

# RURAL SURREY LEADER LOCAL DEVELOPMENT STRATEGY

## LEADER FUNDING 2015 – 2020

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## EXECUTIVE SUMMARY

The Rural Surrey LEADER Local Development Strategy (LDS) has been developed by the Rural Surrey Interim Local Action Group (LAG). The LAG has a dynamic mix of members with rural business, farming, forestry and tourism interests and experience. It has representation from the Local Enterprise Partnerships in Surrey (Enterprise M3 and Coast to Capital).

This LDS aims to provide jobs and growth for rural Surrey. It has been developed by extensive engagement with stakeholders across rural Surrey, including workshops, surveys, consultations and presentations. Evidence from rural Surrey has been collected and analysed to identify issues, needs and opportunities that this LEADER programme will help address.

The proposed Local Action Group area has been defined based on need, consultation feedback and the identifiable rural output areas. It has a rural population of 149,967. This LDS is based on the indicative mid-range allocation of £1.8 million.

Rural Surrey encompasses a large Green Belt area as well as the Surrey Hills AONB. Much of the County is wooded, providing an attractive place to live and work and offering great potential for economic expansion. However, the high cost of living, working or operating in Surrey is a barrier to growth for many rural businesses. Rural Surrey needs to be a vibrant business location in its own right, not just commuter or retirement location.

Surrey's priorities (identified from workshops and related evidence) form the basis of this bid:

- Growing Surrey's economy through supporting rural start-up businesses and encouraging the growth of established businesses either on or off farms
- Making Surrey's agriculture and horticulture more competitive and sustainable
- Maximising the potential of Surrey's metropolitan proximity, local economies and communities through rural tourism
- Supporting the effective management of Surrey's woodlands therefore increasing productivity and adding value to the wood products
- Making Surrey's rural areas better places to live through the improvement of rural services and facilities
- Preserving and promoting Surrey's rural culture and heritage

Agriculture makes a significant contribution to the Surrey landscape, economy and environment. The recent Farm Study has highlighted many of the weaknesses, challenges and opportunities that the sector faces. This LEADER bid will improve the productivity of farms, farm buildings, infrastructure and processes to make agriculture more competitive.

The Surrey rural area has potential to supply local markets not only within Surrey but also into neighboring London. This can help to reduce food miles and promote the consumption of local produce. There is scope for developing local supply chains through farm shops, farmers markets, box schemes and cooperative marketing initiatives.

Surrey is the most densely wooded county in England, although there is a need for more management and innovation in products and processes. The package of measures includes improvements to woodland management, co-ordination of produce chains and enhancing the value of woodland products. Wood fuel offers real opportunities for the future sustainable management and utilisation of Surrey's woodland.

Rural tourism has considerable potential for growth in Surrey. As well as providing a valuable market for local produce and services there are also opportunities to promote the Surrey LAG area as a sustainable tourism destination for residents and visitors and increase visitor spend.

The needs of Surrey's rural communities have been identified. LEADER offers the potential to support the development of local enterprise and to gain the support and involvement of local communities in rural businesses.

The Rural Surrey LAG will encourage, assess and monitor applications to ensure that they meet the requirements of the programme. Programme staff will work for the LAG. Surrey County Council will provide the Accountable Body role. The LAG and the Accountable Body are working to ensure that risks, communication, monitoring and evaluation and equality are effectively managed.

## THE LOCAL ACTION GROUP (LAG) AREA

Surrey's location, geography, environment, agriculture, history and cultural assets play an important role in shaping Surrey's rural economy. These factors influence the land-based economy, quality of life, business sectors, availability of development land and distribution of population and workforce.

Surrey borders Greater London, Kent, East Sussex, West Sussex, Hampshire and Berkshire. Its proximity to London, Heathrow and Gatwick airports, and access to major arterial road routes (including the M25, M3, A3, M23 and A25), as well as frequent rail services into London and beyond, has made Surrey an attractive County for businesses and for people to live.

Surrey has a diverse rural landscape characterised by traditional mixed farming, a patchwork of chalk grassland and heath land, sunken lanes, picturesque villages and market towns. It has associations with many great artists, writers, musicians and designers as well as supplying food into the rejuvenated traditional London wholesale and food markets. Surrey provides the first countryside south of London, with a rural population exceeding 200,000 from Surrey's 1,135,400 population.

The Rural Surrey LEADER area focuses upon the changing needs for rural Surrey. It incorporates the majority of the rural output areas and a large number of the eligible urban output areas to create a cohesive and comprehensive Rural Surrey LEADER LAG area. Surrey's rural areas cover 70% of the County.

Rural Surrey headlines:

