



Rural Development Programme for England Business Support
RDPE Expression of Interest Form
Guidance Notes

Funded by



The European
Agricultural Fund for
Rural Development:
Europe Investing in
Rural Areas

Background

East Midlands Development Agency (*emda*) is providing grants to rural businesses across the East Midlands. The grants are funded by the Rural Development Programme for England (RDPE), and will be available until 2013. The purpose of the grants is to stimulate the rural economy, providing more opportunities and an improved quality of life for rural people in the region. Rural Development Programme for England Business Support is part of Solutions for Business, the government's package of publicly funded business support designed to help companies start and grow.

This guide provides an overview of the RDPE in the East Midlands and how to pursue a grant application.

The RDPE Grant Programme operates within a fixed budget. This means that applications have **no guarantee of success** - not all projects that are eligible will necessarily be awarded a grant or at the amount requested. If applications exceed the funds available then priority will be given to those projects that can demonstrate the most benefit to the rural economy of the East Midlands.

The Rural Development Programme for England 2007 – 13 is funded by the European Union (EU) and the Department for Environment, Food and Rural Affairs (Defra). Defra is the Managing Authority for RDPE.

emda is working in partnership with Natural England and Forestry Commission to deliver RDPE, with *emda* responsible for the socio-economic element.

Who can apply for grant funding?

Assisting farmers is a key aim of the RDPE programme. However, grants are available to all land based businesses in the East Midlands involved in agriculture, horticulture and forestry. There is no restriction on the number of individuals who can submit a group application. Collaborative or Group applications are encouraged.

For further guidance on how to apply contact the RDPE Team at *emda*:

Internet	www.emda.org.uk/rdpe
Email	rdpe@emd.org.uk
Telephone	0115 947 1797
Address	East Midlands Development Agency, Apex Court, City Link, Nottingham. NG2 4LA

Information on RDPE is also available from the following organisations:

Defra	www.defra.gov.uk/rural/rdpe/index.htm
Natural England	www.naturalengland.org.uk/
Forestry Commission	www.forestry.gov.uk/
Business Link East Midlands	www.businesslinkeastmidlands.co.uk

What type of project may qualify for grant support?

A wide variety of projects are eligible for grant funding. Projects will be eligible for an RDPE Grant if they fit into one of following categories;

- Adding value to agricultural, horticultural or forestry products; including the development of new products, processes and technologies.
- Co-operation and collaboration between businesses to improve efficiency; including infrastructure and equipment investments.
- Projects that promote diversification in the rural economy.

Some of the money is allocated specifically for livestock businesses. This will be focused on projects that improve competitiveness, nutrient management and animal health and welfare of the East Midlands livestock sector.

Funding is also available for skills development in rural businesses and organisations. This will be focused on training in management and business development.

Training may well be required as part of a larger project (for example, the staff of a new meat cutting facility may require butchery training). If this is the case, training costs can be included within the main RDPE Grant application that is made to *emda*.

Projects on a significant scale that create benefits to the wider rural economy and local community are encouraged by *emda*. Applications that are submitted as part of a collaborative or group project where two or more businesses work together are also desirable.

For further information on projects that may qualify for grant support can be found on the RDPE section of the *emda* website - www.emda.org.uk/rdpe

Note that, to receive funding, projects will be expected to demonstrate that they will positively benefit the rural economy of the East Midlands. Grants may be given to projects that would be viable even without RDPE funding if it can be demonstrated that the project will proceed faster, be on a large scale, and thus deliver greater benefits with an element of public funding.

How much grant support will be awarded?

There is no fixed rate of grant support. Each application will be assessed on a case by case basis and *emda* will decide how much grant funding an individual project may be offered. In the East Midlands there is a minimum grant limit of £25,000. There is also an upper limit of €500,000, which equates to approximately £426,200¹. The Euro to Sterling conversion rate can be located at www.cobody.gov.uk. In cases where applications are submitted as part of a collaborative project, the upper grant limit will be dependant on the number and type of businesses involved and may be increased.

What costs can grant support cover?

