



**Lowlands and  
Uplands Scotland Programmes**  
2007 - 2013

# **Update to the Programme Monitoring Committee on ERDF Priority 4: Rural Development**

**27 October 2010**

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## ERDF Priority 4: Rural Development

### Priority aims:

- Strengthening rural industries and diversification
- Supporting development of key shared services to underpin rural diversification

## ERDF Priority 4: Rural Development

### Grant Awards to date:

	Approved Projects	Grant Awarded
<b>IAB</b>		
Round 1	4	£2.954m
Round 2	4	£4.785m
Round 3	5	£3.199m
<b>GGB</b>		
Round 1	-	-
Round 2	10	£4.677m
Round 3	4	£4.143m
<b>TOTAL</b>	<b>27</b>	<b>£19.758m</b>

## ERDF Priority 4: Rural Development

### Challenges reported by Project Sponsors:

- Restriction of scope points under P4
- Overlap with ERDF P1 and P2 activity
- SRDP / LEADER
- £200,000 annual eligible expenditure threshold
- Revenue Generation
- ERDF Audit and Compliance requirements
- Evidence of demand
- Private sector match funding

## ERDF Priority 4: Rural Development

### Actions:

- |                  |                   |
|------------------|-------------------|
| 14 December 2009 | Stirling Workshop |
| 25 February 2010 | Dumfries Workshop |

### Focus Groups

- |                 |  |
|-----------------|--|
|                 | Inverkeithing / Glasgow                                    |
| • 28 April 2010 | Sector Priorities and Supply Chain Linkages in Rural Areas |
| • 30 April 2010 | Innovation in Rural Knowledge Exchange and Transfer        |
| • 4 May 2010    | Rural Town Centres as new drivers of SMEs and regeneration |

### GGB Follow-up

- |              |                    |
|--------------|--------------------|
| 2 July 2010  | Newton St Boswells |
| 12 July 2010 | Dumfries           |

### Project liaison meetings across rural areas

## ERDF Priority 4: Rural Development

### Additional scope:

Increasing the sustainable use of natural, historical and cultural assets in support of business and commercial development, or in support of socio-economic development, within the framework of agreed local development strategies.

### Increased focus:

Every project applying should demonstrate that it is:

- not eligible for funding under SRDP;
- lies within the framework of agreed local development strategies; and,
- directly supports SME business and commercial development

## ERDF Priority 4: Rural Development

### Fourth Application Round

Applications received:

	Stage 1 Received	Stage 1 Accepted	Stage 2 Submitted	Grant Requested
<b>IAB</b>	26	22	15	£7.4m
<b>GGB</b>	17	15	11	£10.8m
<b>TOTAL</b>	<b>43</b>	<b>37</b>	<b>26</b>	<b>£18.2m</b>

## ERDF Priority 4: Rural Development

### Fourth Application Round

Project activity includes:

- LUPS tourism marketing campaigns
- Eastern rural tourism business support campaign
- Rural Knowledge Transfer Colleges Partnership
- East Coast Renewables supply chain development
- Aberdeenshire Real Time Passenger Information
- Biogas for Vehicles demonstrator
- Refurbishment of business space

## ERDF Priority 4: Rural Development

### Analysis of Priority 4 Indicators:

OUTPUTS	Approved Programme Target	Forecast Targets to date	Programme Target met by Forecast (%)	Anticipated Targets Round 4 Stage 2	Anticipated Target met by Forecast Incl. R4
Number of enterprises supported	1,400	6371	455%	2377	625%
Number of e-learning/childcare and other community facilities supported	40	51	127%	19	175%
Area of business space created or modified (m2)	2,400	66,962	2790%	44,963	4664%
Number of educational access projects supported	20	4	20%	5	45%
Number of local transport projects supported	20	6	30%	7	65%

## ERDF Priority 4: Rural Development

### Analysis of Priority 4 Indicators:

RESULTS	Approved Programme Target	Forecast Targets to date	Programme Target met by Forecast (%)	Anticipated Targets Round 4 Stage 2	Anticipated Target met by Forecast Incl. R4
Number of new marketing initiatives	910	151	17%	288	48%
Number of enterprises introducing new supply and production processes	910	301	33%	235	59%
Number of enterprises benefiting from supported facilities	900	600	67%	82	76%
Occupancy rate of business space by the end of the Programme (%)	90%	90%	100%	76%	83%
Number of gross jobs created	1400	1278	91%	884	154%

## ERDF Priority 4: Rural Development

### Options:

- Continue with current scope points, i.e. accept the increase in the OP target for business space.
- Seek further changes to the OP, e.g. rural community renewables support.
- Move funding to other Priorities with a ring-fence favouring LA eligible areas under P4
- Review the position in March 2011