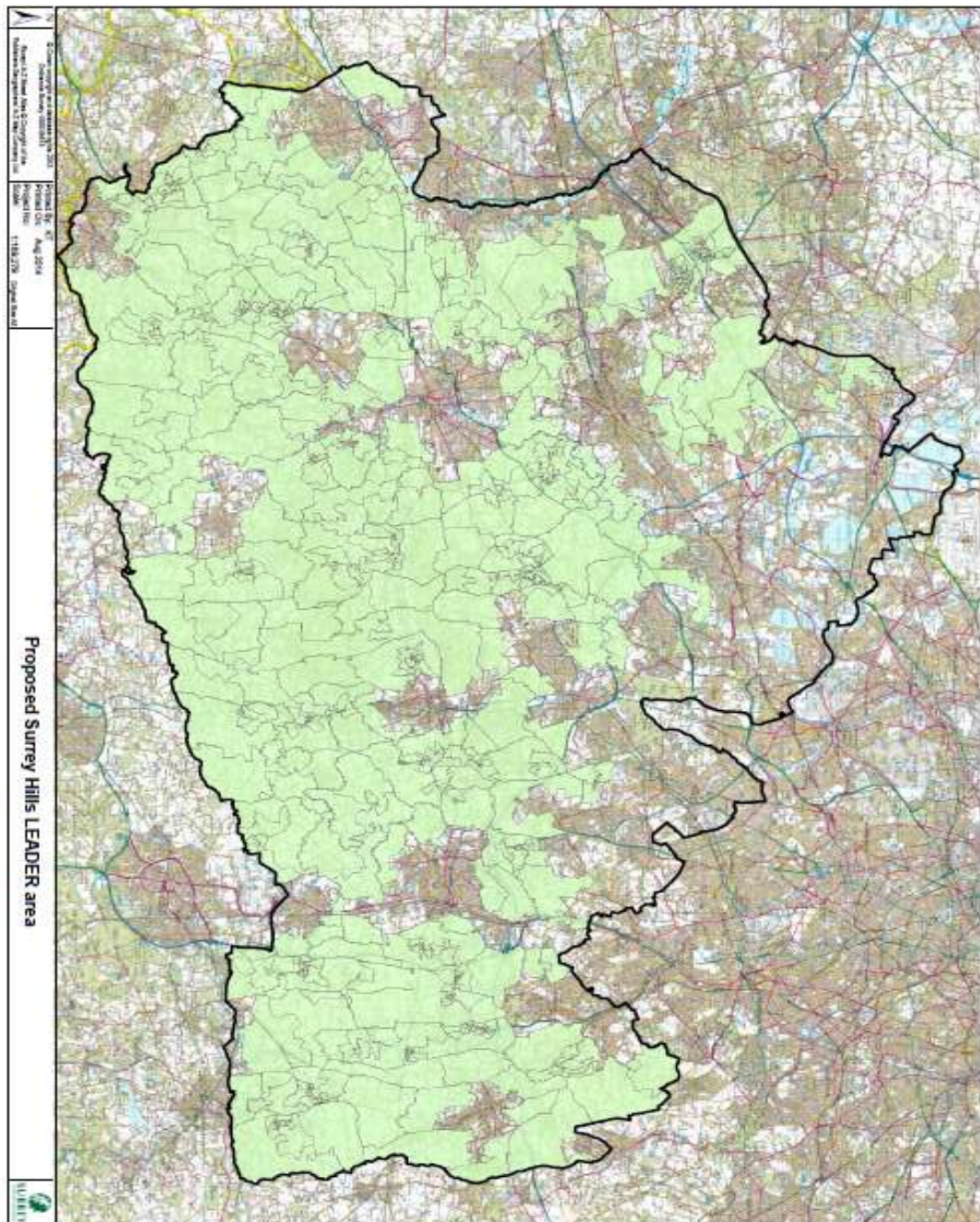
- 20% of Surrey businesses (12,380) are located in rural areas
- 73% of Surrey is designated greenbelt compared with just 16% of the South East as a whole
- 25% of Surrey is designated as the Surrey Hills Area of Outstanding Natural Beauty (AONB) and a further 8% designated as Areas of Great Landscape Value
- Surrey's entrepreneurial culture is shown in its business start-up rates with 7,150 new enterprises started in 2011
- Surrey is home to 61,900 businesses and 88% of these are micro-businesses (under 10 employees). Of these micro-businesses 5,700 are linked to the countryside and its natural environment
- Farm holdings account for 37% of the total land area in Surrey, these are mainly small sized farms



## Rural Surrey LEADER Local Development Strategy 2015 - 2020

- The woodlands account for almost 22% (national average 12%)
- 15% of Surrey's area is land designated for nature conservation
- All Surrey's boroughs include rural populations. These vary from under 10% in Reigate & Banstead, Epsom & Ewell, Runnymede, Spelthorne and Woking to over 45% in Tandridge, Waverley and Mole Valley
- Surrey has areas of deprivation with 30% of children and young people living in poverty in Surrey, many in rural areas

### MAP OF THE AREA



## RURAL POPULATION COVERED

The proposed Rural Surrey LAG area has a rural population of 149,967. The consultation highlighted that LEADER in Surrey should maximise its coverage of rural Surrey to achieve maximum impact for jobs and growth for the area. The urban/rural census output area maps were used to define areas to be covered by the Rural Surrey LEADER programme. The wider rural coverage within Surrey not only ensures economic, geographic and social coherence for LEADER in Surrey, but it also ensures cohesion with the two LEPS covering Surrey.

The increased coverage ensures that farming in north Surrey, which has been declining, is supported along with farmers and businesses in the south eastern part of the County. Through consultation the area's needs were identified, and it was decided by the LAG not to include any of the eligible rural hub towns within Surrey.

## INVOLVEMENT OF THE COMMUNITY AND CONSULTATION ACTIVITY

Surrey specific studies (Farm Study 4 and the Rural Economy Survey) were undertaken as well as sector workshops and discussions with many interested organisations throughout 2014 to understand the needs of rural Surrey. These studies, workshops, e-mails and consultations have been fundamental in identifying the issues, themes and potential projects. Over 200 local people attended workshops and responded to the consultation ensuring a relevant and balanced response.

The key sectors identified by Rural Surrey LAG have been engaged;

- Farming – Three LEADER farming workshops with a broad mix of farmers, who identified the key drivers and issues for farming in Surrey. We've also worked with the NFU and a small advisory group of farmers to further understand their needs, attended NFU run workshops re CAP reform and the Surrey County Show. We undertook a comprehensive Farm Study in which we sent out questionnaires to over 1200 farm holdings within Surrey. The survey identified issues and needs of the farming sector as well as identifying funding priorities.
- Forestry – Dedicated forestry workshops were held to discuss the issues for forestry owners as well as contractors. Many farmers either have or will diversify into wood.
- Communities – workshops held, identified issues faced by some communities. Surrey Community Action's (SCA) recent research highlights areas to consider.
- Rural Enterprises – Workshops were held to understand issues faced by rural enterprises. We were also able to draw upon a 2014 commissioned study by Surrey County Council (SCC) of the rural visitor economy. Surrey Countryside & Rural Enterprise Forum (SCREF) meetings were invaluable for this sector.
- Consultation activities and evidence gathering included: Forestry Commission research; Forestry groups internet research; Surrey Woodland Owners Group (SWOG); AONB management plan review; presented to SCREF with Coast to Capital Local Enterprise Partnership (LEP) and Enterprise M3 LEP; met with both LEPS re strategies; Councillor engagement; District and Borough Council engagement and Surrey Rural Partnership.

Many letters of support have been received from a wide range of Surrey organisations including: Surrey Hills AONB; Hambleden Village Shop; Surrey County Council; Elmbridge District Council; Surrey Wildlife Trust; Surrey Nature Partnership; Tandridge District Council; Surrey Hills Enterprises; SCREF; Love for Local; Surrey NFU and CLA, showing their support for this bid for funding by Rural Surrey LEADER 2015–2020.

## THE STRATEGY

This LDS has been developed by the LAG following an extensive programme of business and community engagement and consultation. The key focus for the Rural Surrey LEADER programme will be:

- Farming – productivity and diversification
- Rural Economy – small and micro enterprise development
- Woodlands – productivity and adding value
- Rural Tourism
- Rural Services
- Rural Culture and Heritage

Economic growth within rural Surrey is the driving factor behind rural Surrey's bid for LEADER funding. The Surrey Hills LEADER 2008-2013 had a good track record for delivering growth. In the previous programme 87% of projects funded directly contributed to economic growth and 64 jobs were directly created.

The key drivers of growth and productivity identified in rural Surrey are investment (in both physical and intangible assets), use of new ideas and innovation (technology, processes) and entrepreneurship (new start-up businesses or new opportunities within existing firms).

The LAG have defined that a minimum of 70% of projects MUST contribute directly to jobs and economic growth in the 2015–2020 programme whilst the remaining 30% will contribute to jobs and growth indirectly (e.g. by increasing visitor numbers). This fits with national programme priorities.