Grant funding can only be given for specific project costs. These include:

- Investment in property, machinery and equipment (*Second hand equipment will be grant eligible for medium-sized enterprises or smaller*)
- Professional fees / technical support e.g. architect, surveyor or engineer
- Salaries and direct project overheads
- Market research/feasibility study costs
- Product development expenses
- Skills acquisition and training
- “In kind” contribution – in certain circumstances this may be considered, please contact the RDPE team to discuss your case.

Money will **not** be awarded for any of the following:

- Fees incurred during the preparation of the application
- Costs connected with leasing contracts, interest refinancing and non-project overheads/insurance costs
- Cost involved in the purchase of livestock or for annual plants and their associated planting costs
- Mainstream agricultural buildings or machinery
- Any work undertaken on your project before completion of the application process and an Offer Letter is in place will not be eligible for grant support and may invalidate your whole application.

The RDPE Grant Programme is subject to European Union rules on State Aid. *emda* will explain the position relating to your project if your EOI is endorsed. This means that in certain circumstances there is a limit on public funds a single business can receive within a specified period.

¹ Euro – sterling conversion rate correct at August 2009.

Can I claim grant support for this project from other funding programmes?

No, RDPE grants cannot be combined with any other public money. The funding for the project that does not come from the RDPE Programme must be private funds – for example your own money, bank borrowing etc.

How do I apply for grant support?

If you are planning a project that you feel may be eligible for RDPE support, you **must** first submit a completed **Expression of Interest (EOI) form**. *emda* will then assess your proposal against the RDPE eligibility criteria.

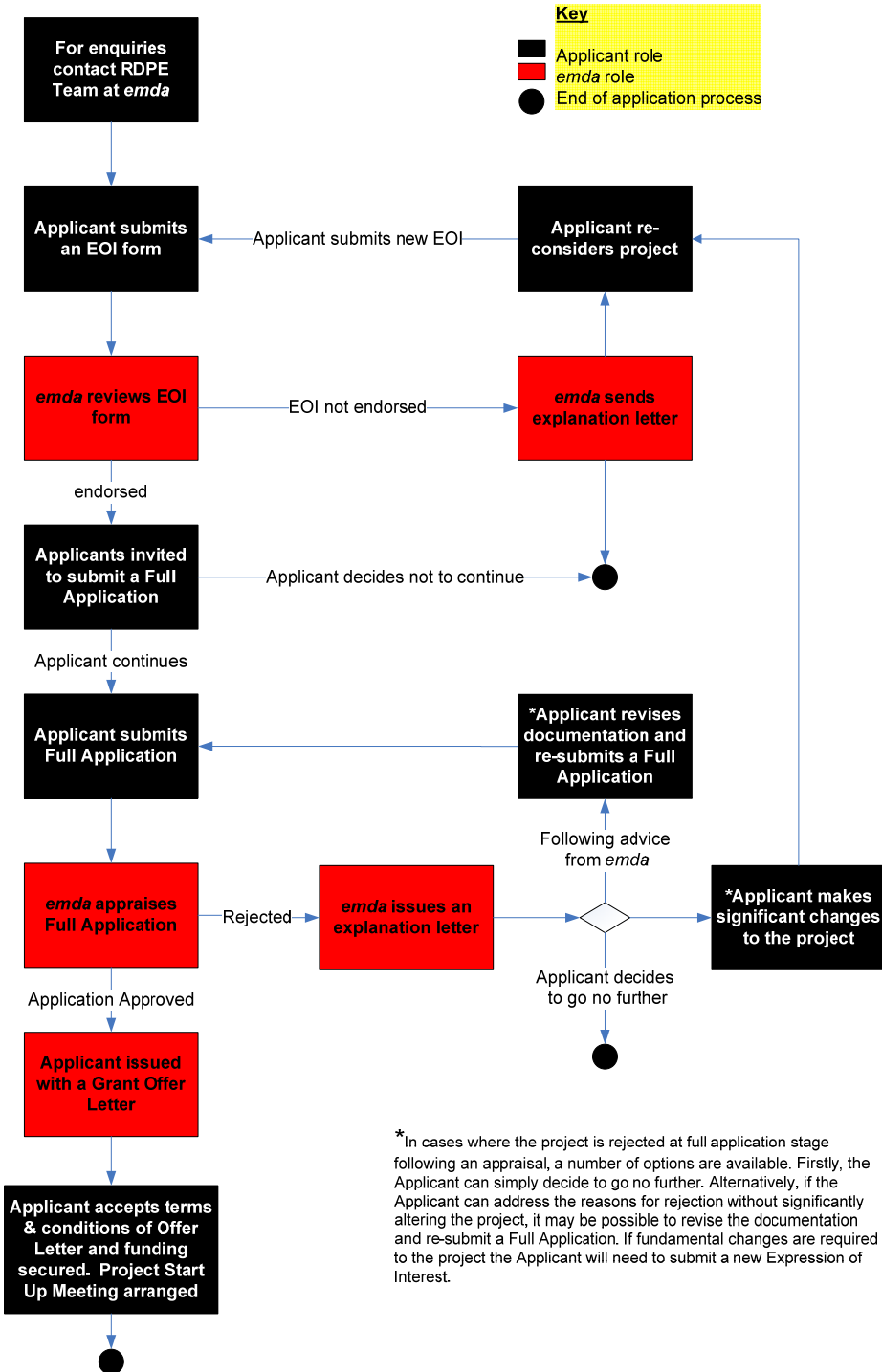
If it is felt that your project may be eligible for grant support you will then be invited to submit an RDPE Full Application. An explanation will be given if your project is judged to be ineligible for support following an Expression of Interest. If changes are made to a rejected project, it is acceptable to re-submit an EOI at any time.

