

Defra Consultation: Rural Development Programme for England 2007 - 2013 Devon County Council Response

Devon County Council welcomes the opportunity to comment on Defra's consultation.

Set out below are the County Council's responses to the questions relevant to its functions.

Background - The proposed four core principles for the strategy for the next England Rural Development Programme

Question 1. Do you agree with these 4 principles. If not please suggest alternatives?

Principle i

- We agree that the programme should be focused on those strategic priorities already identified providing that they are all up to date and still relevant. Some of the priorities in the SFF strategy may need refreshing or refocusing – particularly where they have been addressed through projects following production of the strategy in 2002, or in response to new regulations etc.
- We would question the complementarity between principles i and ii in terms of supporting existing priorities while at the same time seeking to achieve a 'distinctive and significant difference'.

Principle ii

- We would like to see greater flexibility and relevance in the way that improvements are measured than in previous schemes, particularly those managed by Regional Development Agencies. Measurement in terms of outputs such as 'jobs created' or 'new businesses' is not always appropriate. We would like to suggest an equal emphasis on using social and environmental outcomes to measure success, which for some rural development projects will have a more significant, if indirect, impact on the local economy.
- The second point refers to '**significant need**' and we would like clarification over exactly what this means and what the criteria for measuring or judging need will be. This is linked to our comments on the lagging areas under Question 13.
- We agree with the last point regarding no duplication; however there does need to be scope for match funding of projects with some other (non-EU) programmes, otherwise it will be difficult for projects to use the Rural Development Programme to part fund initiatives. It would help clarify the situation to understand what the intervention rate of this fund will be and what is the upper funding limit for any one project. For local projects on a larger scale than the upper limit of funding allows for through this programme, some match funding from other government sources may be necessary to enable implementation.
- With regard to the last point, the term '**reasonable cost**' needs to be quantified as a percentage of the fund to pay for administration. Where possible, delivery should be undertaken through existing sub regional LEADER +, Rural Renaissance or Local Area Agreement partnerships, under the guidance of sub regional strategies such as the Devon Rural Strategy and Community Strategy or local community plans where appropriate.

Principle iii

- We agree that a commitment to Environmental Stewardship needs to be maintained; however, we have concerns about this continuing at a level which leaves insufficient resources available to adequately support much needed change and diversification in the countryside. We feel that the percentage going towards Stewardship should be nearer 60% than the proposed 80%.

Principle iv

- We agree that the flexibility to respond to local needs, characteristics and priorities is particularly important if the programme is to be used effectively.

Question 2. Are there any other overarching principles that should apply?

- We would like to see reference to the recognition of good practice and roll out of this where applicable. Such a principle would encourage new thinking and exchange of ideas between different areas, and recognise that there is value in replicating solutions which have already been proven, to ensure the continuation of current successes and improved governance arrangements.

Proposals for complementing and coordinating with other EU funding instruments

Question 4. Do you agree with the proposals for ensuring that Rural Development spending complements other policies and funding streams, in particular the EU Structural Funds and the European Fisheries Fund?

- We agree that Rural Development spending should complement other policies and funding streams, in particular the Lisbon and Goteborg agendas.
- Under paragraph 23 we feel that the phrase 'where this support cannot be provided elsewhere' needs to be clarified – otherwise it could end up being a source of conflict for projects on whom the onus will be to prove that they cannot access support from any other sources whereas it should already be clear at a strategic level which funds cover which types of project. This also relates to our comments under Principle ii, that there should be scope for match funding with some other non EU programmes, otherwise projects at a large scale will find it difficult to put together funding packages for their initiatives.
- We have a concern that if the Rural Development Programme will be primarily used for local activity and Structural Funds used for more strategic activity, then there will be some levels of work – for example the support of food producer networks on an Area of Outstanding Natural Beauty or District area - which will slip between the two funds. We would welcome clarification on how potential ambiguity over this type of issue will be prevented. A solution would be to use LEADER+ networks to deliver those elements of each fund which are focused at local level, and Local Area Agreement and Rural Renaissance partnerships for county level delivery of both funds to more strategic projects and initiatives.
- Following on from the last point – would there be any scope to integrate different funds with similar aims or for Regional Development Agencies to pre match fund Theme 3? If this fund is to be principally for local activity then the decision making process should also be at this level (potentially through the LEADER+ process) and there should be compatibility with county wide Local Area Agreement and Rural Renaissance objectives and priorities.

Theme1: Enhancing the Environment and Countryside

Question 5. Do you agree that the challenges and priorities listed under this theme are the right ones for the programme?