## SWOT ANALYSIS OF THE LOCAL AREA

A SWOT analysis of the LAG area has been undertaken, drawing on information from workshops, consultation and LAG meetings to show local development needs for the area. It has also drawn information from studies, research and strategies from around Surrey.

Key points from the SWOT analysis are:

### **Strengths:**

- Coherent rural area with a diverse landscape including the Surrey Hills AONB
- Proximity to markets with high levels of disposable income (London/Surrey)
- Entrepreneurial and skilled workforce
- 2008-2013 Surrey Hills Leader Programme forged strong links with rural businesses and there is strong local support for the 2015–2020 programme

### **Weaknesses:**

- Vulnerability of land based sector – including economic/animal health issues
- Lack of supply chain infrastructure in woodland / food
- High cost of living and running a rural business along with a lack of rural community services
- The volume of traffic can cause congestion and delays in Surrey
- Rural broadband speed poor in some rural areas

### **Opportunities:**

- Consumer interest in local products and services and the local Surrey brand
- Promote the area as a high value tourist destination and develop infrastructure and products both on and off farm
- Exploit forestry products and the local wood energy markets



- Increase the use of cutting edge technology within farming
- Local food and drink production

#### **Threats**

- High domestic property values drives high land prices and therefore fragmentation of land holdings
- Increasing competition facing rural businesses
- Ageing, vulnerable and remote population/ageing land-based workforce
- Congestion and poor Surrey infrastructure
- High rural housing costs drives away labour resources including the young

### **EVIDENCE OF ALIGNMENT WITH LEP ACTIVITY**

Rural Surrey is covered by two high performing LEPS – Coast to Capital and Enterprise M3. Both have a clear vision and ambition to deliver economic growth. Both LEPS have significant funds to distribute through the Local Growth Fund (including support for forestry enterprise) as well as allocation of ESIF and EAFRD funds (including support for skills and business support and tourism). There is also funding available through ERDF and ESF which is aligned to support our shared priorities.

The LAG has already:

- Built contacts with key LEP staff and representation on both LEP Rural Groups
- Undertaken joint Surrey funding presentations with both LEPS
- Attended LEP workshops and consultation events
- Contributed to the LEP Economic and European Strategy consultations
- Built an alignment with both LEP strategies and priorities including Strategies for Growth, Economic Plans and European Structural Investment Funds (ESIF)
- Built alignment with other EAFRD Programme elements and is currently exploring opportunities for collaboration

LEADER funding gives support to projects under the same LEP strategic objectives of economic growth and productivity gains at a local level. Letters of Support from Coast to Capital and Enterprise M3 accompany this LDS.

LEADER will:

- Help fulfill the LEPS business start-up targets (Enterprise M3 target at 1,400 p.a.)
- Support plans to boost rural tourism
- Provide facilities to improve facilities for residents and attract business ventures

LEPS recognise that in rural Surrey;

- Farming, forestry and horticulture are significant employers
- Land based industries contribute to economic success
- Rural tourism offers high potential for growth
- Rural tourism economically supports rural services such as shops and pubs
- Business start-ups and home based industries are high in rural areas

Challenges identified by LEPS and confirmed by Rural Surrey LEADER consultation include:

- Surrey is a high cost location for businesses and employees
- Lack of availability of business premises
- Variable rural access to fast broadband & mobile coverage and business services

Larger LEP projects will significantly help the smaller rural projects in Surrey. Rural Surrey LEADER can identify and enable these projects thus capitalising on the area's strengths.



The Rural Surrey LAG is keen to work with LEPS in the distribution of EAFRD and other rural funds. The LEADER fund will complement the rural funds held by the LEP but will not duplicate.

## OUR LOCAL PRIORITIES

The priorities have been developed by the LAG by reviewing information from recent sector workshops, Farm Study 4, Surrey Rural Visitor Economy Survey, secondary research, LEP strategies and by using the expertise gained by the LAG through Surrey Hills LEADER 2008–2013 programme. They complement national programme priorities.

The Priority Themes for Rural Surrey LEADER are:

- Growing Surrey's economy through supporting rural start-up businesses and encouraging the growth of established businesses either on or off farms
- To make Surrey's agriculture and horticulture more competitive and sustainable
- To maximise the potential of Surrey's metropolitan proximity, local economies and communities through rural tourism
- Supporting the effective management of Surrey's woodlands therefore increasing productivity and adding value to the wood products
- To make Surrey's rural areas better places to live through the improvement of rural services and facilities
- To preserve and promote Surrey's rural culture and heritage

The priorities are intended to increase productivity, investment, entrepreneurship and innovation within rural Surrey.

## PROGRAMME OF ACTIVITY

To deliver the Strategy and meet the Priorities the following programme of activity by the rural Surrey LAG and programme staff is proposed. The detailed activity of the LAG and Accountable Body is detailed later in the LDS. The programme will be targeted towards the six priorities identified within the strategy and the individual projects that are listed too.

### **PRIORITY 1 - Rural Surrey LEADER rural enterprise and farm diversification strategy:**

**Strategy: Growing Surrey's economy through supporting rural start-up businesses and encouraging the growth of established businesses either on or off farms**

#### **The value of rural businesses in Surrey**

Surrey has a dynamic and entrepreneurial heritage. Business births, a measure of the dynamism of local economies exceed the SE region as a whole. A substantial proportion of Surrey's businesses (20%) are located in rural areas and 5,700 are linked to the countryside and its environment. As discovered by the last LEADER programme, new businesses are being incubated in rural homes, farm buildings and isolated business parks. Many of these businesses need to grow. With a highly qualified workforce and increasing demand for local products and services there is significant potential to increase the number of start-ups and also to grow existing companies.

## Rural Business Challenges

Surrey is characterised by a high quality living environment and proximity to London and has many positive attributes as a place to live and work. The growth ambitions of small and micro-enterprises in rural Surrey are challenged by a range of issues which are exacerbated because of their rural location. Its high land values, loss of local services, isolation and fragmented business support cause barriers to growth for many rural companies and farms.

The lack of suitable work space which is fit for purpose hinders managed and sustainable growth. Rural buildings, because of their nature, can involve a higher cost to adapt or renovate for commercial use. The cost of running a rural business in Surrey is high and for some of these small businesses either starting at all or jumping to the next level is financially challenging.

Our farmers are the custodians of the unique rural landscape in Surrey. Farm businesses operate in a volatile global farming market where diversification offers the ability to stabilise their incomes whilst also maintaining this unique environment. Diversifying gives farmers the opportunity to adapt to economic and market changes and generate new income.

## Rural Surrey LEADER rural business priorities

Farm Study 4 highlighted the wealth of diversification currently in operation with 37 different types of activity already in action. Many have redundant farm buildings which can be utilised to create a new income stream. Many farmers recognised the need to diversify and indicated 40 new ways of diversification they would consider in the future. *“In my view, non-farming diversification projects and use of land for leisure is the way to financially support my farming activities”*. Farmer-Farm Study 4.