Can I apply for (individually or as part of a group) more than one RDPE application?

Yes, there is no limit to the number of applications any one business may submit, subject to State Aid rules.

***emda* wishes to encourage as many businesses and groups as possible within the East Midlands to apply for RDPE funding. If you are in doubt whether your project is eligible, please complete an Expression of Interest form anyway (or contact us on rdpe@emd.org.uk or Tel. 0115 947 1797).**

RDPE application process



Completing the Expression of Interest Form

The following information explains how the Expression of Interest (EOI) form should be completed. All sections of the form should be filled in. If a section does not apply to you, please write 'Not Applicable' in the relevant space.

Please ensure that you provide an accurate account of your proposal. *emda* does, however, appreciate that it may not be possible to provide 100% accuracy in some project details at this stage (particularly financial information). The aim of the EOI form should be to provide enough information to allow *emda* to judge the eligibility of the proposed project.

If any of the detail that you provide requires clarification, *emda* will contact you for further information. However, this may delay the processing of your application. The more detail you are able to provide in the EOI form, the faster you are likely to be notified of your project's eligibility.

If possible, *emda* would prefer that applications are made electronically - this allows for quicker processing of applications. An electronic copy of the EOI form can be downloaded from www.emda.org.uk/rdpe. Once you have completed the form, please e-mail it back to rdpe@emd.org.uk.

However, for legal reasons, *emda* also needs a signed copy of the form. Therefore please send a hardcopy of your completed form to:

East Midlands Development Agency
RDPE Team
Apex Court
City Link
Nottingham
East Midlands
NG2 4LA

For those that are not applying electronically, the spaces on the printed EOI form may not be sufficient for your answers. If this is the case, please continue your responses on a separate sheet of paper which should be attached securely the EOI form. Please make it clear which section the additional text relates to, and sign and date them.

1. Project details

Project name

Enter your project name in the first box.

Your name

emda requires a named individual within the business to be a point of contact for the application.

Business name and address

In this section you need to include the details of the business that is seeking an RDPE grant. If you are planning a collaborative application, please enter the details of leading/contact business here.

If your project involves a collaboration or joint project with other organisations or companies you will be asked at the full application stage to set out who the various 'partners' are and how they intend to act together to ensure that the Project is delivered successfully.