- We are generally supportive of the challenges and priorities listed under the Enhancing the Environment and Countryside Theme, although a number of additional items for consideration are identified below, and in our response to Question 6.
- With reference to the last point under paragraph 40 regarding the under-utilisation of hardwood timber in the UK, we suggest that this is due to high costs of harvesting and poor market returns which would be difficult to address through this programme alone.
- Challenge iv needs to be closely linked to the Agri-environment Schemes which support access to the countryside for leisure and education.
- With reference to paragraph 41 iii: the environmental benefits achievable through even the existing ES are still capable of expansion. In particular there are problems in using the very incomplete Schedule of Ancient Monuments as a proxy for 'importance' in the identification and targeting of archaeological sites, while the points allocations for permanent grassland differentiate very little between those offered for grassland protecting earthwork or buried

archaeological sites and that which does not. This is one of the most important dimensions of the Environmental Stewardship, and represents the best and most sustainable long-term conservation of the archaeological resource.

- We would express our concern on ELS that the continuing problems in providing adequate baseline environmental mapping to farmers – and in particular the extensive information on the archaeological resource available from Historic Environment Records, which contain very much larger amounts of information than national level sources - meaning that opportunities for very positive and urgent management of elements of the historic environment are being missed. This is partly a function of the wider problems of the mapping provision for Entry Level Stewardship and partly because DEFRA and the local authorities still need to develop protocols for the provision of this information, but, after the great efforts put in by local authority archaeological services in the pilot phase of the development of Entry Level Stewardship, we find the subsequent lack of progress to be very disappointing. This results in both a reduction in the overall benefits currently being provided by Environmental Stewardship, and also a limitation in the opportunities for positive management made available to the individual farmer.

Question 6. If not, what is missing or superfluous? (please provide evidence for any suggested answers to this question)

- Existing programmes such as LEADER+ and the emerging Sustainable Development Funds appear to have been very successful in supporting the conservation of the national landscape designations, especially in developing links with their rural communities and we would like to see this continue as a priority of the Rural Development Programme and for the importance of national landscapes to be recognised..
- The combination of LEADER+ Local Action Group with Area of Outstanding Natural Beauty Partnerships, as in the Blackdown Hills, has been particularly successful in raising awareness and helping to link public spending programmes. Early indications are that funding levels for the Sustainable Development Fund may fall in the current year and we would urge that this be reviewed.
- One additional topic which should be identified as a further priority is the conservation of geodiversity (i.e. geological conservation). Whilst the significance of this topic has been recognised in relation to land-use planning through the recent publication of Planning Policy Statement 9 (from the Office of the Deputy Prime Minister) on Biodiversity and Geological Conservation, this same recognition is long overdue through the Rural Development Programme. The conservation of geological features is of importance not only to scientific understanding and educational use, but can contribute significantly to the maintenance of locally distinctiveness landscapes and can underpin economic activity through the rapidly expanding field of 'geo-tourism'. Clear evidence of the potential significance of this topic and the value of investing in geological conservation is available through the experience of the Dorset and East Devon World Heritage Site (the Jurassic Coast).
- Opportunities to secure environmental gains by woodland creation are perhaps not stated sufficiently clearly. In addition to carbon sequestration, woodland creation in key locations within catchments could form a significant part of the Environment Agency's Flood Risk Management Strategy. The document currently states that 'protecting water quality' and 'flood alleviation' can be used to promote sustainable forest management, however we feel that this should be the other way around. It could be easily rectified by adding '...and vice versa'.

Question 7. What should the balance between priorities be?

- It is difficult to say at this stage what the balance should be between the identified priorities and perhaps this should be left to the mid term review stage. However, a sensible approach would be to seek value for money by favouring elements of the programme which deliver multiple objectives. If prioritisation and targeting is to be adopted, the experience of the Environmental Stewardship Scheme shows that this can be very usefully and effectively applied at the regional and local level.
- To ensure that there is no inherent conflict between the various priorities under this theme, it is essential that appropriate environmental safeguards are adopted prior to additional

resource being devoted towards any activities which have the potential for environmental harm as well as gain. The clear example of this is support for biomass production.

Question 8. What would best enable delivery of this theme to be joined up with delivery of other themes?