There are opportunities for rural businesses that are ready to take advantage of consumer preferences for local or specialist produce. The wider food and woodland supply chain, specifically primary producers could take advantage of supply chain improvements both to infrastructure and networking. Rural businesses in Surrey need assistance to upgrade premises and encouragement to innovate and add value to products or services.

There is also potential in Surrey to exploit new sales channels both traditional and also through e-commerce. Rural business priorities will focus around businesses located in rural areas and business linked to the countryside. Priorities helping to drive jobs and growth will focus on the following:

### **Key Priorities:**

Opportunities for rural Surrey to exploit (subject to confirmation of eligibility);

**Supporting new start-ups** – Needs identified within Surrey: internal fixtures and fittings; e-commerce sites; building refurbishment; vehicle purchase; marketing support, supply chain

**Construction and establishment of workshops, factories, premises and facilities** – Needs identified within Surrey: infrastructure investment; interior fitting, access upgrades

**Equipment purchase** – Needs identified within Surrey: IT upgrades; vehicle upgrades; specialised machinery

**Processing and marketing of products and services** – Needs identified within Surrey: new equipment or upgrades; website development; collaboration projects; marketing materials

Potential Rural Surrey LEADER projects as identified during the consultation process:

- Produce supply-chain development
- Innovation in product, process and technology collaboration
- Extension of the Surrey Hills brand and other marketing opportunities
- Niche food and farm product development to optimise the growing international market in the London area
- Developing retailing opportunities of self-made products: brewing; renewable energy; equestrianism; kennels; fishing lakes; garden centres; tea room or water bottling
- Bio energy crops, arable by-products
- Development of real ale brewing and local wine production
- Box schemes and promotion through markets and events
- Farm tourism activities such as farm walks, open-farms, farm activity holidays or low cost visitor accommodation and bed & breakfast
- Expansion of business premises – on and off farm
- Business and marketing support
- Cooperative kitchen for small food producers
- Pop-up cafe equipment and furnishing a pop-up restaurant for young chefs to 'try out'
- Establishment of a new 'farm' shop selling local produce within a garden centre
- Development of farm buildings for rental to small businesses
- Expansion of small manufacturing premises
- Arts hub for use by a collection of artists
- Feasibility study for the set-up of a food distribution hub in Surrey
- Marketing of farm products and local produce farmers markets

#### **Examples of successful projects from the Surrey Hills LEADER 2008 – 13**

1. A 200 acre beef farm has diversified and is now able to cater events with local produce. They purchased a unique Airstream trailer and are now selling their own beef to visitors at a number of their on-farm events – including opera festivals, weddings and garden visits. The trailer has also been used at a variety of outside events including Cranleigh Show and Munstead Horse Trials. They have created 3 part time positions.
2. An entrepreneurial nursery owner who spent time growing plants for the local community and selling through their own garden centre noticed the demand in the area for a café. They invested in a 70 seater café which is now so popular it is often full. They sell locally produced cakes and freshly cooked meals on site. This project has created 2 full time and 7 part time positions.

#### **PRIORITY 2 - Rural Surrey LEADER farm productivity strategy:**

**Strategy: To make Surrey's agriculture and horticulture more competitive and sustainable**

Farming plays an important role in the rural Surrey economy. It provides a range of rural employment opportunities, raw materials for the food and drink sector and valuable local food products. Farmers play a role as custodians of the countryside and the valuable natural resources within it. They help to support the social fabric of the rural areas, the health and wellbeing we derive from the countryside as well as the revenue generated from tourism. Rural Surrey's agricultural workforce is over 3000.

### **Farm Productivity Challenges**

The farming industry in Surrey has a large variation in productivity, competitiveness and profitability, with relatively low productivity growth. The Surrey Farm Study 4, farm workshops and other research shows that Surrey's farm holdings are characterised by being smaller than the English and South East average with only 15.7% being over 100ha compared to 23.6% in the south east. There is a mix of arable and livestock farming with land usage broadly staying consistent since 2007. The profile of smaller farms is largely as a result of geology and higher land prices relative to the rest of the country leading to Surrey farmers feeling increasingly challenged. Agriculture is responsible for 37% of the land in Surrey (61,276 ha) with over 65% of farmers feeling that their profit is under pressure or at risk as some find it difficult to expand due to high land values and therefore to increase economies of scale. Improvement to farm productivity is central to their survival.

### **Surrey LEADER Farm Productivity Priorities**

Rural Surrey LEADER wants farm businesses in Surrey to be able to adapt to future challenges by being more productive, more responsive to market demand and hence viable in the long term. Targeted LEADER investment can generate improvements in physical assets, processing, products, technology, innovation, energy saving, marketing, employment and therefore productivity and profitability. It will also encourage diversification into non-agricultural activity.

#### **Key priorities**

Opportunities for rural Surrey to exploit (subject to confirmation of eligibility):

**Improve the overall performance and sustainability of the agricultural and horticultural holding:** *Needs identified within Surrey: drone; LED Lighting; robotics for agriculture and horticulture; on farm energy production*

**Animal productivity, health and welfare** - *Needs identified within Surrey: bio security equipment; cattle crushes; calving detector; milk pasteuriser; weighing scales*

**Processing, marketing and/or development of agricultural products** - *Needs identified within Surrey - New on farm scanning, processing and packaging technology; equipment and infrastructure; energy saving chilling facilities; collaborative storage facilities; public awareness of farming and food production*

**Modernisation or adaptation of agriculture and forestry, including access to farm and forest land and the supply and saving of energy and water** - *Needs identified within Surrey: Precision irrigation equipment; pesticide application equipment; software for soil moisture monitoring; machinery and trailer tyres that reduce compaction of soil; on farm reservoirs; nutrient management*



Potential Rural Surrey LEADER projects as identified during the consultation process:

- Biofuel processing opportunities for use on the farm that has produced it
- Farm Building Improvement facilities i.e. for crop storage, cold storage, waste storage and handling such as livestock or biofuel
- Machinery and processing facilities share
- To develop new primary agricultural products for local and/or niche markets
- Food and drink production including equipment
- Farm IT Development
- Working with vets to improve farm efficiency i.e. use of pesticide workshops
- Sale and marketing of horticultural products
- On farm efficiencies in terms of animal handling and crop production
- Creating opportunities for younger farmers to learn their skills
- Automation of the packing process within farm production environment
- Farm machinery cooperative
- Collective and individual use of digital media / e-commerce
- Farming workshops - digital capability
- Improving access into Surrey's farm woodlands to extract wood
- Marketing and website development for sale of farm produce
- Purchasing a new refrigerated delivery vehicle
- Equipping the new factory with the latest automated egg packing and grading technology, installing energy saving systems, and providing site infrastructure and access
- Purchasing ice cream and cheese manufacturing equipment.
- Automation of packing process within a farm production environment
- Water turbines and water storage
- GPS for crop spraying

#### **Examples of successful projects from the Surrey Hills LEADER 2008 – 13**

1. A Surrey farm purchased a refrigerated van to start an on farm boxed beef scheme. They use the vehicle to transport their high quality beef directly to the customers. The vehicle is also available to hire to other farmers in the local area. They have increased the on farm profits and long term sustainability of the farm.
2. A local dairy farmer, producing the only ice cream in Surrey wanted to semi-automate the production and so purchased a new ice cream potting machine as well as a new freezer. They have increased production by 100% with this new equipment and employed a part time person.

