



Department  
for Environment  
Food & Rural Affairs



## Rural Development Programme for England (2014 - 2020)

### LEADER Applicant Handbook

Guidance for applicants applying to the North  
Nottinghamshire Local Action Group (LAG)

#### Contact details:

Jim Burley, North Nottinghamshire LEADER Programme Officer  
Nottinghamshire County Council  
Retford Enterprise Centre  
Randall Way  
Retford  
DN22 7GR  
Tel: 0115 993 9337

Email: [NorthNottinghamshire.LEADERProgramme@nottscc.gov.uk](mailto:NorthNottinghamshire.LEADERProgramme@nottscc.gov.uk)



The European Agricultural Fund  
for Rural Development:  
Europe investing in rural areas



# Contents

Introduction.....	3
Chapter 1: About LEADER .....	8
Chapter 2: Who can apply .....	10
Chapter 3: Preparing an application.....	13
Chapter 4: Funding and costs.....	15
Chapter 5: LEADER funding priorities.....	18
Priority 1 – Support to increase farm productivity .....	18
Priority 2 – Support for micro and small businesses (non-agricultural) and farm diversification .....	31
Priority 3 – Support for rural tourism.....	33
Priority 4 – Provision of rural services .....	36
Priority 5 – Support for cultural and heritage activity .....	38
Priority 6 – Support for increasing forestry productivity .....	39
Chapter 6: How to apply .....	42

# Introduction

## **A word from Neil Roberts Chair of the North Nottinghamshire Local Action Group**

Welcome to the LEADER handbook that aims to help you find out how to access LEADER funds here in North Nottinghamshire.

Over the past 5 years, the North Nottinghamshire Local Action Group (LAG) has supported a successful LEADER Programme in rural parts of Bassetlaw and Newark and Sherwood. In the new programme the LAG wants to continue this success with an expanded area – now including Retford and some rural areas in Mansfield and to encourage as many new and existing businesses and organisations in the rural areas as we can to come forward with ideas and plans for funding which will help create new jobs, increase productivity, improve services and promote sustainable growth. We hope that the grants we can offer will be a great boost in supporting economic growth and innovation for rural businesses and organisations in our local area over the next 4 years (2016 – 2020).

Projects will be determined by members of the North Nottinghamshire LAG who are individuals representing organisations and companies from across the public, private and civil sectors of the local community. We all act in a voluntary capacity and have a variety of skills, knowledge and experience to help champion the local economy and ensure the successful delivery of this LEADER programme.

Anyone with a suitable project idea should read the guidance in this handbook and on our website – particularly under our FAQ section and then contact the Programme Officer to discuss your project and ask any questions about eligibility for LEADER funding.

I look forward to receiving your application and hope that this funding will help to make your ideas a reality. Together we can make North Nottinghamshire a more thriving, prosperous and enjoyable place to live.

## Local priorities in North Nottinghamshire

The aim of the North Nottinghamshire LEADER Programme will be:

*“to create a competitive local economy built on an entrepreneurial business and community culture which capitalises on the area’s industry, heritage, culture and land uses.”*

As a Local Action Group the North Nottinghamshire LAG is required to deliver a minimum of 70% of the LEADER funding directly in support of jobs and growth and the remainder on projects that will help develop the environment for growing the rural economy of our area.

The priorities listed in the handbook are common for all of the 80 LAGs in England. The North Nottinghamshire LAG is required to tailor the types of projects and activities it will consider under each of the priorities in line with the aims and objectives of the Local Development Strategy which can be found on our website <http://www.nottinghamshire.gov.uk/leadernorth>.

The following list outlines the types of projects that will be considered.

### Priority 1 - Support for increasing farm productivity:

- To support land based farm businesses to boost productivity and resilience:  
To increase farm productivity and performance; and support businesses to realise diversification opportunities that boost income and see jobs growth in farming maintained.

### Priority 2 - Support for Micro and Small businesses, including farm diversification

- To facilitate, develop and grow new and existing rural businesses: To reduce the barriers to sustainable economic growth in rural North Nottinghamshire therefore supporting SME’s to grow their business; and home workers and would-be entrepreneurs to develop their career and employment potential (e.g. through the establishment of micro businesses locally to mitigate further economic leakage and promote skills retention).

### Priority 3 - Support for rural tourism

- To strengthen the tourism offer by increasing visitor awareness, understanding and enjoyment of the products and experiences available in rural North Nottinghamshire – an accessible landscape lying at the heart of three cities:
- To develop the product by joining up the diverse local stories to tell (textile history, coal mining, waterways, farming, food, sport, country parks, geology and built heritage) by providing opportunities for businesses to take a lead on tourism in their locality and drive initiatives in rural areas (with the support of the Destination Management Organisation).

### Priority 4 - Provision of rural services

- To develop innovative approaches to the improvement, expansion and delivery of rural services:  
To support the development of bespoke services that target local needs and have the potential for income generation.

- The Handbook refers to maximum grant rates applicable for different scenarios. The total budget for Priority 4 is £64,921 (see table below) which will limit the size of grants available in all scenarios.

#### **Priority 5 - Culture and Heritage**

- The North Nottinghamshire LAG has decided not to fund projects under this priority. Therefore any 'Culture' or 'Heritage' type projects will also need to meet the criteria from one of the other LEADER priorities in order to secure funding.

#### **Priority 6 Support for forestry productivity**

- To enhance the potential of local forests:

To build the capacity of the businesses working in the woods and local markets, including the encouragement of cooperation and innovation with new techniques and products.

The forecast breakdown of expenditure by LEADER priorities in North Nottinghamshire is as follows:

Priority	Forecast Budget Allocation (£)	% of total budget
Farm Productivity	154,725	10
Micro and Small Business support including Farm Diversification	696,265	45
Rural Tourism	386,786	25
Rural Services	154,726	10
Culture and Heritage	See comments above	
Forestry Productivity	154,726	10
Total	1,547,228	100

All applications will need to demonstrate how they contribute to these over-arching targets - this will be a key part of the considerations when appraising the application. In addition we would encourage applicants to consider other project outputs that are relevant to the priority an application is submitted under and which may look favourable in the appraisal of an application. For instance, a rural tourism project may contribute to an increase in local visitor spend, a farm productivity or small and micro business project may contribute to Gross Value Added<sup>1</sup>.

This list is not exhaustive and applicants are strongly urged to contact the Programme Officer for further advice and information – particularly on how such targets can be evidenced.

For further information please see the North Nottinghamshire Local Development Strategy that can be found on the North Nottinghamshire website

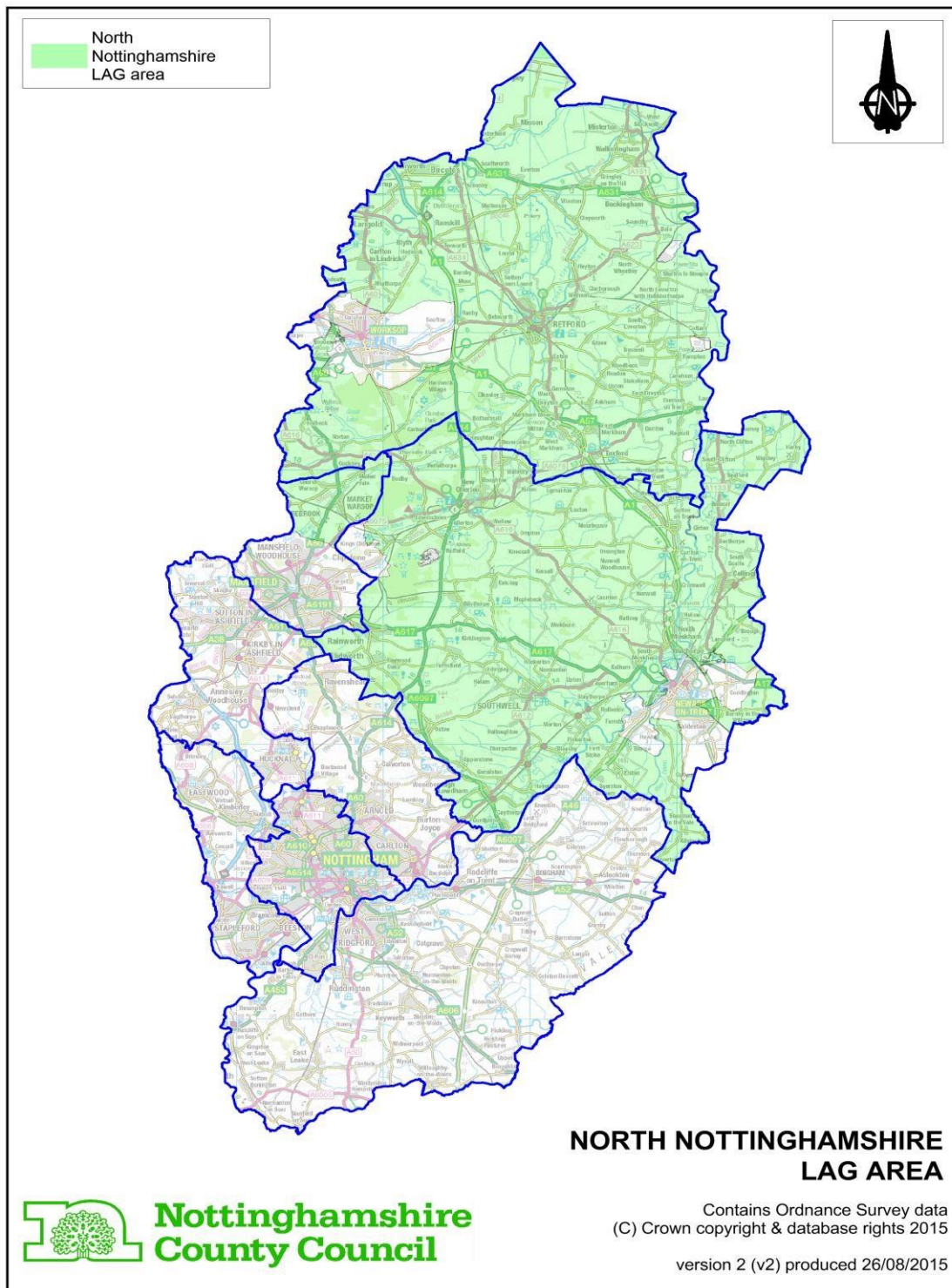
[www.nottinghamshire.gov.uk/leadernorth](http://www.nottinghamshire.gov.uk/leadernorth)