- It is extremely important that the allocation of public funds is co-ordinated in the most effective and efficient way, particularly when there still remain separate funding bodies such as Natural England, the Regional Development Agencies, Forestry Commission and the Environment Agency, all with major rural funding programmes. The mechanisms must be put in place to enable these bodies to work closely together so that support is not delivered in parallel and isolation. Devon County Council has been closely involved in the development of Partnerships which regularly bring together funders, landowners, farmers, government and non - government bodies and local authorities into the same forum on a frequent basis. This helps to raise awareness and to link funding programmes of the different rural themes, which will be especially important in ensuring that delivery of Axis 2 measures tie in with others. The South Devon Area of Outstanding Natural Beauty Partnership is an excellent example of this in practice with discussions ranging from bio-crops, renewable energy, Environmental Stewardship, Lottery funding and Sustainable Development Fund allocations and involving both local community representatives and government agencies.

Theme 2: Making Agriculture and Forestry More Competitive and Sustainable

Question 9. Do you agree that the priorities listed under this theme are the right ones for the programme?

- Whilst skills and knowledge transfer are seen as key to developing a more sustainable land based sector, it is unlikely that in the short term this will have a significant effect on the competitiveness and viability of many farming businesses. This is due to a reluctance amongst many farmers to take up the abundance of training and education that is on offer.
- To date, there is no universally successful method of imparting knowledge to farmers, particularly with regard to more academic scientific research papers and developments.
- There is a multiplicity of references to opportunities for woody biomass, but no suggestion that heed has been taken of Sir Ben Gill's Task Force recommendations for capital support if the biomass industry is to develop at a significant rate in the near future. A grant fund to support the installation of woodfuel boilers would stimulate local demand, particularly at a community level, in buildings such as schools, village and community halls. This would provide significant opportunities for local supply and encourage the management of farm woodlands for biofuel.
- While we believe that in the right places bioenergy crops can contribute valuably to current sustainability targets, there are risks in an ill-considered stampede toward their cultivation. Environmental checks on bioenergy crop planting grants should be the same as currently applied to the England Woodland Grant Scheme (such as by direct consultations with Historic Environment records on archaeological matters) to avoid grant-aided irreversible damage to the historic and natural environment. Unless Environmental Impact Assessments have a specific archaeological and biodiversity dimension and are informed by and checked by Historic Environment records, we do not feel they will adequately address this issue. It is also important that the criteria by which the significance of change in land use is assessed do not render the Environmental Impact Assessment process ineffective.

Skills & Knowledge Transfer

- Whilst benchmarking has been used effectively by some groups of farmers, the majority have yet to employ this as an effective management tool. Specific sector organisations such as English Beef & Lamb Executive are well placed to ensure that these techniques are adopted on a more mainstream basis and lead to use of more practical techniques such as those within the Better Returns Programme.
- The South West Rural Enterprise Gateway Knowledge transfer element has been effective in carrying out knowledge transfer but there are concerns that it has not reached those who

aren't directly involved in a South West Rural Enterprise Gateway group. Further promotion of this facility and ensuring it is user friendly are essential.

Innovation

- We welcome the inclusion of **innovation** in this section and the opportunity for businesses to explore opportunities through new and expanding markets - particularly renewable energy. The key to successful innovation is the fostering of entrepreneurial skills and
- building capacity in terms of infrastructure. However, criteria for funding innovative schemes must reflect that there will always be an element of risk.
- Page 18 deals with promotion of sustainable energy and makes mention of short rotation forestry. This is a new concept that remains largely untested. Given the important potential of wood energy to contribute to meeting renewable energy targets this is an area where knowledge needs to be obtained before it can be transferred. DEFRA should be challenged with putting in place trial crops in early course to find the optimum models to meet environmental impact criteria. The south west region has the highest growth rates for forestry crops in England. With the South West Forest it also has the only area which currently enjoys planning "buy in" through local planning authorities sign up to the South West Forest Development Plan 2001 for a significant increase in the woodland area.

Question 10. If not, what is missing or superfluous? (please provide evidence for any suggested answers to this question)

- We would like to have seen more emphasis on developing infrastructure alongside the skills and knowledge transfer section. Initiatives such as the English Beef & Lamb Executive Better Returns Programme can only be effective if there is adequate physical infrastructure in place - for example, developing a brand and market for locally produced meat is only possible if there is sufficient local abattoir capacity. This is also true of the renewable energy sector, land owners will be reluctant to invest in new cropping if there is no market or outlet for the end product.
- We welcome the inclusion of the reference to waste and particularly the opportunities to improve business performance through reducing, re using and recycling farm waste. Opportunities for recycling farm plastic, composting organic waste and selling on scrap metal for example must be properly explored and promoted.
- We would welcome a more flexible approach which allows opportunity for innovation on a case by case demand basis to support adjustment of businesses to sector changes.

