

# **Consultation on Scotland Rural Development Programme (SRDP) 2014 - 2020**

## **Stage 2: Final Proposals - Summary Document**

# **CONSULTATION ON THE SCOTLAND RURAL DEVELOPMENT PROGRAMME 2014 – 2020**



**STAGE 2: FINAL PROPOSALS - SUMMARY DOCUMENT**

### **What is it?**

This is the second consultation on the Scotland Rural Development Programme (SRDP) for 2014 – 2020. It builds on the proposals outlined in the stage 1 consultation held in summer 2013. It takes account of the feedback from the first consultation and extensive stakeholder engagement.

### **Have the rules been decided?**

There has been political agreement in Europe on the legislation that will govern the SRDP. We expect this to be finalised in December.

### **What will the budget be?**

The European budget for the next SRDP (as decided by the UK Government) will be €478m. In addition, there will be Scottish Government funding and money from the transfer from Direct payments (DP) of the CAP. The transfer rate is currently proposed at 9.5%. This is the subject of a separate mini-consultation and, as required by Europe, will be confirmed by the end of December.

The indicative budget for each area is detailed later in this leaflet.

The total budget that we are seeking to deliver for the future programme is £1.326 billion. This is a target which is dependent on final decisions on domestic budget availability and transfer of resources from DP.

### **How does the SRDP fit with other EU funds?**

A Partnership Agreement is being developed which outlines how the SRDP will have a joined-up approach with other European funds in Scotland for economic growth and fisheries.

It is proposed this joint approach will be used for business support, skills training, social inclusion/local development and advice.

The European funds will be monitored by a Partnership Agreement Monitoring Committee (PAMC). Underneath this there will be a monitoring committee for the SRDP which will consider performance of the SRDP and make recommendations to the PAMC.

### **What are the priorities for rural development?**

The SRDP will help to deliver European and Scottish priorities for rural development. These include economic growth, environmental sustainability and vibrant rural communities.

### **When will the SRDP be open to new applications?**

We are aiming to open the new schemes to applications in January 2015. This will depend on the timing of European approval of the Programme.

### **2014 – a transition year**

The European Commission has accepted that new rural development programmes cannot be in place for January 2014. This has allowed us to confirm that key elements of the SRDP will continue in 2014 – including LFASS, extending agri-environment contracts, woodland creation and management projects going ahead and the main elements of crofting support.



### SRDP Priority – Adapting to, and mitigating, climate change

#### What's different?

You told us that the last SRDP was too complicated, particularly the Rural Priorities Scheme. So we have removed this and instead, have a simplified list of schemes so you know exactly what you are applying for.

We will improve the processes for delivering the schemes, building on what we have learned from the last SRDP. A simpler process will make grants more accessible.

We want to encourage more innovation and co-operation. We have enhanced support for knowledge transfer and innovation and advice. And we have created a new fund for co-operative action to support the development of these projects.

We are proposing an expanded and fully funded advisory service. This will provide targeted local advice in order to achieve improvements in our agricultural sector, enhance and maintain our environment and respond to the impact of climate change.

It is proposed that support for the historic environment, animal welfare and quality assurance schemes are addressed through the schemes we are proposing in the new SRDP.

The new SRDP will be:

**Simple** – with a clear list of schemes.

**Straightforward** – through an improved application process and a common application form for land based schemes.

**Effective** – through better targeting, support for co-operative action and improved advice, and closer alignment with other EU and domestic funds.

**Customer focussed** – with improved guidance, better customer support, an expanded advisory service and the Scottish Rural Network.

**Accessible** – through enhanced support for small farms and an improved application/approval process for grants under £75,000 for land-based schemes.

**What land based schemes are proposed?** (and indicative budgets)

**Less Favoured Area Support Scheme** (£459m). Continued support for less favoured areas, a replacement scheme and designation will be in place by 2018.

**Agri-Environment-Climate Scheme** (£355m). Targeted support for land managers to undertake management and capital work for environmental purposes.