**PRIORITY 3 - Rural Surrey LEADER rural tourism strategy:**

**Strategy: To maximise the potential of Surrey's metropolitan proximity, local economies and communities through rural tourism**

## **The Value of Rural Tourism in Surrey**

Surrey's Rural Visitor Economy Study found that tourism plays an important role in Surrey's rural economy and has been valued at £2bn with significant potential for growth. With over 300 visitor attractions and places of interest to visit such as Denbies Vineyard (300,000 visitors p.a.), Bocketts Farm Park (170,000 p.a.) and 26 million day-visits p.a. to Surrey, growth has been identified through a more coherent Surrey offer as well as targeting specific areas such as cycling and walking in Surrey, cultural tourism, vineyards and the waterways such as the Basingstoke Canal and the River Wey. Tourism has a multiplier effect on other parts of the Surrey economy by benefitting retail, food and drink and leisure sectors.

Tourism is a growth sector (UK tourism is growing at average real rate of 4.3% p/a - faster than current predictions for the UK economy as a whole) and employs 52,700 people across Surrey. Nationally and in Surrey rural tourism is a growing trend with walking and cycling being key activities.

## **Rural Tourism Challenges**

Due to Surrey's close proximity to London, persuading visitors to stay overnight is a local challenge but with improved accommodation offerings and enhanced attractions an overnight or increased length of stay and spend is viable. Cycling is a significant attraction for rural Surrey visitors but balancing local expectations, the impact on the environment of cycling and visitor needs is an ongoing challenge.

## **Rural Surrey LEADER Rural Tourism Priorities**

Rural Surrey LEADER will enable local tourism to maximise the opportunities available by increasing the number of overnight stays and to provide a year round visitor offering. It is important to increase the visitor numbers and spend. LEADER can add value to tourism by investing in activities and infrastructure that would contribute to the overall destination offer.

### **Key priorities:**

Opportunities for rural Surrey to exploit (subject to confirmation of eligibility);

**Local accommodation** – Needs identified within Surrey: accommodation upgrades; development of websites to include e booking systems; increased use of IT; brand new accommodation facilities at all levels (camping to hotels)

**Visitor attractions and events** – Needs identified within Surrey: individual attraction marketing and promotion; improvement of facilities; walking festivals; local food and drink festivals; on-line booking and improved IT use; e-commerce sites

**Improvement of infrastructure and services** – Needs identified within Surrey: green cycle ways; mountain bike trails; on route cafe's; shops; restaurants; catering services and local village services; promotion of facilities; equipment for activity providers

**Signage and interpretation** – Needs identified within Surrey: linked to local food production and the natural or built environment i.e. local food trails

Potential Rural Surrey projects as identified during the consultation process:

- Rural accommodation, catering, transport, shops, restaurants, cafes encouraging the innovative and unusual
- Visitor information centres, visitor information guidance, e-booking systems, development of websites to IT to provide information and attract visitors
- Signage and interpretation – local food and drink and attractions
- Destination marketing and promotion, visitor attractions, support for events and festivals, new tourism activities, products strengthening supply chains (local food, drink, arts, crafts)
- Innovation within community buildings, public spaces, cultural tourism and heritage amenities including renovation of historic farm buildings to support local economy
- Encourage collaboration to improve visitor offering
- Infrastructure to improve interpretation on farms and woodland for visitors
- Equestrian, farm and woodland tourism promotion
- Marketing and development of walks and low cost accommodation across Surrey i.e. North Downs Way—collaborating with Kent
- Mountain bike trail and hub development in the Surrey Hills
- Offer innovative green facilities along routes and cycle ways i.e. accommodation, food and drink
- Rural crafts – support collaborative taster attractions
- Festivals i.e. food and drink festival, arts festival, cycling festival, walking festival
- Use of under utilised assets
- Promoting car free holidays and public transport
- Initiatives to use local products in tourism businesses

#### **Examples of successful projects from the Surrey Hills LEADER 2008 – 13**

1. A local horseman purchased a covered horse drawn wagon and is offering year round wagon rides at local venues. Working with local attractions, pubs and accommodation providers he is able to offer a very special tourist experience encouraging increased visitor spend in the rural Surrey area.
2. A local family rented some land from the National Trust and used personal funding along with LEADER funding to purchase and equip 8 shepherd huts as well as erecting a straw bale building housing cooking and eating facilities. They have created unique sustainable holiday accommodation for up to 20 visitors a night to the Surrey Hills. This project has directly created two jobs.

#### **PRIORITY 4 - Rural Surrey LEADER forestry production strategy –**

**Strategy: Supporting the effective management of Surrey's woodlands therefore increasing productivity**

## **The Value of Forestry in Surrey**

Surrey is the most densely wooded county in England with 24.9% of woodland, the majority being broadleaved. The Surrey Hills AONB has 40% woodland cover making it the most wooded of the nation's Protected Landscapes. Trees and woods have a huge impact on Surrey landscapes as well as supporting direct wood product businesses, ecological networks and recreation. Forestry plays an important role in the rural Surrey economy making an increasing contribution to rural growth, helping to diversify the rural economy and reducing the carbon footprint of local communities. There is a big opportunity to support Surrey's woodlands and drive growth in the sector. Local interest in using timber for low carbon construction is opening up new opportunities for rural business. Surrey's commitment to wood is demonstrated by the successful Surrey Hills Wood Fair and hosting of the National Wood Fuel Conference.

## **Woodland Productivity Challenges**

Surrey's Woodland Study found that 64% of Surrey's woodlands are currently unmanaged or unlicensed and there are many small areas of woodland locally owned, that have not been coppiced for over 40 years. These woods are dense, over-stocked and suffering a decline in light levels and biodiversity. The supply chain is still very manual (e.g. firewood production). The cost of getting timber to the roadside is high and capital investment is needed to expand businesses.

## **Rural Surrey LEADER Forestry Productivity Priorities**

Rural Surrey LEADER will increase the forestry productivity by supporting the development of permanent new supply chains and jobs, restoration of regular management to local woods and a greater degree of added value processing to timber output. Targeted investment by Rural Surrey LEADER can generate improvements in physical assets, processing, products, technology, innovation, marketing, employment and therefore productivity and profitability.