---

<sup>1</sup> Gross Value Added (GVA) measures the value of goods and services produced and thereby the contribution to the economy of each individual producer, industry or sector in the UK. There are two ways to calculate GVA; i) the **production approach** – measuring the value of the outputs produced (goods and services) less the value of the costs of the inputs consumed in producing the outputs or ii) the **income approach** – incomes earned by individuals (gross wages/salaries) and corporations (for example profits) in the production of outputs (goods and services).

## NORTH NOTTINGHAMSHIRE LEADER PROGRAMME MAP

The eligible areas for North Nottinghamshire LEADER funding are shown below



An interactive post code checker to determine if you are in the North Nottinghamshire LEADER Area can be found at [www.nottsc.gov.uk/leadnorth](http://www.nottsc.gov.uk/leadnorth). This will give an initial indication of geographic eligibility but you are strongly advised to contact the North Nottinghamshire for checking and confirmation.

# Chapter 1: About LEADER

LEADER is a community-led scheme that provides funding for projects in England which create jobs, help businesses and rural communities to grow and develop the rural economy.

## Under the LEADER scheme there are grants for:

1. increasing farm productivity
2. supporting micro and small businesses and farm diversification
3. boosting rural tourism
4. providing rural services
5. providing cultural and heritage activity
6. increasing forestry productivity

The grants are funded by the European Agricultural Fund for Rural Development (EAFRD) and are part of the Rural Development Programme for England (RDPE).

Money from the programme is given to Local Action Groups (LAGs) which are made up of local public, private and civil society representatives. Their role is to assess applications and award grants locally to businesses and organisations that apply.

The Rural Payments Agency (RPA) manages the LEADER scheme nationally and works with the Local Action Groups (LAGs). RPA's role is to make payments to successful applicants.

***LEADER is a French acronym which roughly translates as 'Liaison among Actors in Rural Economic Development'.***

This handbook is about LEADER grants. It explains what the grants are for, who is eligible, how to apply and how applications are assessed.

The amount you can apply for depends on the size of your business, the type of project and the costs involved. The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

Grants will typically be limited to a maximum of 40% of the project's total eligible costs. You can use other public money to pay for eligible costs – but only up to that maximum percentage. Some types of projects can get higher rates – read Chapter 5 for more information about specific grants.



You can only apply for one RDPE grant for your project. RDPE includes LEADER, RDPE Growth Programme, Countryside Productivity Scheme, Farming Recovery Fund, Cumbria Countryside Access Fund and Countryside Stewardship. You could apply for more than one grant from RDPE as long as they are for different projects.

## **Government guarantees about funding after the UK leaves the EU**

The government has guaranteed funding for RDPE LEADER Programme grants if these are agreed and signed before the UK's departure from the EU, even if the grant agreements continue after we have left the EU. This is subject to projects meeting the following conditions:

- they are good value for money
- they are in line with domestic strategic priorities

Defra has confirmed that projects approved through the LEADER process meet these conditions. Where possible, you should aim for your project to be finished and paid for, and complete grant claims submitted, by 31 March 2019.

**You won't automatically get a grant.**

**When you apply for a grant, you're competing with other applicants in your area. The LAG will assess all applications to see how well they fit the priorities for funding and which projects provide best value for taxpayers' money.**

## Chapter 2: Who can apply

What type of organisation can apply depends on what you are applying for.

To apply for LEADER funding your business, or your project or beneficiaries, must be in the LAG area, and the applicant must be a legal entity.

- farmers
- growers
- private businesses
- public organisations
- voluntary organisations
- groups of businesses
- charities
- someone who wants to start a business
- private forest holders
- forestry contractors

Applicants must be a 'legal entity' and able to sign a legally binding contract.

Not all of the Rural Areas in England are covered by a LAG. The project you are applying for must be in a LAG Area. There is a map of the North Nottinghamshire LAG Area at the front of this handbook. If it is unclear if your location is covered further details can be found at <http://www.nottinghamshire.gov.uk/leadernorth>.

You could apply for more than one grant from the North Nottinghamshire LAG, as long as each grant application is for a different project.

### Check the size of your business

For some priorities, whether you can apply for a grant will depend on the size of the business. The size of your business depends on the number of full-time equivalent (FTE) employees it has and its financial performance.

The table below shows what qualifies as a medium, small or micro business.

Business size	Number of FTE employees		Annual turnover or balance sheet total
Medium	fewer than 250	and	€50 million (about £42.5 million) or less annual turnover <b>OR</b> €43 million (about £36.5million) or less annual balance sheet total
Small	fewer than 50	and	€10m (about £8.5 million) or less
Micro	fewer than 10	and	€2m (about £1.7 million) or less

Additional guidance is available at [http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition\\_is](http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_is)

## **What is a 'full-time equivalent' (FTE) employee?**

Anyone who works a minimum of 30 hours per week counts as 1 FTE employee. A person working 30 hours a week for 3 months of the year would be 0.25 FTE employee.

FTEs include business partners and directors. If a business partner or director works more than 30 hours per week they still count as 1 FTE employee.

## **Is your business 'linked' to other businesses**

If your business is linked to other businesses, this might mean you exceed the business size requirements and the funding limits.

The most common circumstances under which businesses are considered to be linked are:

- one business holds a majority of the shareholders' or members' voting rights in another business
- one business is entitled to appoint or remove a majority of the administrative, management or supervisory body of another
- a contract between the business, or a provision in the memorandum or articles of association of one of the businesses, enables one to exercise a dominant influence over the other
- one business is able, by agreement, to exercise sole control over a majority of shareholders' or members' voting rights in another

Businesses may also be considered as linked if they are controlled by the same directors and operate in adjacent markets.

Further guidance on what is deemed as a formal connection is provided within the guidance 'The new SME definition – user guide and model declaration' at <http://ec.europa.eu/DocsRoom/documents/10109/attachments/1/translations/en/renditions/native>.

## Who can't apply

Government departments are not eligible for any of the grants

Producer Organisations or their members under the Fresh Fruit and Vegetables Aid Scheme can't apply to receive a grant towards any items also funded by that Producer Organisation.

## If an applicant has received previous public funding

Applicants will be asked to declare whether they or any businesses they are formally linked with have received funding from EU or other public sources when they apply. Applicants will need to explain in detail what this funding was used for and whether or not it has been awarded under **agricultural or industrial de minimis** state aid. If it has, reductions may have to be made to the amount of grant that can be offered to ensure that it does not exceed the state aid permitted. Further information about state aid is available from [www.gov.uk/state-aid](http://www.gov.uk/state-aid).

Please note that Basic Payment Scheme and Countryside Stewardship payments do NOT count towards the de minimis limit. De minimis rules mean that a single undertaking can only receive up to 200,000 Euros of de minimis aid over a three year fiscal period.

Further, separate exclusions are listed under individual priorities in chapter 5.

## Chapter 3: Preparing an application

The LAG will assess your application. We're looking for evidence of a sound business case and for projects that meet our priorities for funding.

When you apply for a grant, you're competing with other applicants in the LAG area. We're looking for projects that best meet the local and national priorities for funding, and that are good value for taxpayers' money. If you can show this clearly in your application, you're more likely to get a grant.

**LEADER funding is limited and will be prioritised to applications that contribute the most to the Local Action Group's strategy, as set out in the Introduction.**

### National priorities for funding

Your project is unlikely to get a grant unless it contributes one or more of the following priorities.

<b>Create jobs</b>	Creates new, or higher-skilled, or higher-paid jobs.
<b>Grow your business</b>	Demonstrates a clear future plan to grow your business or increase its productivity.
<b>Wider benefits</b>	The project provides benefits to the wider economy in the rural area.

### How we assess applications

The application process is in 2 stages. First, you must submit an Expression of Interest (EOI) form. If the LAG approves your EOI, we will invite you to submit a full application.

Read Chapter 6 'How to apply' for more information about the process.

### EOI – what we look for

We use the information on the EOI form to check that both you and your project are eligible. Then we assess how well your project meets the local and national priorities for grants. LEADER funding aims to increase economic activity including growing businesses and creating jobs. An application will not be successful if the proposed

project simply moves activity from one place to another, or replaces similar activity at either a national or local level.