Email address

The aim is that most correspondence between *emda* and applicants will be conducted electronically to allow the quick exchange of documents. If you have access to email, please enter the address in this section. You should obviously ensure that a 'live' e-mail address is used and that it is looked at on a regular basis. Don't worry if you do not have an email account, *emda* will correspond by post.

Identification numbers

If it is a farm business, enter any RPA farm identification numbers that the business holds (SBI Number, Vendor Number, Site Number).

a) Legal status

Tick the box which is most relevant to your business.

b) Project location

Give the location (address) of the project seeking RDPE support. Enter 'As Above' if the project is to be located at the business address given previously.

c) Farming business

In this section provide details of how you currently earn an income from agriculture, horticulture or forestry. This is required for some elements of RDPE.

d) ERDP funding

Deleted: (d)

Provide here details including dates and amounts of any funding you have previously received since the year 2000. This includes the following schemes:

Rural Enterprise Scheme (RES)
Processing & Marketing Grant (PMG)
Vocational Training Scheme (VTS)
Energy Crops Scheme (ECS) (Producer Groups)

Countryside Stewardship Scheme (CSS)
Environmentally Sensitive Areas (ESA)
Woodland Grant Scheme (WGS)
Farm Woodland Premium Scheme (FWPS)
Organic Farming Scheme (OGS)
Hill Farm Allowance (HFA)
Energy Crops Scheme (ECS) (Establishment Grant)

e) Other public sector funding

Deleted: (e)

Provide here details of any other public sector funding including dates and amounts you have received within the last 3 years. This may affect the amount of RDPE grant that awarded as RDPE funding is subject to European Union rules on State Aid. For further guidance please contact the RDPE team.

f) Short description of the project

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Briefly describe the project. This should be a few sentences setting out clearly and concisely what the project is. An example would be '*The construction of a lined 75 million litre winter catchment reservoir. The reservoir will be used by the three farmers applying for the RDPE grant to irrigate root crops in the summer months*'. Financial details are not required within this description, but enough information should be provided to adequately convey a sense of what the project is about. There is no need to promote the benefits of the project at this point – this will come later.

If the project is collaborative (i.e. two or more businesses working together) then you should make sure that this is indicated within this section.

[Tip – before returning the form get someone not connected with the project to read it – if it is clear to them then it should be clear to emda].

g) Why is the project needed?

Deleted: (g)

Explain why you feel the project is necessary. This section asks you to demonstrate the thinking behind the project – i.e. what is the rationale. An example might be '*Summer abstraction licences are becoming more difficult to obtain. At the same time climate change appears to be increasing the need for summer water supplies. Retailers' strict quality requirements mean that summer irrigation is vital if we are to successfully develop our root crop enterprises. Therefore we have identified the need for a large winter catchment reservoir. Building one large reservoir to serve three farms is a more efficient use of resources than three individual projects.*'

h) What does the project intend to achieve?

Deleted: (h)

You should indicate what will be the specific outcomes or results of the project. *emda* will be looking for some factual, measurable information in this section (but do not worry if they are only estimates at this stage). You may wish to think in terms of jobs created/secured, additional business turnover generated, or cost savings made.

In summary;

- The **Project Description** is asking ‘what are you planning to do?’
- The **Project Need** question is asking ‘why are you planning to do this?’
- This section is asking ‘how are you going to do it, and what is the result at the end of it?’

For example ‘*The reservoir will be completed and filled by spring 2009. Having a reliable source of summer water will enable the growers to meet retailers’ quality expectations and allow root crop production to continue on all three farms safeguarding three full time jobs. In addition, the additional water supply will allow the area devoted to high-value crops to be increased by 75 hectares resulting in an estimated turnover improvement of £400,000, with 2 further full time jobs created by December 2009.*’

[Tip – remember when you are describing your project you should be providing good justification as to why the project should get a grant under the RDPE. You need to demonstrate as far as possible that it meets emda’s grant criteria e.g. adding value, collaboration, diversification etc. In summary, how will be project benefit the rural economy of the East Midlands?]

i) Background information

What prior analysis has been done in support of the project? Applicants should use this space to demonstrate that an adequate level of planning lies behind their project. This might involve having researched the market for a product, undertaken feasibility studies, or sourced preliminary quotes for work.

