported. Defra is finalising a national strategy which will give guidance about the overall objectives of the new programme and this, along with the Implementing Regulations imposed by the European Union will guide the development of the new programme.*

*Early indications suggest that whilst individual businesses may be able to apply for funds, there will be an increased focus on schemes that contribute to the achievement of widespread rural development benefits that address the Region's agreed rural priorities.*

**Q –Won't that mean that smaller businesses in the countryside will suffer?**

*A – The rationale behind taking a more strategic approach is to ensure that rural areas as a whole are able to benefit. By targeting the support at improving the health of the North West's rural economy many businesses will benefit, even those that do not directly receive funds. The new RDPE programme is just one element of the package of investment made by NWDA and other partners to support the rural economy*

**Q –How much funding will be allocated to the new schemes?**

*A – The total figure that the North West will receive is being negotiated at a national level with Defra. The RDAs collectively have made a strong case for sufficient funds to make the transfer worthwhile in terms of value for money for the regions.*

**Q –Will there be some people who will no longer be eligible to apply for this new programme?**

*A – As with any publicly funded programme there will be eligibility criteria that apply. These will be dictated by European legislation and applied by Defra through the national framework. NWDA will interpret these, designing with partners the new programme around the requirements and publicise any relevant eligibility criteria as the new scheme is launched.*

**Q – What will happen to those recipients of RDS grants between now and the new Programme starting in January 2007?**

*A – From the 1st October 2006, when the responsibility for the existing ERDP Project Based Schemes passes to NWDA. Projects with grant instalments outstanding should submit their claim forms to NWDA who will action the payment from the Rural Payments Agency in the usual manner.*

*Prior to the handover, during September, every Project Based Scheme customer will receive a letter, jointly from the RDS and NWDA outlining the current situation on their individual account in terms of grant payments remaining and monitoring and evaluation requirements.*

**Q - What will happen in the interim period between the end of the current programme in June and the launch of the new programme in January 2007?**

*A - Although no new applications can be submitted during this period, you are advised to contact the offices below who will advise and offer advice in advance of the new scheme launch in January 2007.*

**Enquiry points for new programme**

**Enquiries at this stage should be directed to Jennifer Wilson, NWDA Penrith.**

**Telephone: 01768 861322**

**E-mail: [Jennifer.Wilson@nwda.co.uk](mailto:Jennifer.Wilson@nwda.co.uk)**

**As further details of the new programme are available this fact sheet will be updated.**

**Check the nwda website at [www.nwda.co.uk](http://www.nwda.co.uk) for the latest version.**

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