It will help your application if you explain your project clearly. Tell us exactly what you're doing, why it's good for your business, how and where you're doing it and who will benefit from it.

## Full application – what we look for

If you're invited to submit a full application, we'll ask for more information to further assess your project and your business. This table will give you an overview of what we assess.

<b>Strategic fit</b>	How well the project meets the national and local priorities for funding.
<b>Value for money</b>	How the project costs represent value for money. The amount of grant required to deliver the outcomes and outputs, including jobs. What difference grant funding will make compared to what would happen without grant funding.
<b>Need for the project</b>	Why grant funding is required for the project. There is a clearly identified market need for the project. The impact the project has on other businesses, both positive and negative.
<b>Financial health and projections</b>	The current financial viability of your business. How the project may impact on your existing business operations. How you will fund the project until the grant is claimed. How the business will benefit from the project financially.
<b>Cross-cutting themes</b>	How the project will impact the environment. How the project impacts on people who share characteristics such as race, disability, age and gender.
<b>Delivery and sustainability</b>	Whether the project will be delivered in budget and on time. That the right skills and resource are in place to deliver the project successfully. How project outputs and other benefits will be monitored and recorded. That risks to project delivery have been identified and how they will be mitigated.

## Chapter 4: Funding and costs

You can use grant funding to cover a certain percentage of project costs – some costs may not be eligible.

We encourage you to contact the North Nottinghamshire LAG team (using the details on the front cover) to discuss your project idea at an early opportunity.

### How much funding is available

The amount you can apply for depends on the size of your business, the type of project and the costs involved. The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

Grants will typically be limited to a maximum of 40% of the project's total eligible costs. However some types of projects can get higher rates – read Chapter 5 for more information about specific grants.

You can use other public money to pay for eligible costs – but only up to that maximum percentage. The remaining project costs must be paid for with money from private sources like savings or a bank loan

### Has your business already had some public funding?

When you apply, we'll ask you to tell us if you have had any funding from the EU or other public sources, and if it was awarded under 'industrial de minimis' rules or if applicable, agricultural de minimis. If so, we might need to limit the amount of the funding you can get, to comply with the EU industrial de minimis or agricultural de minimis state aid rules.

### Paying for the project

Grants are paid in stages, in arrears. They can only be claimed after the work being claimed for is finished and has been paid for. We expect you to make a maximum of 3 claims over the course of the project, and that the minimum value of each claim will be £2,500.

You must show that you have sufficient funds to pay for the project costs until you get the grant payments.

### Hire-purchase or leased items must be paid off before you claim

If you buy an item for the project using lease purchase or hire-purchase, you must own this outright before you can claim any grant money towards it.

This means that, before you claim the grant, you must:

- pay all of the instalments
- show that the title has passed to you

Otherwise you will not be able to include these costs in your claim.

Lease purchase or hire purchase may not be an option for projects starting near the end of the programme, since it may not be possible to pay all instalments before the final date for claims.

**Do not start work, incur costs or place an order before your grant agreement has been signed. This will potentially make your whole project ineligible.**

## Available grants

There are grants available for many different types of activity, but they each support at least one of the 6 LEADER funding priorities. How much funding the LAG will offer for these and details of each priority are set out in Chapter 5 of this handbook.

### Costs which are not eligible for any projects

The following are not eligible for the grants under any priority. This list is not exhaustive.

#### General costs:

- any costs incurred before the project start date shown in the grant funding agreement
- contingency costs
- the cost of getting any permissions or consents, such as planning permission
- any items which you have already had EU or other public funding for (or intend to get EU or other public funding for)
- relocation costs – if the business needs to relocate in order to expand, it can only apply for funding for the cost of the expansion
- costs associated with the provision of housing
- projects that are carried out only to meet a domestic legal requirement

#### Buildings, land and equipment costs:

- repairs and maintenance of existing buildings, equipment and machinery
- like-for-like replacement of existing items (such as buildings, equipment and machinery)
- machinery or equipment that will not be on the asset register of the business 5 years after payment of your last grant claim
- the cost of moveable fittings – like soft furnishings, beds, tables, chairs, cutlery and crockery, curtains, televisions and audio equipment, hand tools, small domestic kitchen equipment and utensils
- renewable heat and energy systems covered by the Renewable Heat Incentive (RHI) or Feed-In Tariffs (FITs)
- purchase of land<sup>1</sup>
- purchase of buildings for commercial projects



## Costs which are not eligible for any projects (continued)

### Business running costs:

- salaries and running costs for commercial projects<sup>2</sup>
- long term salaries and running costs for community or not for profit projects
- in-kind contributions (this means the value of donated work or services) such as the cost of using your own labour, vehicle and office space
- recurring licence fees, subscriptions and service charges
- computers, software and printers used in the general running of the business, like processing orders or accounts
- mobile phones
- the delivery of training activities
- consumables
- standard, non-specialised domestic vehicles, such as cars, motorbikes

### Agricultural business costs:

- standard buildings, machinery and equipment used for growing and harvesting agricultural and horticultural products
- standard agricultural or horticultural inputs like animals and crops
- the cost of agricultural production rights and payment entitlements
- setting up agricultural businesses

### Financial costs:

- bad debts
- advance payments
- insurance policy costs
- working capital
- financial charges, such as bank charges, fines and interest
- costs connected with a leasing contract, such as a lessor's margin, interest refinancing costs, overheads and insurance charges
- reclaimable VAT

<sup>1</sup>Purchase of buildings for community use **may** be eligible. In these cases, the purchase of the land on which the building stands may also be eligible, but the cost of the land cannot be more than 10% of the total project costs. Please talk to the LAG before submitting an EOI if your project involves the purchase of a building for community use.

<sup>2</sup>Some limited salary costs or running costs **MAY** be eligible in limited and specific circumstances. Eligibility of these costs will be considered on a case by case basis and will only be considered where the need is clear and linked to supporting rural jobs and growth. Please talk to the LAG before submitting an EOI if your project involves any salary costs or running costs.

To check if a cost is eligible call Jim Burley on **0115 993 9337** or  
Email: [NorthNottinghamshire.LEADERProgramme@nottscc.gov.uk](mailto:NorthNottinghamshire.LEADERProgramme@nottscc.gov.uk).

# Chapter 5: LEADER funding priorities

## Priority 1 – Support to increase farm productivity

### What the grants are for

These grants are particularly for businesses investing in innovative practices and new technologies to become more productive, economically sustainable and to create jobs.

#### LEADER funding priority 1 is made up of 4 parts:

- 1) Support to increase farm productivity by
  - a) improving the overall performance and sustainability of an agricultural holding
  - b) improving animal health and welfare
  - c) processing of primary agricultural produce to add value
  - d) investing in reservoirs and irrigation systems

### Who can't apply

Members of Producer Organisations under the [Fresh Fruit and Vegetables Aid Scheme](#) who have a grant for the same project through their operational programme document

### 1a) A project to improve the overall performance and sustainability of an agricultural holding

#### Grant funding can help pay for:

- equipment and machinery to improve the efficiency of the use of energy, water, fertiliser and other direct inputs
- equipment and machinery to reduce impacts on soils
- reducing greenhouse gas emissions
- investments to improve the management of slurry and manures to reduce the reliance on artificial fertilisers and improve the nutrient management of soils
- investments to mechanise production, increase productivity and help reduce harvest losses

## 1b) An investment in improving animal health and welfare

### Grant funding can help pay for:

- equipment to improve animal welfare and support the management and prevention of disease
- improving the early detection of diseases
- equipment and machinery to improve animal handling above 'standard equipment'

### Who can apply for LEADER funding under priority 1a) & 1b)

- farmers
- groups of farmers
- horticultural producers

### How much funding is available under priority 1a) & 1b)

The maximum grant rate is capped at 40% of the eligible project costs. The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

### Costs could include:

- the buying of new and second hand equipment
- costs related to the project such as engineer and consultant fees (as long as these don't add up to more than 15% of the project's total eligible costs)
- buying or developing a dedicated piece of computer software (but not an off-the-shelf piece of software like Microsoft Office)
- patents, licences, copyrights and trademarks

### What isn't covered: LEADER funding priority 1a) & 1b)

In addition to the list of costs which can't be claimed in Chapter 4, the tables below provide more information on whether items can be funded under 1a) and 1b).