### **Key priorities:**

Opportunities for rural Surrey to exploit (subject to confirmation of eligibility);

**New forestry technologies, processing, mobilising and marketing of products – Needs identified within Surrey:** Fuel wood Chippers; Log grabs; elevators; splitters; Forestry-spec tractors; forestry forwarder trailers; forestry forwarders; harvester/processors; forestry winches

**Enhancing of forestry potential or relating to processing, mobilising and marketing adding value to forest products – Needs identified within Surrey:** Mobile sawmill; Fuel wood log processors; saw benches

**Supporting the development of wood fuel supply chains – Needs identified within Surrey:** Wood fuel stores; centralised wood hub; marketing



Rural Surrey projects as identified during the consultation process:

- Machinery for forestry management and harvesting
- Studies and infrastructure for woodland recreation
- Surrey based wood fuel hub and network for the collection, storage and distribution for wood fuel for domestic and industrial users
- Micro enterprises developing new products, processes and technology for wood fuel, branded local charcoal, furniture or other artisan products
- Developing market opportunities and improving efficiency in the supply chain
- Barn for drying and storage of wood fuel prior to sale
- Firewood processor and other log processing equipment
- Small wood processing hubs
- Expansion of wood fuel producer and facilities
- Local woodchip drying barn for creating high grade wood chips

#### **Examples of successful projects from the Surrey Hills LEADER 2008 – 13**

1. A local contractor purchased a small portable sawmill to process locally grown wood. He produces the locally grown planks to expand the artisan wooden building side of his business. This has made his business more sustainable.
2. A forestry contractor has built a barn for the drying of locally produced firewood. This allowed the stockpiling of three tiers of timber ready for delivery the next year. This increased woodland management and local supply and provided local employment in terms of 2 jobs.

#### **PRIORITY 5 - Rural Surrey LEADER rural services strategy:**

**Strategy: To make Surrey's rural areas better places to live through the improvement of rural services and facilities**

#### **The value of Surrey's rural services and facilities**

Surrey is the most densely populated County in the South East with the population growing by 6.9% over the last 10 years with approximately 15% living in rural areas. Surrey's population is changing with single parent households rising (increase of 22% over the last 10 years) and the over-65's predicted to rise by 28% by 2033. Communities need to be able to adapt their services to reflect this growing and changing population. In addition, rural businesses rely on their communities to either buy from them or work for them. Therefore to ensure people remain living there, it is vital that rural communities thrive. Where community enterprises have been created they have helped to strengthen rural communities.

#### **Rural services and facilities challenges**

The difference between rich and poor and how different people live is at its most extreme in Surrey. Parts of the County are amongst the top handful of wealthy areas in the UK whilst

there are pockets of poverty, mostly in small neighborhoods on the edge of towns or isolated rural areas.

In rural areas, the viability of public transport is limited because of distances to amenities and lower population densities. This increases the risk of social exclusion and restricted opportunities for many children and young people living in these areas who have limited access to a car.

Village shops and post offices, once the hubs of rural communities, are declining and often in need of repair or regeneration.

### **Rural Surrey services and facilities priorities**

Consultation has highlighted the need to ensure that rural Surrey is a better place to live by improving accessibility and village amenities. Priorities include villages planning for a sustainable future and to develop sustainable mixed use facilities.

#### **Key Priorities:**

Opportunities for rural Surrey to exploit (subject to confirmation of eligibility);

**Development of villages and their services** – *Needs identified within Surrey: plans for village development*

**Creation, improvement or expansion of all types of small scale infrastructure including investment in renewable energy** – *Needs identified within Surrey: rain water harvesting; heating improvements to village amenities; village wind or water turbines*

**Setting up, improvement or expansion of essential rural services for the local community** – *Needs identified within Surrey: village shop refurbishment or start-up; village transport; community IT equipment or premises*

Rural Surrey projects as identified during the consultation process:

- Develop Community Enterprises
- Market research and social enterprise workshops in villages for those looking to set up a business/community enterprise
- Marketing support through directories and website
- Developing local business facilities at Village Halls including conference areas, meeting rooms, photocopying, printing, laptops and projectors
- Renewable energy installations in community facilities
- Wi-Fi hotspot and internet facility or mobile laptop for community and business use provided at community facilities
- Community websites in parishes to share local news
- Marketing and branding of local area or village to increase community identity
- Developing and greening community buildings and promoting wood-fuel opportunities
- Innovative community run transport schemes – purchase of vehicles
- Community cafe's and community facility development i.e. libraries, shops
- Community youth development i.e. Surrey Young Farmers/Girl Guides/Scouts
- Access to mobile phone service
- Handyman services

**Examples of successful projects from the Surrey Hills LEADER 2008 – 13**

1. A not-for-profit company needed a van for their handyman to be able to make home visits for those living in rural communities. He now successfully travels across Surrey visiting elderly, disabled and vulnerable rural residents and making adaptations and minor repairs to their accommodation. This created a part time position and increased the efficiency.
2. A community village shop wanted to sell fresh local produce and purchased fridges and freezers for their display. The community facility has expanded and now has a small cafe and library as well as a shop selling day to day requirements in the middle of a rural village. This has secured as well loved and needed local facility boosting the local rural economy.

**PRIORITY 6 - Rural Surrey's LEADER culture and heritage strategy;**

**Strategy: To preserve and promote Surrey's rural culture and heritage**

**The value of rural culture and heritage in Surrey**

Surrey is a rich and diverse County with significant landscape, military, agricultural and royal heritage. It is home to over 40 museums, RHS Wisley, many National Trust properties, listed buildings and conservation areas. There is a thriving arts scene in Surrey with many theatres, cinemas, galleries and historical venues. There are many formal and informal societies, particularly active in rural areas. There is a broad range of sport on offer from professional cricket to local football with cycling playing an increasing role since the London Olympics. Culture and heritage enhances the quality of life for Surrey residents and encourages increased numbers of visitors and spend.

**Rural culture and heritage challenges**

Many of the village societies rely on volunteers to run their groups. They also rely on volunteers to apply for funding and therefore funding is often difficult to secure for facilities upgrades or new equipment. Venues can also be expensive and difficult to secure with groups finding it hard to reach some areas of the population and be fully inclusive.

**Rural Surrey LEADER culture and heritage priorities**

Consultation showed that community ownership activity was important. It was felt that a focus on festivals and arts was appropriate for rural Surrey as well as developing a rural history activity plan. There was also scope to build on the success of Open Studios held every year.