Question 11. What other developments might shift the priorities under this theme in the course of the programme?

- The full effects of the most recent reform of the Common Agricultural Policy are yet to be realised. Re-structuring of the agricultural sector is expected but this is likely to take some time. It is predicted that many currently active farmers will give up and either pass on to future generations or enter into contract or share farming arrangements. There may be some land abandonment in the most unproductive areas and a greater degree of diversification. Further reform of the Common Agricultural Policy in the future could affect the critical mass of farmers, particularly in the less productive upland areas resulting in an amalgamation of farms and a decline in the number of farmers and farm workers. This could result in a loss of traditional skills needed to manage the landscape, particularly if they are not passed down through generations.
- Food scares and disease outbreaks both new and existing put a huge strain on the affected sectors. Foot & Mouth Disease resulted in a significant shift in priorities for the farming sector and its communities. Food scares damage the public's perception of British farming and makes the development of local brands and quality assurance schemes very difficult.
- Long term diseases such as Bovine TB, that are not being effectively tackled, have led to discontent and unease within the sector and caused further conflict between farmers and central government.
- World market influences such as cheap beef imports from South America have already dented the British beef sector. If we are to develop a domestic market for food produced in England, we need to maximise the marketing opportunity afforded by highlighting to

consumers the distinction between high quality British produce and imports which may not employ the same high production standards.

Question 12. What would best enable delivery of this theme to be joined up with delivery of other themes?

- Local selection of projects, but clear links with county level funding partnerships such as LAA and Rural Renaissance, to ensure that co-ordination is evident at that level of governance.
- There is a need to recognise the close social and economic links between farming and rural communities, and the contribution which farming makes to managing and protecting the landscape for local people and visitors to enjoy for leisure pursuits.
- Many of the environmental enhancements within theme 1 could be achieved as part of a new enterprise or a diversification project such as the restoration of a traditional farm building to host a new enterprise or providing permissive access for educational groups as part of an agri-environment scheme.
- The development of food, drink and craft brands based on the local environment in which it was produced, ensures strong links between themes 1 and 2.

Theme 3: Enhancing opportunity in rural areas

Question 13. Do you agree with the challenges and priorities listed under this theme?

We broadly agree with the priorities under this theme, but have the following more detailed comments:

- Under paragraph 52, why should it make a difference whether or not low earners are commuters or not? The meaning behind this paragraph is unclear.
- The term 'low earners' and 'low incomes' should be defined – either as a percentage of the average wage or as a specific threshold figure.
- We agree that targeting lagging areas is very important but areas which are not officially classed as 'lagging' yet but which still have pockets of deprivation, must not be entirely excluded otherwise they may be in danger of becoming 'lagging' in the future.
- There is a concern that lagging areas are based on district administrative boundaries which contain a significant number of deprived wards. Where there is a cluster of deprived wards which is split by administrative boundaries, the smaller parts may not be enough to warrant the districts which contain them being designated a 'lagging area'. These clusters of deprivation therefore need to be identified and tackled together as is being done in the Blackdown Hills which lies on the Devon / Somerset border.
- The 3rd point under paragraph 53 should not be limited to just upland areas, as remoteness and sparse populations create difficulties in many rural areas which are not considered 'upland'.
- Under paragraph 54, the same comment as under Q2 applies: encourage innovation but at the same time recognise that there is also value in replicating solutions which have already been proven in similar situations.
- With reference to the final point under paragraph 54 – we would like to advocate that the use of this fund should be for action rather than the production of further strategies and plans!
- Under paragraph 56, adopting a 'strategy-led approach' is advocated. This needs to be clarified further because if the main aim of the programme is to enable activity at a local level then the strategies we use to guide activity need to be at a sub-regional level. We would also welcome an emphasis on the use of and drawing together of common issues and priorities from existing rural development related strategies, rather than undertaking new ones specific to this programme.

Question 14. If not, what alternatives do you suggest and what evidence supports your suggestion?

- Under paragraph 54, there should also be reference to fostering the knowledge economy, particularly where this allows home working and creative industries to flourish, contributing to the development of rural economies.

- While we support the 4th point under paragraph 54, we feel that it is even more important to ensure that older people, as the fastest growing sector of the population in rural areas, are also highlighted. With their considerable experience and skills resource, there is a fantastic opportunity for them to contribute to the local economy through encouraging effective participation in the labour market.

Question 15. How do we balance focus on specific areas experiencing particular concentrations of low pay with this problem in wider society?

We believe that the focus should remain on addressing concentrations of low pay, but not necessarily using the traditionally used boundaries to define these areas, as discussed under question 13 & 17.