Grants are not available for investments in usual agricultural or horticultural practices, buildings or equipment. If you are not certain whether the items that you are proposing to include in your project are usual practice in your area or sector, and they are not covered in the tables below, please contact the North Nottinghamshire LAG, who will consider:

- Whether the proposed project is usual practice in the North Nottinghamshire LEADER area
- Whether the proposed project brings about innovation or improvements in productivity or delivers other key benefits as defined above

Items which are always ineligible because they are considered usual equipment
Material handlers including forklifts and tractors with fore end loaders
Trailers, including flatbed trailers, tipping trailers, grain trailers, silage trailers, livestock trailers
Combine harvesters
Grain handling equipment including grain buckets
Crop sprayers
Mowers and mowers with conditioners
Grass rakes and turners, balers, bale lifters and elevators and bale wrappers
Buck rake
Hedge cutting and trimming equipment
All fencing and gates, fencing equipment including post drivers
Drainage equipment including drain laying equipment, mole ploughs, excavation and earth moving equipment, loading shovels and backhoe loaders
General purpose buildings, workshops and sheds for maintenance or equipment
Buildings and structures used for storage of inputs such as fertiliser, fodder, silage or bedding
Cow tracks

Items which are not eligible because they are usually considered to be usual equipment	Examples where funding may be available
Tractors, quad bikes, all-terrain vehicles	Driverless automated tractors where no operator is needed, or drone tractors
Basic GPS systems	Where GPS equipment is part of a system which automatically controls application rates (including auto shut off), and which monitors and records the amount applied
Cultivation equipment including cultivators, subsoilers, ploughs, mole ploughs, harrows, rotavators, rollers soil aerators	Robotic hoeing where the equipment can identify the crop and hoe between individual plants in a crop-row thereby reducing pesticide use
Seed drills, planters (including potato planters )	Drills which require no pre-cultivation of the soil and can operate with high volumes of surface debris without blocking thereby reducing the disturbance of the soil
Fertiliser spreader	Fertiliser spreaders capable of automatically varying the application rate through GPS and field monitoring. They must be linked to GPS with auto shut off and built in weighing facilities to provide accurate recording of application
Items which are not eligible because they are usually considered to be usual equipment	Example items that could be eligible
Crop harvesting equipment including potato, sugar beet, vegetable, fruit and salad crop harvesting	Robotic harvesting where the equipment is able to recognise when individual plants or fruits have reached their optimum and

	harvest those automatically but leave other plants or fruit to continue to grow to reach their optimum
	Specialist harvesting machines for niche crops
Forage harvesters	Equipment fitted to forage harvesters to monitor and record yield via GPS
Soil sampling and crop sampling equipment	Equipment which determines nutrient levels in the field in real time
	Systems which control the application of fertiliser by determining nutrient levels in the growing crop as they pass through the crop
On farm grain store, on farm grain dryer including cleaning	A building or dryer used as a collective store as part of a collaborative venture where joint marketing of the crop is undertaken. This needs to either include adding value or improve crop storage for example using a dry air generator
	A grain dryer that only uses a renewable energy source to provide heat for the drying for example biomass
Crop storage, including temperature-controlled storage	Controlled atmosphere storage where CO <sub>2</sub> , nitrogen and oxygen are regulated as well as controlling temperature and humidity
Greenhouses and polytunnels	The installation of thermal screens in existing or new buildings to reduce heating costs
New livestock buildings including pig and poultry buildings or structural improvements to old buildings including installation of slatted floors, concrete grooving, extraction fans and ventilation	Alterations to livestock buildings to allow installation of air scrubbers, heat exchangers, LED lighting or positive pressure ventilation systems
Yard scrapers including automatic scrapers	Robotic scrapers
Manure/slurry spreaders, slurry tankers for application of manure	Dribble bars, trailing shoes shallow injection systems
	Slurry tankers if they include all of the following; inline sensors, flow meters, adjustable flow control valves, GPS receiver, in cab monitoring and recording unit to accurately record application rates
Items which are not eligible because they are usually considered to be usual equipment	Example items that could be eligible
Slurry stores, slurry reception pits, dirty water systems	Mechanical separation of slurry which allows separation of the solid fraction of

Pumps and associated distribution pipework for handling of slurry and dirty water	slurry and so more effective use of existing storage facilities and better use of the slurry
Milking parlour	The elements of a robotic milking parlour which are not found in a conventional milking parlour
Dairy equipment including bulk milk tank, milk pumps, milk jars, automatic cluster removers, teat sprays and teat dips	Automatic cluster flushes that assist in the control of mastitis and prevention of disease
	Plate coolers only where the warm water is used elsewhere on the farm
	Variable speed vacuum pumps that reduce energy use
In parlour recording and monitoring of milk production	Monitoring milk quality to provide early warning of disease
Upgrading of cubicles or installation of new cubicles	Cow mats. Mechanical sand separation / reclaiming systems to allow the reuse of sand in cubicles
Basic footbaths	Foot baths which automatically replenish chemicals and water to maintain dilution and volume; gait analysis systems.
Basic cattle crush	Mobile and non-standard crushes. Electronic weigh systems or shedding/drafting gates linked to EID
Basic livestock management equipment for example de-horners, castrators, calving jacks, injection and worming equipment	Electronic worming equipment linked to EID and a weighing system which ensures correct dose is given to each animal
EID ear tags; rumination monitoring boluses	Collar- or pedometer based heat detection systems; EID readers linked to monitoring productivity; bolus reader systems monitoring animal health and welfare
Livestock feed preparation and rationing equipment including feed mixer wagons, mill, pelleters, mixers, feed troughs and complete diet feeders, self-locking yokes	Robotic feed preparation and robotic feeding
	Real-time monitoring of food and water consumption in pig or poultry units
	Badger proof feed troughs
Milk feeding systems for calves	Systems which automatically monitor feed intake by individual calves, mix fresh milk for each calf-visit to the feed station and clean feeding station between calves
	Colostrum pasteurisers

## 1c) A project for processing primary agricultural produce to add value

### What the grants are for

These grants are for food and drink businesses to develop and grow through investment in infrastructure, equipment and machinery. These grants are for on-farm or off-farm processing businesses that add value to an Annex I product (such as milk, meat, vegetables, fruit, grapes or cereals). Fisheries projects are not eligible.

### Who can apply

- farmers
- horticultural producers
- landowners
- micro and small processing businesses
- someone who wants to start a processing business

### Who can't apply

The following are not eligible for the grants:

- non-departmental public bodies
- crown bodies
- local authorities

### How much funding is available

The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

**If you produce Annex I products** (as listed in Annex 1 of the treaty establishing the European Community)

If both your raw materials and end products are on the Annex I list, you can apply for a grant of up to 40% of your eligible costs. [http://eur-lex.europa.eu/resource.html?uri=cellar:07cc36e9-56a0-4008-ada4-08d640803855.0005.02/DOC\\_45&format=PDF](http://eur-lex.europa.eu/resource.html?uri=cellar:07cc36e9-56a0-4008-ada4-08d640803855.0005.02/DOC_45&format=PDF).

### If you don't produce Annex I products

If your raw materials are on the Annex I list, but your end products are not, use the tables below to see how much grant funding you can apply for.

The grants will normally be awarded under industrial de minimis state aid.

## Other food processing businesses

If neither your raw materials nor your end products are on the Annex I list, you're only eligible to apply if you are a micro or small business in a rural area, or a farmer diversifying into non-agricultural activities. Please see priority 2 for details.

Raw materials in	Product out	Location of processing	Amount that can be applied for
Annex I product	Annex I product	n/a	up to 40%
Annex I product	<b>Not</b> an Annex I product	Processing on farm	<ul style="list-style-type: none"> <li>Where total grant amount is less than €200,000 then max grant rate is 40%*.</li> <li>Where grant amount is more than €200,000 then max grant rate is 20%</li> </ul>
		Processing takes place OFF an agricultural holding	<ul style="list-style-type: none"> <li>Where grant amount is less than €200,000 then max grant rate is 40%*</li> <li>Where grant amount is more than €200,000 then max grant rate is 10%.</li> </ul>

**\*Industrial de minimis state aid regulations** mean that a maximum of €200,000 (currently around £170,000) of public funds is available to an undertaking in any rolling period of 3 financial years. If you have had other public funding this may count towards the industrial de minimis aid amount and reduce the amount of money you can apply for from LEADER. Any industrial de minimis state aid received by linked businesses will count towards the industrial de minimis amount.

Basic Payment Scheme and Countryside Stewardship payments do NOT count towards the industrial de minimis limit.

### Grant funding can help pay for:

- investment in equipment, technologies or processes to develop new or higher quality agri-food products
- construction or conversion of buildings to be used for processing activities
- investments in the production and processing of non-timber forest products, particularly wild venison, including on-holding cold storage and butchery facilities



- investments in collaborative grain processing facilities which benefit a number of farmers
- food processing projects investing in equipment, technologies or processes to reduce waste

### **Costs could include:**

- constructing and/or improving buildings
- buying new and second hand equipment and machinery

The following costs are also eligible, if they form part of a larger project being funded:

- architect, engineer or consultant fees related to the project (as long as these don't add up to more than 15% of the project's total eligible costs)
- buying or developing a dedicated piece of computer software (but not an off-the-shelf piece of software like Microsoft Office)
- patents, licences, copyrights or trademarks
- landscaping, when it is 'making good' as part of a larger construction project.
- development of marketing materials, but not their production or distribution

### **What isn't covered**

See Chapter 4 for the list of costs which can't be claimed.

## 1d) Investments in reservoirs and irrigation

The aim of this priority is to improve the management of water resources on farm through investments in reservoirs or improved irrigation.

### Who can apply

- farmers
- groups of farmers
- horticultural producers

### Who can't apply

The following are not eligible for the grants:

- non-departmental public bodies
- crown bodies

### How much funding is available

The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

### Projects which increase the irrigated area

If your project increases the area of land irrigated, then either:

- the water body that you will abstract water from must be classified as in 'Good' or 'High' condition, or
- the 'Reason for Not Attaining Good' status (RNAG) does not relate to the quantity of water available

Please contact the LAG for further information on how to find out the status of a water body.