**Key Priorities:**

Opportunities for rural Surrey to exploit (subject to confirmation of eligibility);

**Enhancement, restoration and upgrading of sites** – *Needs identified within Surrey: restoration of natural landscape;, enhancement of a high nature value site; upgrading of rural landscapes*

**Conservation of small scale built heritage** – *Needs identified within Surrey: infrastructure investment*

**Enhancement of cultural and community activities** – *Needs identified within Surrey: enhance venues offering cultural and heritage activity; village trails; marketing and websites*

**Events linked to cultural activity** – *potential examples: arts festival*

Rural Surrey projects as identified during the consultation process:

- Small scale infrastructure improvements to enhance the rural heritage of historic landscapes, woodland and communities
- A Surrey Rural Treasures interpretation project i.e. tourist guides
- Restoration of a historical pottery at Watts Gallery
- Restoration of canals or rivers to give economic benefits
- Increased use of waterways within Surrey
- Public art and regeneration of rural areas
- Cooperative local arts and crafts projects including shared use of facilities
- Surrey Hills Arts Festival

**Examples of successful projects from the Surrey Hills LEADER 2008 – 13**

1. The Wey and Arun Canal, needing to generate an income to fund future restoration costs were successful applicants of Rural Surrey LEADER funding to dredge a length of canal. The dredging has allowed a public boat operation to start which has increased visitor numbers and also generated an income for the trust.
2. A local Art gallery which housed a unique collection of paintings and sculptures needed to create a visitor centre to manage an increase in visitor numbers. The funding created a space of discovery, reflection and refreshment as well as boosting the local rural economy.



## ACTION PLAN

This action plan explains how the programme of activity will be implemented:

- Recruitment of staff: The Programme Manager and officer are already in post. The Administration Officer will be recruited shortly. The role has been agreed and job description graded. An advert needs to be placed to recruit. Normal SCC recruitment policies to be followed
- Recruitment of LAG members: The Interim LAG will form the core of the new LAG. The election of a Chairman and Vice Chairman is to be undertaken and terms of reference agreed. New LAG members have already been identified and have agreed to join
- Workspace: Office workspace, computer and document storage is already in place from the previous programme
- Processes: Upon receipt of the National Operations Manual, the in-house processes will be agreed and implemented
- Launch of programme: To include press releases to all interested parties
- Communications and marketing: The communications plan will be implemented
- Development of LAG and project panels: An annual timetable of meetings and panels will be agreed
- Drawing in of applications through:
  - LAG engagement – all LAG members to inform and work with their relevant sectors
  - Workshops – by sector, to invite applicants to hear more about the proposed programme and to understand application criteria
  - Attend events – attend sector held events to publicise grants and criteria
  - Newsletters – targeted newsletters sent out to our database of interested parties (currently 580) which can be split by sector
  - Mailings – send out mailings to all Councillors, village shops,
  - Publications – ensure coverage in relevant publications i.e. SE Farmer, Surrey Matters, local press, parish council newsletters
  - Website – maximise the use of the LEADER website
  - Social media – twitter and face book
  - Word of mouth – encourage all parties to spread the word
  - Networking groups – use the existing networking groups i.e. NFU, SCREF, Surrey Chambers of Commerce, AONB forestry groups
  - Attend shows - Surrey County Agricultural Society's shows, Surrey Hills Wood Fair, Cranleigh Show, Loseley Park events
  - Meetings – presenting at relevant local meetings i.e. NFU, AONB, FC, SRP Annual Meeting

## TARGETS, RESULTS AND OUTPUTS

The LAG has identified ambitious yet realistic targets for the delivery of Rural Surrey LEADER. The table below shows anticipated outputs for the programme period.

Rural Surrey LEADER Local Development Strategy 2015 - 2020

To ensure that the benefits of projects are fully captured, an annual survey of successful applicants will identify any changes to the outputs.

Leader policy priority	RDPE expenditure per FTE job created (£)	Average RDPE grant size (£)	Relevant CMES output indicators	End of programme forecast by Dec 2020 (£)
<b>Support for increasing farm productivity</b> (20% spend)	73,800	13,418	Total RDPE expenditure No of projects supported Jobs Created FTE	295,200 22 4
<b>Support for micro and small enterprises and farm diversification</b> (40% spend)	13,120	13,418	Total RDPE expenditure No of projects supported Jobs Created FTE	590,400 44 45
<b>Support for rural tourism</b> (20% spend)	42,171	13,418	Total RDPE expenditure No of projects supported Jobs Created FTE	295,200 22 7
<b>Support for culture and heritage activity</b> (3% spend)	44,280	14,760	Total RDPE expenditure No of projects supported Jobs Created FTE	44,280 3 1
<b>Provision of rural services</b> (7% spend)	34,440	14,760	Total RDPE expenditure No of projects supported Jobs Created FTE	103,320 7 3
<b>Support for increasing forestry productivity</b> (10% spend)	49,200	13,418	Total RDPE expenditure No of projects supported Jobs Created FTE	147,600 11 3

## SUSTAINABILITY APPRAISAL

A detailed sustainability appraisal for the Rural Surrey LAG has been undertaken to ensure this LDS and potential projects meet economic, environmental and social sustainable development. The appraisal used a recognised government format which identified 15 themes to be considered for rural Surrey and objectives were identified for each.

As a result of this appraisal a checklist and scoring matrix for Rural Surrey LEADER has been developed and will be used to consider each project. The Rural Surrey LEADER bid is committed to sustainability which is central to delivering all projects and activities. This will ensure that the value of the LEADER funding and partnerships provide long term benefits beyond the end of the programme in 2020.

It will achieve:

- Economic sustainability by improving the viability of the farming, forestry and rural tourism sectors and ensuring sustainable consumption and production
- Environmental sustainability by mitigation and adaptation to climate change, ensuring the Surrey landscapes and environment are protected and enhanced
- Natural resource protection by creating viable and vibrant rural communities
- Financial and project sustainability by delivering good value projects that are sustainable into the future

## PROPOSED CO-OPERATION ACTIVITY

The LAG will ensure that co-operation activity effectively adds value to the delivery of the programme. A detailed engagement, cooperation and communication strategy will be developed.

The LAG and programme staff will participate in:

- Regular meetings with neighboring groups in Kent and Sussex along with meetings with other SE England LEADER groups
- LEP Rural Groups and Forums
- The RDPE network
- National and international LEADER exchange networks

The LAG will explore opportunities for collaborative projects that support growth and jobs. Collaborations have been identified across County borders and within Surrey. Furthermore, LEADER can act as a catalyst by promoting co-operation within Surrey between different rural groups.