Question 16. How do we ensure that delivery of objectives under this theme are mutually supportive of those under other themes?

We feel that the keys to this are:

- Devolution – to local communities of interest and geography
- Freedom – for communities to develop appropriate solutions to their particular issues without being restricted by too much ‘red tape’ – a greater focus on the outcomes of projects instead of outputs.
- Innovation – that government organisations and local authorities operate funding and support in a way which is flexible enough to allow innovative solutions.

The Leader Approach in the New Programme

Question 17. Do you agree with the regional flexibility outlined here?

- Perhaps acknowledgement could be made of the need to build capacity for new Leader approach groups.
- It would be helpful for an outline of thinking on how LEADER+ might help to integrate funding streams including all three themes of this programme, in addition to other rural funds at a local level, such as the agri-environment funds which will account for 80%. In a similar way Local Area Agreement, Rural Renaissance and other rural funding partners will do this at a county level and the Regional Development Agencies will do the same at the regional level.
- We feel that it would be less confusing if the Themes outlined in the UK Rural Development Programme strategy used the same headings and numbers as the EU Axes at Annex A.
- It would be helpful to have a timetable for the approach to future phases of LEADER+.
- It would be helpful to know what the criteria will be for the selection of ‘well defined sub regional areas’ For example will the criteria be flexible between regions and who will make the decisions (Government Office for the South West or South West Regional Development Agency?) and will the process be competitive or co-ordinated?
- Where LEADER+ operates under the Rural Development Programme should be determined at sub-regional level and the decision should be based upon
 - Experience of the 25 existing Local Action Groups operating the LEADER+ across England.
 - Operation in readily identifiable geographic areas with environmental, demographic and / or infrastructural constraints on their economies and populations of less than 100,000 persons
 - LEADER+ Local Action Groups operating to a small number of focussed themes that may be interpreted liberally
- We feel that the Joint Character Areas could be a suitable definition for LEADER+ areas as they are already being used by environmental organisations to define the boundaries of initiatives.
- Following on from our response to Q16, we feel that if the LEADER+ approach is to continue its success at integrating the private as well as voluntary and public sectors, there needs to be firm guidance which ensures that Regional Development Agencies implement the next phase of the LEADER+ approach with appropriate funding and proportionate controls.

Question 18. What is the Leader approach best placed to deliver?

- As outlined above, LEADER+ has the potential to integrate funding streams including all three themes of this programme in addition to other rural funds, at a local level. In a similar way, the Local Area Agreement, Rural Renaissance and other rural funding partners will do this at a county level and the Regional Development Agency will do the same at the regional level.
- LEADER+ can use the distribution of funding process as a catalyst for local co-ordination of activity and work with partners such as Market and Coastal Town initiatives to ensure activity is focused on local priorities and that local communities are fully engaged.
- LEADER+ could deliver a way of working with county and regional level funding partnerships such as the Local Area Agreement through the structure outlined above.
- LEADER+ can promote the sharing of good practice both at a local level and at regional and national levels through a national or regional observatory, which could also help with joining up funding streams at all levels and speeding up dissemination of information.
- A clear continuation of the LEADER+ process will build on existing capacity rather than starting again under completely new arrangements, both ensuring continuity and maintaining the momentum which has been built to date. We would like to see the same approach rolled out over wider areas, in conjunction with other funding streams.

Delivery Arrangements in the New Programme

Question 19. Do you agree with the balance between national strategy and co-ordination on the one hand and regional flexibility on the other?

We agree, however there must be local transparency with sub-regional/ local focus and delivery and therefore a 'sub-regional' or 'local' element needs to be added to this statement. Simple mechanisms, use of existing strategies and partnerships wherever possible, and minimal bureaucracy are essential to ensure maximum impact from this funding programme.

Question 20. Do you have suggestions for adjusting the model proposed?

- Indicative budget allocations could be devolved from county level Local Area Agreement and RR partnerships, to Leader approach areas to enable integration, coordination and flexibility. We should be able to learn from the experiences of the Pathfinders.
- Under paragraph 58, the last point, there is a danger that these partnerships will duplicate work which has already taken place in some areas. Where possible activity should be based on strategies which have already been undertaken and be co-ordinated by partnerships and networks which are already in place (for example Local Strategic Partnerships, Market and Coastal Town initiatives & Devon Towns Forum, Devon Rural Network, existing LEADER+ Local Action Groups etc.). We do not want the programme to act as a catalyst for another batch of strategies to be prepared where the real need is for projects on the ground to turn existing strategies into action.