### Grant funding can help pay for:

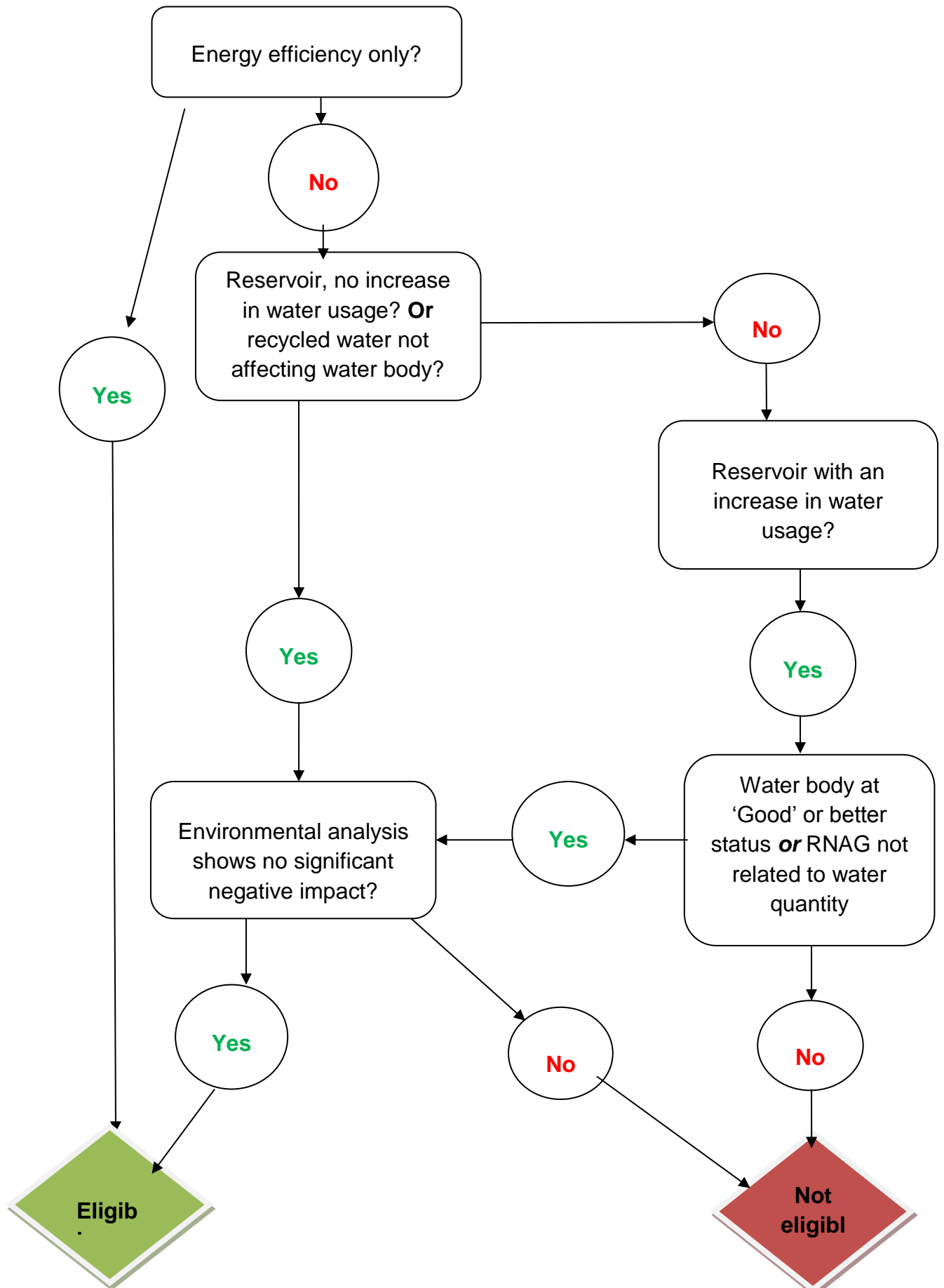
The grant can be used to pay for:

- constructing a water storage reservoir (above or below ground) for use in crop production including
  - construction of dam walls
  - synthetic liner, if needed
  - overflow / spillway
- associated infrastructure such as
  - abstraction point including pump
  - pipework to fill the reservoir
  - water meters

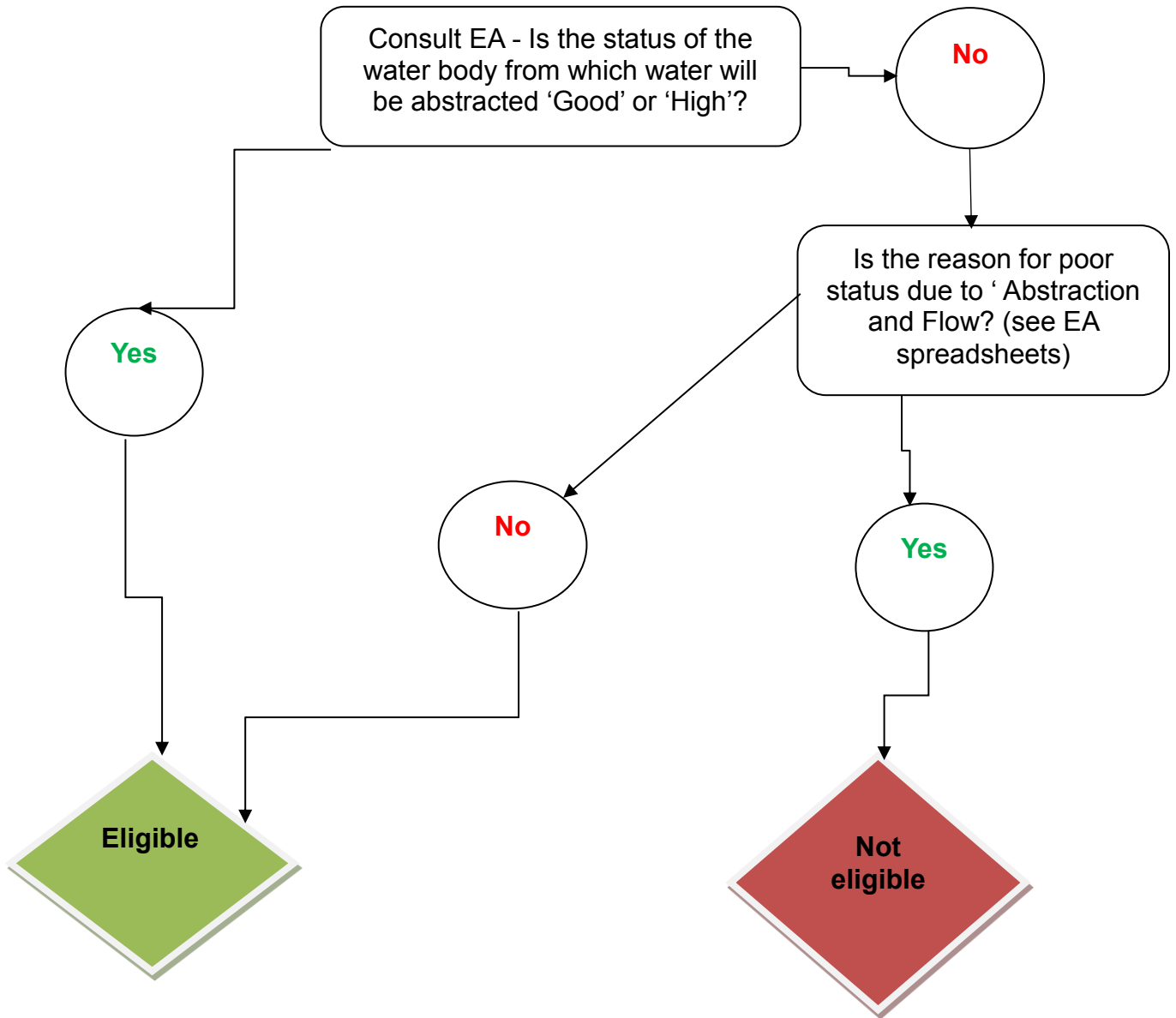
- irrigation pump(s) and controls
  - pumphouse
  - underground water distribution main and hydrants
  - filtration equipment including sand or screen filters and UV treatment
- fencing for synthetically lined reservoirs only
- best practice or innovative water application equipment such as
  - trickle irrigation
  - boom irrigators
  - software and sensors to optimise water application
- buying or developing a dedicated piece of computer software to monitor soil moisture levels and schedule irrigation (but not an off-the-shelf piece of software like Microsoft Office)
- construction engineer fees for the project (as long as these don't add up to more than 15% of the project's total eligible costs)

## Flow chart

The following flow chart enables eligibility to be determined.



If the investment leads to an increase in the water usage then use the following flowchart to determine eligibility.



## **What isn't covered**

- costs of meeting legislative requirements – for example obtaining planning consent, archaeological investigations, flood risk mapping, abstraction licences
- gutters and downpipes for rainwater harvesting
- the cost of moveable fittings – like metal over ground irrigation pipes
- hose reels
- generators
- rain guns
- landscaping – unless it is part of 'making good'
- jetty, fishing stage

## **Are panel engineer fees eligible?**

Construction engineer fees (if incurred after a Grant Funding Agreement is signed) are potentially eligible but fees for supervising engineers and inspecting engineers are not eligible.

## Priority 2 – Support for micro and small businesses (non-agricultural) and farm diversification

### What the grants are for

Funds under this priority will be used to provide grants for:

- developing or starting rural micro and small businesses
- farm diversification projects for example
  - agricultural contracting services using technologies eligible under priority 1a or 1b
  - farm shops

### Who can apply

These grants are for:

- people who want to start a business in the LAG area
- farming or horticultural businesses that want to diversify into non-farming or non-horticultural activities
- micro and small businesses including social enterprises in the LAG area.

