

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO PLANNING & DEVELOPMENT COMMITTEE

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Agenda Item No.

meeting date: 7<sup>TH</sup> APRIL 2011

title: RURAL DEVELOPMENT PROGRAMME UPDATE – REVISIONS TO PROGRAMME

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### 1 PURPOSE

1.1 To receive information on changes to the Rural Development Programme for England and its implications to the Pennine Lancashire RDPE programme.

1.2 Relevance to the Council's ambitions and priorities

- Council Ambitions - In addition to Ribble Valley Borough Council striving to meet its three ambitions, it also recognises the importance of securing a diverse, sustainable economic base for the Borough. The work of the Rural Development Programme aims to support this.
- Community Objectives – The issues highlighted in this report will contribute to objectives of a sustainable economy and thriving market towns.
- Corporate Priorities - Delivery of services to all
- Other Considerations - None

### 2 INFORMATION

2.1 The Rural Development Programme for England (RDPE) is jointly funded by the European Union and the Department for Environment, Food and Rural Affairs (DEFRA). The aims of the programme are to safeguard and enhance the rural environment, improve the competitiveness of the agricultural sector and foster sustainable and thriving rural businesses and rural economies across England. The programme is focussed on the following themes, or axis, these are:

- Axis 1 – improving the competitiveness of the farming and forestry sectors
- Axis 2 – improving the environment and the countryside
- Axis 3 – rural quality of life and diversification of the rural economy
- Axis 4 – management, administration and the LEADER approach

2.2 To meet European Commission requirements, programme delivery in sub-regional areas such as Lancashire is overseen by Local Action Groups (LAGs) who will ensure that supported activities are within the context of the Sub-Regional Implementation Plans, and in Lancashire 3 LAGs were set up to manage the RDPE programme of activity under Axis 1, 3 & 4, whilst Axis 2 is being delivered by Natural England and the Forestry Commission: -

- Lancashire West (West Lancashire, South Ribble, Chorley and Preston)

- North Lancashire (Lancaster, Fylde and Wyre)
  - Pennine Lancashire (Ribble Valley, Pendle, Burnley, Rossendale, Hyndburn and Blackburn with Darwen)
- 2.3 Following the general election in May 2010 and the subsequent formation of the Coalition Government, regeneration and economic development activity from a local, regional and national perspective have been going through a period of significant change. The Emergency Budget in June 2010 and Comprehensive Spending Review in Autumn 2010 confirmed the Governments intention to replace Regional Development Agencies (RDAs), and to encourage the development of LEPs by April 2012, along with making a number of significant budget cuts across Government, including the Department for Environment, Food & Rural Affairs (DEFRA).
- 2.4 Since this time DEFRA have been undertaking a full review of departmental budgets including considering the appropriate arrangements for the continued delivery of the socio-economic elements (Axis 1, 3 & 4) for the remainder of the programme period to 2013 and Ribble Valley businesses are continuing to benefit from the RDPE whilst DEFRA have been making these alternative / transitional arrangements to carry this fund forward. Following a Government announcement, it has now been confirmed that responsibility for on-going delivery of the RDPE socio-economic elements will transfer to DEFRA, and this is due to take effect from 1 July 2011. Whilst RDPE is set to continue at local level for the 2011-2012 year, there will be a lower budget overall following wider reductions in Government spending and there will also be some other changes to the programme as it moves towards national delivery arrangements this summer and for the 2012-2013 year be delivered directly by DEFRA at national level.
- 2.5 The original budget for the Axis 1 and 3 elements of RDPE in Pennine Lancashire was for a £3.2 million programme between 2009-2013, which includes £2.7 million in direct grant aid with the balance to cover other elements of the programme to include such things as staffing, research and project development costs (Axis 4) and as further negotiations are taking place between DEFRA, the NWDA and Lancashire County Council (the Accountable Body for the Pennine Lancashire RDPE programme), consequently precise budgetary allocations have yet to be confirmed. However, at the time of writing this report, it has been indicated that a budget reduction of between 20-25% should be expected for the 2011-2012 allocation, confirmation of which is anticipated by the next Pennine Lancashire LAG meeting scheduled for 4<sup>th</sup> April 2011.
- 2.6 A monitoring group was established in January comprising of officers from each of the Pennine Lancashire Local Authorities following concerns about RDPE project delivery and the need to consider increasing the capacity to draw down funding. This group is working alongside the LAG to support delivery of the programme.

CHIEF EXECUTIVE

BACKGROUND PAPERS:

Pennine Lancashire Local Development Strategy (RDPE) 2009 - 2013

For further information please ask for Craig Matthews, extension 4531