**Forestry Grant Scheme** (£252m). A range of grants for woodland creation, agroforestry, tree health, woodland improvement, processing and marketing and sustainable management of forests.

**New Entrants Scheme** (£20m). Start-up grants for new entrant young farmers of up to 40 years old (as set by Europe) and one to one advice.

**Crofting and Small Farm Support Scheme** (£20m). It is proposed that we expand on the support available under the previous SRDP and this scheme will be open to all small farms with a suggested range of 3 – 50 hectares. This will include support for capital grants.

**Support for Co-operative Action** (£10m). We want to encourage landscape-scale projects and this new scheme will provide support for the development of co-operative projects.



**SRDP priority – Protecting and enhancing our natural assets**

Better targeting and support for landscape and ecosystem scale projects will help us direct support to commitments which will make the greatest contribution towards delivering our priorities.

### **Rural Regional Delivery Partnership**

It is proposed that the above land-based investments will be delivered by a Rural Regional Delivery Partnership with a simpler application process.

This would include a single application form with a suggested limit of one application per scheme, per level each year (with the exception of forestry and designated sites). Applications would be assessed by a network of case officers from Scottish Government, Scottish Natural Heritage and Forestry Commission Scotland and there would be two levels of entry:

- Level 1 applications would be up to a £75,000 threshold (forestry will continue the current threshold for level 1 of £750,000) with continuous approval at a regional level (except LFASS which will remain as a separate scheme given its income support nature).
- Level 2 applications above £75,000 would be for higher value applications and considered by a national expert panel.



**SRDP priority – Sustainable economic growth**

**What other schemes are proposed?** (and indicative budgets)

**Small Rural Business Support** (£20m). We are proposing to support small non-agricultural businesses with start-up grants for new enterprises and business development grants. We are exploring joint delivery agents, with relevant expertise to assess applications for support.

**Food and Drink Scheme** (£70m). Support for SMEs in the food and drink sector for start-up grants for new enterprises, and business development grants.

**LEADER** (£66m). LEADER will continue to fund projects agreed by Local Action Groups (LAGS), and will build on the experience from previous programmes. Rural and coastal areas have been invited to submit a single Local Development Strategy, there will be improved processes and greater local coherence (e.g. with Community Planning Partnerships).

**Knowledge Transfer and Innovation Fund (KTIF)** (£10m). KTIF will assist in the sharing and implementation of innovative ways of improving working practices.



**SRDP priority - Vibrant and sustainable rural communities**

Preparation of Local Development Strategies is underway with 21 groups in Scotland beginning to develop their strategies. They must show how they meet European priorities, and in doing so, support innovation, knowledge transfer and co-operation.

**Advisory Service (£20m)**

The proposal is to expand the existing Advisory Service and bring it into the SRDP. It will provide advice and assistance to farmers, crofters, forest holders and other land managers via a dedicated advice helpline, web guidance, publications, seminars/workshops and demonstration projects.

**Scottish Rural Network (SRN)**

The SRN (required by Europe) will build on the experience under the last SRDP. It will have a broader focus and engage with the full range of stakeholders in rural Scotland including land managers, community groups, individuals and businesses in different sectors. It will help people share ideas and good practice and potentially develop innovative ideas for project development.

We are also proposing there will be around £9m of support for broadband. We are exploring how best to deliver this taking account of investments from other EU funds and domestic sources.

**How will the impact of the SRDP be assessed?**

This consultation also considers the impact assessments that we are required to do – a Business and Regulatory Impact Assessment and an Equalities Impact Assessment. A separate consultation on the Strategic Environmental Assessment will be launched shortly.

We will have an improved monitoring and evaluation framework which will ensure that better information is available about the impact and effectiveness of the SRDP.

**How can I get involved?**

The consultation closes on 28 February 2014 and we would welcome responses to the questions detailed in the consultation paper (including partial responses). This can be done through an online questionnaire which can be found at <https://consult.scotland.gov.uk/eu-rural-development-policy/srdp-2014-20-stage-2>

You can get more information on our website  
<http://www.scotland.gov.uk/Topics/farmingrural/SRDP/SRDP20142012>