### Who can't apply

The following are not eligible for the grants:

- non-departmental public bodies
- crown bodies

### How much funding is available

In this priority grants to commercial projects intended to make a surplus are awarded under industrial de minimis state aid rules\* and to a maximum of 40% of the project's eligible costs. The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

**\*Industrial de minimis state aid regulations** mean that a maximum of €200,000 (currently around £170,000) of public funds is available to an undertaking in any rolling period of 3 financial years. If you have had other public funding this may count towards the industrial de minimis aid amount and reduce the amount of money you can apply for from LEADER. Any industrial de minimis state aid received by linked businesses will count towards the industrial de minimis amount.

Basic Payment Scheme and Countryside Stewardship payments do NOT count towards the industrial de minimis limit.

### **Grant funding can help pay for:**

- starting a new business
- developing an existing business
- diversifying into non-agricultural or non-horticultural activities

### **Costs could include:**

- constructing and/or improving buildings
- buying new and second hand equipment and machinery

The following costs are also eligible, if they form part of a larger project being funded:

- architect, engineer or consultant fees related to the project (as long as these don't add up to more than 15% of the project's total eligible costs)
- buying or developing a dedicated piece of computer software (but not an off-the-shelf piece of software like Microsoft Office)
- patents, licences, copyrights or trademarks
- landscaping, when it is 'making good' as part of a larger construction project
- development of marketing materials, but not their production or distribution

### **What isn't covered**

See Chapter 4 for the list of costs which can't be claimed.



## Priority 3 – Support for rural tourism

### What the grants are for

The aim of this funding priority is to support projects that will encourage more tourists to come, to stay longer and to spend more money in rural areas.

### Who can apply

Type of project	Examples (these are illustrations only)	Who can apply
Commercial, profit-making project	<ul style="list-style-type: none"> <li>• Tourist attractions</li> <li>• Accommodation</li> <li>• Retail outlets</li> <li>• Food and drink outlets</li> </ul>	<ul style="list-style-type: none"> <li>• Small and micro businesses, including social enterprises</li> <li>• Farmers wanting to diversify into tourism</li> <li>• Charities</li> </ul>
Makes some income to offset costs but is not intended to make a profit	Museum or cultural space, festivals promoting local food or crafts	<ul style="list-style-type: none"> <li>• Rural businesses, including social enterprises</li> <li>• Farmers</li> <li>• Land-owners</li> <li>• People or groups representing rural communities</li> <li>• Charities</li> <li>• Public bodies</li> </ul>
Generates no income	Free tourist attractions, for example local landmarks, trails and signage	<ul style="list-style-type: none"> <li>• Rural businesses, including social enterprises</li> <li>• Farmers</li> <li>• Land-owners</li> <li>• People or groups representing rural communities</li> <li>• Charities</li> <li>• Public bodies</li> </ul>

## How much funding is available

The amount of funding you can get depends on whether or not the project is commercially run and intended to make a profit. The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

These grants can fund a wide range of projects that provide products and services to tourists. Who can apply depends on whether or not the project is profit-making and commercially run.

Type of project	Maximum percentage
Commercial, profit-making project (such as a tourist attraction)	up to 40%
Makes some income to offset costs but is not intended to make a profit (such as small buildings for tourist information; festivals)	up to 80%
Generates no income (such as a new cycle path)	up to 100%

**\*Industrial de minimis state aid regulations** mean that a maximum of €200,000 (currently around £170,000) of public funds is available to an undertaking in any rolling period of 3 financial years. If you have had other public funding this may count towards the industrial de minimis aid amount and reduce the amount of money you can apply for from LEADER. Any industrial de minimis state aid received by linked businesses will count towards the industrial de minimis amount.

Basic Payment Scheme and Countryside Stewardship payments do NOT count towards the industrial de minimis limit.

## Grant funding can help pay for:

- Tourist attractions and activities including
  - developing events and festivals promoting local products
  - developing culture, leisure, heritage, visitor activities or attractions and the marketing and signposting of these
  - supporting niche products linked to quality local food, culture, sport heritage and rural crafts
- Developing tourism infrastructure including
  - access infrastructure to help people connect to the natural environment such as paths and cycle-ways

- small buildings for tourist information centres, visitor centres, shelters and signage and interpretation boards.
- developing innovative technology that enhances collaboration between businesses and provides information to attract visitors.
- Developing quality accommodation if there are clear wider benefits to the local tourism economy and if activities do not displace existing accommodation
- Providing benefits to the wider tourism economy in the rural area for example supporting shops, catering services, restaurants and cafes

### **Costs could include:**

- constructing and/or improving buildings
- buying new and second hand equipment and machinery

The following costs are also eligible, if they form part of a larger project being funded:

- architect, engineer or consultant fees related to the project (as long as these don't add up to more than 15% of the project's total eligible costs)
- buying or developing a dedicated piece of computer software (but not an off-the-shelf piece of software like Microsoft Office)
- patents, licences, copyrights or trademarks
- landscaping, when it is 'making good' as part of a larger construction project
- development of marketing materials, but not their production or distribution
- capital costs involved in supporting events and festivals
- short term salaries associated with project development

Purchasing of buildings for community use where the project is not intended to make a profit **may** be eligible. Please talk to the LAG before submitting an EOI if your project involves the purchase of a building for community use.

### **What isn't covered**

In addition to the list of costs which can't be claimed in Chapter 4, salaries and office overheads of staff employed to run events and festivals are not eligible under this priority.

## Priority 4 – Provision of rural services

### What the grants are for

These grants are for projects that grow the local economy by improving rural communities, particularly in terms of access to services and the provision of infrastructure. They could include the development of community buildings, public spaces, or cultural or tourism amenities.

### Who can apply

These grants could be for:

- new or existing micro or small businesses
- rural community organisations
- charities
- public or private entities working in partnership with small and micro business and rural community groups
- local authorities in exceptional circumstances, where for example the project outcomes are enhanced by their inclusion, or the local authority can show that the project and the funding required is in addition to their statutory requirement to provide rural services

### How much funding is available

The amount of funding you can get depends on whether or not the project is commercially run and intended to make a profit. The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

Type of project	Maximum percentage
Commercial, profit-making project (such as a transport or social care service operating commercially)	up to 40%
Makes some income to offset costs but is not intended to make a profit (a community hall where any income covers only operating costs and maintenance)	up to 80%
Generates no income (playgrounds, transport services where there is no charge made for the service)	up to 100%

**\*Industrial de minimis state aid regulations** mean that a maximum of €200,000 (currently around £170,000) of public funds is available to an undertaking in any rolling period of 3 financial years. If you have had other public funding this may count towards the industrial de minimis aid amount and reduce the amount of money you can apply for from LEADER. Any industrial de minimis state aid received by linked businesses will count towards the industrial de minimis amount.

Basic Payment Scheme and Countryside Stewardship payments do NOT count towards the industrial de minimis limit.

## **Grant funding can help pay for:**

- projects that develop towns and villages in rural areas and their rural services
- projects that involve visits to farms for educational purposes so that the public has a greater understanding of the countryside and rural areas
- creation, improvement or expansion of small-scale village infrastructure, including amenity buildings and village access (for example footpaths)
- developing village infrastructure and access to key services, which may include tourism projects that increase services for the local community and contribute to village renewal
- setting up, improving or expanding essential services (for example transport) for the local community.

## **Costs could include:**

- constructing and/or improving buildings
- buying new and second hand equipment and machinery

The following costs are also eligible, if they form part of a larger project being funded:

- architect, engineer or consultant fees related to the project (as long as these don't add up to more than 15% of the project's total eligible costs)
- buying or developing a dedicated piece of computer software (but not an off-the-shelf piece of software like Microsoft Office)
- patents, licences, copyrights or trademarks
- landscaping, when it is 'making good' as part of a larger construction project
- development of marketing materials, but not their production or distribution

Purchasing of buildings for community use where the project is not intended to make a profit **may** be eligible. Please talk to the LAG before submitting an EOI if your project involves the purchase of a building for community use.

## **What isn't covered**

In addition to the list of costs which can't be claimed in Chapter 4, the provision of broadband infrastructure is not eligible under this priority.

## **Priority 5 – Support for cultural and heritage activity**

**The North Nottinghamshire LAG has decided not to fund projects under this priority.**

## Priority 6 – Support for increasing forestry productivity

### What the grants are for

These grants are for projects that increase forestry productivity. The aim is to:

- increase economic return through more efficient felling and extraction
- add value to felled timber by primary processing
- deliver permanent new supply chains and jobs
- restore regular management to local woods

### Who can apply

Private forest holders and micro, small or medium-sized forestry contractor businesses can apply under this funding priority.

You'll need to send us a copy of your woodland management plan if you are a private forest holder with more than 10ha of woodland.

Private forest holders of forests less than 10ha cannot apply for funding solely for their own forest holdings under this priority, but could apply if they will be working as contractors on other holdings too.

### Are you a private forest holder?

A private forest holder has the legal right to manage the forest land of either private or public ownership.

### Check the size of your forestry contractor business

The size of the forestry contractor business depends on the number of full-time equivalent (FTE) employees it has and its financial performance.