However, large amounts of detail are not required at this stage. For example, you **do not** need to have secured firm quotes for any work. But projects that can demonstrate that they are based on sound evidence of need are likely to be looked on favourably in the endorsement process.

2. Timescales

Enter the estimated start date of the project’s development (month, year).

Enter the estimated date when you expect the project’s development to be complete (month, year).

3. Project costs

What are the estimated project costs?

Enter the estimated total cost of the project. This should include all capital spending (for example on buildings and machinery). 'Revenue items' is ongoing spending that does not result in the purchase of a physical item – it might include rental costs, training fees, running expenses (including salaries) and professional fees.

The total project costs should be broken down into spending in six-monthly periods. Please fill out the years on the dotted lines in the headings on the top row of the table to indicate the timing of spending. The timings should agree with the start/finish dates entered in the previous section.

[Tip – it is probably easiest to start by estimating total project costs, and then splitting them down into the various six-monthly periods]

The breakdown of spending only needs to be an **estimate** at this stage.

Provide all estimates in pounds sterling to the nearest £1,000 and exclude any VAT considerations.

Details of other costs and other information

Applicants should use this box to make any comments on the figures entered in the table above. This should include any major factors that could change either the project's timing or its costs – e.g. delay agreeing land purchase, increase in equipment costs etc.

How will the costs be met?

Using the second table, show how the total estimated costs of the project will be met.

This will be a split between the applicant's own money, loans and borrowing. Please specify whether the funds for each element are confirmed or not.

When filling out this box please remember there will be a minimum grant level of £25,000 and generally a maximum of €500,000 (per business). This could be increased for a group of businesses working in collaboration. For livestock projects, the overall project costs should total £25,000 or more.

Provide all estimates in pounds sterling to the nearest £1,000 and exclude any VAT considerations.

[Tip – The 'Total' figure in the grey box on the bottom row should be the same as the "Total Estimated Cost" shown in the grey box in the bottom right-hand corner of the previous table.]

4. Requirement for funding

Why is RDPE funding needed?

You should set out what difference a grant will make to the project. For example

- 'The applicants do not have the financial resources to fund the project from their own resources, and the bank lending is conditional on receiving an RDPE grant'.
- 'The RDPE grant will allow the project to be 50% larger than it would otherwise be, allowing for future market growth'
- 'Receiving an RDPE grant will allow the project to commence within 12 months, rather than 2 years time.'

What would happen to your project if a reduced level of funding or no funding was approved?

Detail what would happen to the project if *emda* offered you less, or no, RDPE funding. This is to demonstrate that consideration has been given to other ways of moving the project forward if a lower level of grant funding was offered. You may want to link this in with the section above – i.e. without grant funding the project would have to be smaller etc.

*[Tip - it will **not** necessarily increase your chance of receiving funding if you simply state that the project will not happen without an RDPE grant. emda are looking for some indication that alternative options have been considered and contingency plans have been thought through. Part of the reason for this question is to ensure that projects aren't simply driven by a desire to get RDPE funding, but are viable and worthwhile on their own terms. Of course, some projects may, in fact, not be able to progress without RDPE funding – but the reasons for this should be given.]*

5. Project impacts

Please give details of how the project might affect the local area and environment.

You need to demonstrate that you have thought about how the project is likely to impact, positively and negatively, on the area in which it will be sited.

Positive environmental impacts could include improvements in energy efficiency and reduction of carbon emissions, enhancements of natural habitats, reduction in waste generation, use of recycled materials or provision of sustainable transport.

Negative environmental impacts could include visual impact, significant increases in traffic, pollution (including noise and dust), and impacts on wildlife habitats. These might be short-term impacts (for example, whilst the project is being constructed), or longer-term impacts from the ongoing presence and use of a facility.

6. Sustainable development

If your project does not involve any building work then please enter n/a and move onto section 7.