The table in chapter 2 shows what qualifies as a micro, small or medium business.

### Who can't apply

The following are not eligible for grants under this priority:

- non departmental public bodies
- Crown bodies
- forestry contractor businesses classed as large – check the size of your business using the table in Chapter 2
- businesses not specifically engaged in forestry contracting such as landscape gardeners, tree surgeons and arboriculturalists, although such businesses may be eligible under priority 2.

## How much funding is available:

The minimum grant that can be applied for is £5,000. The maximum grant amount will typically be €200,000, which is approximately £170,000, depending on prevailing currency exchange rates.

The grants can only fund up to 40% of eligible costs.

## Grant funding can help for:

- machinery and equipment to harvest and extract timber
- investments that add value to felled timber by primary processing
- the costs of developing wood-fuel supply chains
- transportation of wood within a forest by specialised forestry equipment, excluding standard transport activities

## Costs could include:

Eligible items	Comments
Timber processors and harvesting heads for primary processing of felled trees	Forestry equipment must meet all Health and Safety Executive guidelines on rollover, operator and falling objects protection.
Winches and associated equipment for extraction (including skyliners)	
Tractor or trailer mounted Cranes designed for extracting timber from woodland.	
Skidders – these must be used in line with UK Forestry standards	
Tractor-mounted forestry grabs or tongs	
Forwarders (log-moving vehicles)	
Trailers designed specifically for hauling timber or logs	
Forestry tractors	Forestry guarding must be factory or dealer fitted and meet CE standards.
Crane-fed wood chippers	The equipment must be able to produce woodchip that meets European chip size standards for biomass heating systems
Trommels or other types of chip-screening equipment	
Mechanical log splitters, Firewood processors and kindling machines	
Log decks, log lifters, conveyors, bagging chutes and bagging or bundling machines	
Mobile saw bench or mobile saw mill	



Covered areas and associated hardstanding for processing, storing and seasoning timber or woodchip; including solar kilns	Buildings must be constructed in accordance with BS5502 and fabricated steelwork must meet CE standards
Moisture meters	
Force drying systems	
Equipment for creating fencing material	The machine must be able to convert felled timber into round and half round fencing posts
Equipment for applying preservative	Equipment must be able to apply preservative at cellular level using vacuum and high pressure

It's your responsibility as an individual operator or employer to ensure that any forestry machinery or equipment is operated in accordance with relevant Health and Safety legislation and felling licences, and that any buildings meet relevant construction standards.

## What isn't covered

In addition to the list of costs which can't be claimed in chapter 4 the following costs are not eligible under this priority:

- large scale or industrial processing undertaken by static machinery with an annual processing capacity that is more than 10,000m<sup>3</sup> (excluding firewood processors producing logs)
- construction of hardstanding areas in forests
- construction of woodchip stores to service on site biomass heating systems
- wood-fired boilers
- standard or small scale tractors
- all-terrain vehicles
- tipping trailers
- flatbed trailers
- box trailers
- items required for brashing and ride-clearance
- standard forestry equipment (including chain saws, strimmers, brush cutters and other hand tools) and consumables (including safety equipment and clothing)
- investments in woodland creation or the management of woodland itself
- the preparation of woodland management plans

## Chapter 6: How to apply

What you need to do to begin your application and an overview of the information you must provide.

The application process is in 2 stages. First, you must submit an 'Expression of Interest' (EOI) form. If we endorse your EOI, we will invite you to submit a full application.

### The Expression of Interest (EOI) form

For an EOI form contact the North Nottinghamshire LAG using the details on the front cover of this Handbook

On the EOI, you'll need to give us some information about your business, including:

- whether it's linked to any other businesses
- turnover and balance sheet total from the most recent financial accounts
- details of any previous public funding your business has had

You'll also need to tell us about your project:

- what the objectives are and what the outputs will be
- an overview of the costs
- important dates for the project
- how it fits with the local and national priorities for funding
- the market demand for your project and its impact on similar businesses

### How to submit your form

Email your EOI to **NorthNottinghamshire.LEADERProgramme@nottsc.gov.uk** . We can only accept forms that are:

- sent by email
- Microsoft Excel documents saved in the 1997-2003 XLS format

We cannot accept EOI forms in any other format – including PDF documents, scanned documents, hard copy printed applications or hand-written applications.

Email your EOI from the email address you specify in section 3 of the EOI form. If an agent sends the form on your behalf, that address must be copied into the email.

Provide an email address that you monitor regularly. We will use the email address you put in section 3 of the form as our main way of contacting you.

### What happens after you submit your EOI

After you submit the form, you'll get an email to say we have received it. We will then assess your EOI and let you know whether or not you will be invited to submit a full application.

## **If an application is unsuccessful**

If your application is unsuccessful at EOI or full application, we will send you a letter with the reasons.

To find out how to appeal against the decision, contact: Nottinghamshire LEADER Programme Manager, Economic Development, Place Department, Nottinghamshire County Council, County Hall, West Bridgford, Nottingham NG2 7QP.

## **Full application**

**Being invited to submit a Full Application is no guarantee of grant funding.**

If the EOI Application is successful, applicants will be sent a Full Application form with a deadline for when it needs to be submitted together with all of the supporting information.

Before you send us your full application, you must be registered on the RPA's [Rural Payments service](#) and have a Single Business Identifier (SBI) number that matches the business details on your application.

The Full Application form asks for more detail about the project - building on the information given at the EOI stage.

It will also ask if there have been any changes to the project since the EOI Application, what they are and how they will enhance the project. **Please note that if there are significant changes to the project a revised Expression of Interest Application may be required before proceeding.**

After the form has been submitted, the applicant will receive an acknowledgement by email within 5 working days. The North Nottinghamshire LAG team will check the form to make sure that it includes all the right information.

If any information is missing, the form will be returned to the applicant and the LAG will ask them to return it with the missing information, giving a timescale for when the missing information is needed by. If the detail requested isn't received within this timescale, the application could be rejected.

## **Evidence to send with a Full Application**

Applicants need to send the following with their Full Application form:

- catalogue listings or quotes for all items of expenditure
- an explanation of how the project will be funded and confirmation of match funding;

- financial accounts for the applicant’s business;
- any permissions, consents and licences required for the project;
- supporting case studies, market research or feasibility studies;
- evidence of project team’s experience and capacity to deliver;
- any relevant photographs, architect’s drawing or plans; and
- proof of tenancy (if applicable).

Read more about these below.

### Quotations for items of expenditure

Applicants need to send quotes, references to webpages or catalogue listings that prove they’ll get the best value when buying goods and services that they intend to claim for.

This table explains how many quotes, catalogue or webpage references are needed, depending on the value of each item. (These thresholds are based on what the applicant will actually pay – so if they are VAT registered and able to reclaim VAT, it will be the net price of the item; if they have proved that they are not VAT registered and will be claiming irrecoverable VAT as part of the project, it will be the gross cost i.e. net + VAT)

Value of item or service	How to show value for money
£1,500 or less	2 quotes or references to 2 catalogue listings (including online suppliers)
£1,501 to £10,000	3 quotes or references to 3 catalogue listings (including online suppliers)
£10,001 - £50,000	3 quotes or 2 quotes and a reference to a catalogue listing (including online suppliers)
£50,001 or more	3 quotes

## Quotes Requirements

**All catalogue listings, webpages or quotes will be scrutinised to make sure that they are genuine and independent of each other. The submission of fraudulent information is a criminal offence and could result in prosecution.**

All submitted prices, whether catalogue listings, webpages or quotes must come from:

- different suppliers that trade as standalone businesses and are not linked through shared ownership; and
- a business that's independent from the applicant or their business.

They must be:

- for items that are comparable to each other in terms of quality, size, quantity, units and specification;
- from the last 6 months and still valid; and

References to catalogue listings or web pages should be print-outs or photocopies. They should include:

- the date when they were printed or copied;
- the item description and the price;
- the name of the company or catalogue; and
- the page number or webpage address

Quotes must include:

- a detailed and itemised breakdown of costs;
- the supplier's address, telephone number;
- the supplier's company registration number (if they are a limited company).

It is also preferable for quotes from VAT registered suppliers to include the VAT number. If this isn't possible then applicants will be asked to provide the VAT number separately.

Quotes must be

- put together by suppliers within an identified timeframe and follow a detailed and itemised specification provided by the applicant
- made out to the applicant business - online quotes should also be addressed to the business.

The RDPE Programme requires applicants to get the best value for money for any equipment, so applicants will need to give a detailed justification if they haven't used the cheapest quotes. Quotes may be checked against market rates.

The following reasons will not be accepted as sufficient justification for why the applicant has not used the cheapest quote:

- the location of the supplier;
- the fact they have bought from a supplier before; or
- any offers the supplier makes about future service or maintenance of equipment.

If applicants provide fewer than the number of quotes specified in the table above, **they will need to demonstrate that there are no other alternative suppliers available, either domestically or globally** and that the quote selected represents value for money and is fit for the purpose of the project.

### **Financial accounts**

Applicants must send copies of accounts for the business or organisation applying for the grant. These must include all of the following:

- title and introduction pages;
- profit and loss statements;
- balance sheets; and
- any account notes pages.

For applications for grants of less than £35,000, copies of financial accounts are needed for the last 2 years. For applications for grants over £35,000, copies are needed for the last 3 years.

New businesses that don't have accounts covering the 2 or 3 years required must send one of the following:

- draft accounts;
- latest tax returns;
- management accounts; or
- an opening statement from an accountant or business adviser that includes expected income and operating expenses.

Self-employed businesses that don't have accounts covering the 2 or 3 years required must send one of the following:

- draft accounts;
- latest tax returns;
- management accounts;

### **Permissions, consents and licences**

If a project needs specific permissions, consents and licenses for the proposals to go ahead, the applicant must send confirmation that they are in place with their application. This includes:

- <sup>^</sup>planning permission – applicants should talk to their local authority to find out if this is needed; and
- environmental consents such as an abstraction licence from the Environment Agency;
- any other permission required for the project.

*<sup>^</sup>Note - If the applicant's local authority confirms that full planning permission for a building is not needed, written proof of this should be included with the application.*

## **Proof of tenancy**

If the activity involves investments in immoveable assets and the applicant is a tenant, the landlord's written permission to the improvements must be obtained where this is a condition of the tenancy. In addition the applicant must provide written evidence of the tenancy agreement, including the duration of the agreement remaining if it is a fixed term arrangement.

Applicants with oral tenancies should ideally provide written evidence from their landlord confirming that they have security of tenure for at least 5 years. If this is difficult then evidence of rent payments and/or estate correspondence and/or other documentation such as subsidy claims to show that they have occupied the land/premises since before 01/09/1995.

It is the applicant's responsibility not to make any substantial changes to the assets or how they are used, and continue to use them for the purpose described in the application, for at least 5 years after receiving the final payment. In the event that the tenancy agreement ends within the 5 year period and is not renewed on substantially the same terms as the previous agreement, the applicant must contact the LAG as it may be necessary to repay some or all of the grant monies received. This will be explained in more detail, if relevant, when a grant funding agreement is sent out.

For evidence of the tenancy agreement, applicants must send a copy (not original documentation) of the tenancy agreement sections that show:

- the holding address;
- tenant;
- landlord;
- signatures; and
- for fixed term agreements, the tenancy term.

The LAG may request to see a copy of the full tenancy agreement.

## **How Full Applications are assessed**

The LAG may need to contact the applicant to discuss the application or to ask for more information and may spend more time assessing larger or more complex projects. In all cases the LAG will contact the applicant to provide an estimated timescale for their decision.

Full Applications will be assessed and scored against a range of selection criteria including those set out below.

### **Strategic fit: how the project fits with the priorities for LEADER funding**

The assessment will determine how well and to what extent the project will:

- meet the eligibility criteria;
- deliver against one or more of the LEADER group's priorities set out at the start of this handbook; and
- benefit the rural economy.

### **Need for the project: the problem the project is seeking to address**

The LAG will assess the extent to which the project may displace economic activity undertaken by other businesses. It will also check facts, assertions and evidence relating to this that the applicant provides in support of the application.

The application will need to show:

- there is a need for the project and this has been clearly identified;
- the project outcomes which best address the needs of those the project is seeking to be of benefit to; and
- the impact the project has on other businesses.

### **Financial performance: the viability of the underlying business and the proposed project**

The application will need to show:

- how the delivery of the project may impact the existing business operations (if the application is from an existing business), including the ability to fund the total costs of the project until the grant is reclaimed; and
- how the business will benefit from the project.

### **Value for money and the need for public funding: to what extent does the project proposal offer good value for money?**

The application will need to show:

- that competitive quotes have been sought and costs represent value for money;
- the amount of grant required to deliver the outcomes and outputs, for example cost per job;
- that other options have been considered;
- what difference grant aid will make when compared to what would happen without grant aid; and
- that supporting the project won't harm other similar businesses.

### **Project Sustainability and Impacts: Economic, Social and Environmental Sustainability and impact of the project**

The application will need to show:

- how the project will continue to benefit people after funding comes to an end. Projects should be sustainable, and not dependent on future public funding; and
- how the project will affect the environment and/or community groups within the area
- that the project does not disadvantage anybody in terms of ethnicity, disability, age and gender.

### **Delivery approach and how the project can be successfully delivered on cost and on time**

The application will need to show:



- that the proposed project manager has the skills and resources to deliver the project successfully;
- that the necessary permissions are in place, for example planning permission; and
- how the project can show how successful it has been.

### **Risk: have risks to delivering the project been identified**

The application will need to show:

- that the risks that have been identified are relevant to the size, scale and scope of the project and to the business / organisation in carrying out the project; and
- how these risks will be mitigated.

### **The final decision**

The North Nottinghamshire LAG's decision-making panel meet every 4 to 6 weeks. They will decide if a Full Application is successful and if a grant offer can be made.

For an application to be considered at a panel meeting, the completed Full Application will need to be received by the North Nottinghamshire LAG at least 8 weeks before an appropriate panel meeting date.

The North Nottinghamshire LAG will let applicants know whether or not they have been successful.

### **If you are offered a grant**

If the Full Application is successful and a project is approved for funding, the LAG will send the applicant a grant funding agreement to be signed by an authorised officer of the organisation. It will explain when work can start on the project and the terms and conditions.

The Grant Funding Agreement (GFA) will set out the legal terms and conditions of the grant, including:

- the amount of the grant
- the outputs we've agreed for your project
- which suppliers you're using

If you need to change anything in the grant funding agreement over the course of the project, you need to get written agreement from us first. If not, we could terminate your agreement and reclaim any grant we've already paid.

If the applicant can meet all the timings and the terms and conditions of the grant funding agreement, they must return a signed copy of the grant funding agreement within 30 working days of the date of issue. If they don't, the funding offer will expire.

The LAG will arrange a meeting or telephone call with each successful project to talk through the grant funding agreement in detail, in particular about how to claim the grant.

## **Start date**

There will be no payments for any work carried out before the start date.

Applicants must not start work, make any deposits, order or buy anything for a project until they have received a grant funding agreement from the LAG with an official start date. If they don't wait for the official start date, the LAG will withdraw the grant offer.

## **Meeting the terms of the grant funding agreement**

Applicants must meet the terms set out in their grant funding agreement. If they don't, the LAG may:

- withdraw the grant;
- apply a penalty by deducting payment from a grant; or
- work with the RPA to recover some - or all - of any grant monies already paid.

## **How to claim a grant**

The LAG will send a claim form to the successful applicant, including instructions about what to do next.

Applicants must fill in the claim form and return it with:

- invoices that match the costs and suppliers stated in the grant funding agreement;
- bank statements or other evidence to confirm that these invoices have been paid in full;
- photographs of the project, activity or equipment;
- a list of all the items (an asset register) they received a grant for; and
- a progress report explaining what they have done so far and any delays.

Any items which an applicant is going to claim a grant for must be installed and operational before a grant claim is submitted for those items.

If submitting multiple claims the payment schedule will be set to ensure that the final payment of grant is at least 15% of the total grant award. This is so that the LAG can make sure the project is completed before paying the final grant.

If a check finds that the value of the costs included in an applicant's claim exceeds the amount that is actually eligible for inclusion in the claim by more than 10%, then unless the applicant can demonstrate that they are not at fault, a 2 stage reduction is applied to calculate the amount that is paid for that claim.

<b>Stage 1</b>	the claim is reduced to the total value found to be eligible
<b>Stage 2</b>	the final amount from stage 1 is further reduced by a figure equal to the difference between the total claimed and the amount found to be eligible.

In practice this results in a reduction to the claim payment of twice the amount that was found to be ineligible. The total amount that can be deducted in this way is capped at the value of the grant awarded.

## Site visits and inspections

A variety of bodies are entitled to inspect projects and project documentation at any time with a minimum of advance notice. Notice will normally be at least 48 hours in advance although in some circumstances it may be less. As well as LAG officers, these bodies include RPA, the National Audit Office, European Commission and European Court of Auditors.

In an inspection, they'll check that projects are meeting or have met all terms, conditions and timings from the grant funding agreement.

Applicants must co-operate fully at any inspection. This is a condition of the funding agreement.

## Publicising the grant

The European Union requires that grants are publicised. The requirements will be set out in the grant agreement letter.

Successful applicants will be required to:

- mention the grant in any press releases, online communications and websites; and
- display a plaque or billboard, depending on the amount of funding received and the type of investment, including EU logos. Projects receiving funding in excess of €50,000 of grant will be required to display a plaque and those receiving in excess of €500,000 will be required to erect a billboard.

Non-compliance with publicity requirements is a breach of the funding agreement and may result in the grant claim being reduced, withdrawn or reclaimed. **Applicants must cover the cost of publicising the grant from their own funds. This cannot be included in claims for grant reimbursement.**

## Changes during the grant period

The applicant is expected to use the grant money to buy items as specified in the application and grant funding agreement. During the grant period, exceptional circumstances may arise where applicants need to change elements of a project. They must inform the LAG in writing immediately and where appropriate seek a contract variation, which should be agreed before any changes are made.

Applicants must inform the LAG about any changes to a project, for example:

- changes to use of buildings, equipment or any other assets bought with the grant;

- disposing of or selling any of the assets;
- closing, selling or transferring the business that's associated with the grant.

This applies during the project and for five years after the payment of the final claim. Agreement to an amendment is not automatic and if the applicant goes ahead with a change that the LAG does not agree to, there may be an obligation to repay the grant or the LAG may withhold part or the entire remaining grant.