All projects that receive financial support from *emda* and involve building works of any sort or scale will be required to meet a mandatory set of performance standards that go beyond building regulations. These standards are drawn from the Office of Government Commerce's Common Minimum Standards -

http://www.ogc.gov.uk/construction_procurement_common_minimum_standards_for_the_built_environment.asp and have been adapted for use by all of the English Regional Development Agencies.

These standards deal mainly with the achievement of an *excellent* BREEAM assessment - or equivalent assessment method - for new buildings and *very good* for refitting and refurbishment projects. All costs associated with meeting these standards are to be met within the project funding package. Only in exceptional circumstances will a lesser standard be accepted.

Please access the BREEAM website at www.breeam.org for further information. Your architect may also be able to advise you on sustainable development and applying the Building Research Establishment Environmental Assessment Method.

7. Planning

Please list any outstanding planning issues related to the project.

Projects that require development of land or buildings are likely to need Planning Permission. If this is the case use this section to give details of the status of your application.

Note, at EOI stage you do not have to have applied for Planning Permission. However, if you are invited to submit a Full RDPE Application you will need to have secured Outline Planning Permission at the very least before your application can be appraised.

8. Risk assessment

What are the potential risks to your project?

All projects carry an element of risk and very few undertakings go completely to plan. In this section please outline the main factors that could pose a risk to the successful completion of your project.

The list does not have to be fully exhaustive – just the most important risks need to be identified. *emda* is looking for evidence that applicants have considered what could go wrong with the project.

Examples of areas you may wish to consider might include:

- Failure or delay in securing financial backing for the project
- Changes in the market for the product
- Problems with Statutory Consents – there may be other consents required in addition to Planning Permission (see above). For example, Waste Management Licences, Building Regulations etc.
- Having the management skills to run the project effectively
- Staffing issues

It should be explained how the project aims to reduce or deal with the risks that have been identified.

9. Future activity

How will the project continue after RDPE funding?

emda wishes to fund projects that will continue to contribute to the rural economy of the East Midlands for a considerable period. Although grant funding is often useful in providing start-up funds to get projects off-the-ground, the eventual aim must be for the enterprise to be able to be self-sustaining. In this section you should explain how your project will be sustained after RDPE funding ends. Please also include any plans you may have to develop the project further in the future.

10. RDPE information

Where did you hear about RDPE funding?

emda would like to know where you heard about RDPE to help with future marketing activities. Please answer this question as fully as possible.

11. Declaration

Sign and print your name. As it is not possible to sign an electronic version it should be submitted without signature. In addition please print-off a hard-copy of the form, sign and submit this to the address below. Enter the signatory's position and the date on which the declaration was made.

If you are an Advisor completing the EOI on behalf of your client please ensure it is your clients details included on the form, both in section 1, Project Details and section 9, the Declaration.

Once you have completed the Expression of Interest form, please e-mail it back to rdpe@emd.org.uk and post the hard-copy version to:

East Midlands Development Agency
RDPE Team
Apex Court
City Link
Nottingham
East Midlands
NG2 4LA

What happens next?

Once *emda* has received your EOI form in hard copy, a decision should be made within **15 working days** as to your project's eligibility and then you will be notified in writing. If you do not hear back within **20 working days** please contact the RDPE team on **0115 947 1797**

Based on the information provided on the EOI form *emda* will judge whether your project is either eligible or ineligible for RDPE funding.

Project judged ineligible

If your project is judged not to meet the East Midlands RDPE criteria you will be sent a letter outlining the reasons for the decision. It will be possible to re-submit an EOI if the project is amended.

Project judged eligible

Applicants whose projects are judged to meet the East Midlands RDPE criteria will be invited to complete a Full Application. They will be sent an invitation letter along with full RDPE guidance notes. **At this point there is no binding obligation on the applicant to continue if they don't wish to. Similarly, there is no guarantee all invited applications will succeed in securing grant funding.**

Applicants should note that at the Full Application stage they will be required to provide much more detail about their project. This will include a business plan, business accounts for the past three years (where applicable), and three quotes for each cost item.