- The Kent, Surrey and Sussex LEADER groups met regularly during the last LEADER programme and successfully delivered a co-operation project. This co-operation will continue and opportunities for joint working and shared costs will be explored and developed
- Rural Surrey LEADER Programme staff and LAG members sit on the two LEP rural groups and work closely to develop plans – some cross border projects are being investigated by the LEP which could lead to elements being funded by LEADER
- Surrey works with European partners on the 'Purple' project [www.purple-eu.org](http://www.purple-eu.org). Members represent peri-urban areas and the aim for Surrey is to maximise the advantages which result in Surrey's close proximity to London

- A potential collaboration project which has been identified, running across Kent and Surrey is The North Downs Way involving a joint tourism project promoting the walk with accommodation and pub or cafe facilities along the way
- Project to run food hub/community farm shop on Surrey/Sussex border
- LEPS EAFRD funding – will be the catalyst for a wide range of projects

## COMMUNICATIONS AND PUBLICITY

Rural Surrey LAG have developed a comprehensive Engagement, co-operation and communication strategy in which it sets out the vision and activities of the LAG in terms of the communication. It has drawn on the experience gained in the previous LEADER programme and will use the expertise of the LAG to ensure value for money in this activity. Facilitation will take place with sectors to encourage an innovative mix of good quality applications

- Aim of the communications strategy
  - Draw in potential new applicants to the programme
  - Act as a signpost to other funding streams if LEADER is not appropriate
  - Highlight the success stories of the Rural Surrey LEADER programme and also of other areas
- Target groups of the strategy include
  - Farmers, foresters, tourism, rural enterprises and other rural beneficiaries
  - Rural communities, parish councils, rural groups
  - Local and regional authorities
  - Professional and non-government organisations
  - Other LEADER LAG's
- The key methods of communications will be
  - Rural Surrey LEADER website,
  - Creation of brochures, flyers, monthly newsletters, (paper copies and e copies to be produced)
  - Social media i.e. Twitter and Facebook
  - Attendance at key events i.e. Surrey Hills Woodfair, agricultural shows
  - Partners existing communication channels i.e. LEADER as an agenda item
  - LAG members acting as advocates of the programme to raise the profile
  - Via organisations representing the interests of farmers, foresters, rural tourism and communities including NFU, CLA, SCAS, SCA, SCREF
  - Presence in village shop windows, parish magazines, local papers, regional sector specific papers, on funding websites
- Issues to consider
  - Inappropriate applicants – review marketing message being given
  - Low take up – increase activity – more one to one activity – consider new channels – talk to other LAGs
  - Sector not applying – increase activity specifically to that market and further engage representatives i.e. farming – NFU

## FINANCIAL PLAN

The financial spend by year is as follows:

### EXPENDITURE FOR EACH YEAR, BY MEASURE



**LEADER 2014-2020**  
**Local Development Strategy Application**  
**Financial Profile**

**1. Applicant Details**

<b>Local Action Group:</b>	Rural Surrey LEADER
<b>Accountable Body:</b>	Surrey County Council

**2. Financial Profile**

	Expenditure Forecast (£)							Total programme
	Financial Year							
Policy Priority	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
Support for increasing farm	0	£53,136	£64,944	£73,800	£53,136	£38,376	£11,808	£295,200
Support for micro and small	0	£106,272	£129,888	£147,600	£106,272	£76,752	£23,616	£590,400
Support for rural tourism	0	£53,136	£64,944	£73,800	£53,136	£38,376	£11,808	£295,200
Provision of rural services	0	£18,598	£22,730	£25,830	£18,598	£13,432	£4,133	£103,320
Support for cultural and heritage	0	£7,970	£9,742	£11,070	£7,970	£5,756	£1,771	£44,280
Support for increasing forestry	0	£26,568	£32,472	£36,900	£26,568	£19,188	£5,904	£147,600
<b>Running costs and animation</b>	10000	60000	60000	60000	60000	60000	14000	324000
<b>Grand Total</b>	10000	325680	384720	429000	325680	251880	73040	1800000

LEADER Financial Profile (V1.0) Page 1 of 1

## OVERALL FUNDING PROFILE

Prospective LEADER group	Allocation if all groups are funded (£000s)	Minimum allocation if 70 groups are funded (£000s)	Maximum allocation if 70 groups are funded (£000s)
Rural Surrey LEADER	1560	1800	



## USE OF GRANTS, PROCUREMENT OR OTHER FINANCIAL SUPPORT

The LAG and the Accountable body will provide significant in-kind contribution. This includes staff time, office accommodation, IT, management support and financial management, provision of venues and promotional activities.

- The LAG are open to exploring the opportunity for LEADER funding to provide a local small grants scheme which is quicker for applicants and simple to administer.
- The LAG are working closely with the LEPS and if suitable processes can be agreed they are keen to distribute their EAFRD and other rural Surrey funding as appropriate.
- LEADER funding will be targeted to need and innovation using a robust project assessment framework. The criteria for eligible projects will ensure projects are focused on the LAG objectives. The LAG will assess applications and take a view about the level of grant rate and match funding that's required.
- Non RDPE funding streams will be used to support and add value to LEADER activities.
- Match funding will be required for projects to ensure private sector and local support for the programme and for projects. Sources of this could include private funds or grant making trusts and foundations.

## MANAGEMENT AND ADMINISTRATION

### ACCOUNTABLE BODY

Surrey County Council will be the Accountable Body for the Rural Surrey LEADER Programme 2015–2020. It will be responsible for the delivery of the programme on behalf of the LAG and ensure that financial propriety and compliance is observed in this programme. It also has sufficient processes in place to avoid conflict of interest for Accountable Body staff and LAG members. It will perform the following functions in line with the National Operational Manual and the rural Surrey LDS in accordance with the decisions made by the Local Action Group:

- Project development
  - Ensure that as many sectors as possible across rural Surrey participate in the delivery of the strategy
  - Develop a clear communications strategy that aligns with the National Strategy
- Project assessment
  - Ensure the criteria for project selection is open and transparent
  - Ensure sufficient checks including eligibility, state aid and applicant reliability have been carried out
  - Ensure correct procedures are followed
  - Manage conflicts of interest
- Project monitoring
  - Undertake project monitoring and reporting as specified in the contract
  - Keep suitable records as required for all projects to include the archiving
  - To identify weaknesses and minimise risk
- Processing grants
  - Process grant payments and undertake checks and inspections
  - Issue, hold and manage the contract with grant applicants

- Develop clear audit processes to review procedures and processes used (initially paper based processes and the CAP-D IT system once developed)
- The Accountable Body will also
  - Hold and manage the contract with DEFRA
  - Ensure the National Operational Guidance supplied by Defra is implemented
  - Ensure financial propriety and compliance is achieved in the management and administration of the programme
  - Employ staff, management, internal auditing, training, legal and financial expertise
  - Maintain records of the income and expenditure of the LAG
  - Liaise with the Defra RDT team throughout the programme as required
  - Ensure the successful conclusion of the 2015–2020 programme

The Accountable Body Surrey County Council has the administrative and financial management experience, capacity and capability to deliver LEADER. It has extensive experience of managing programmes and funds. In addition to Surrey Hills LEADER 2008 – 13, Surrey County Council has experience of successfully managing European, Government and Lottery programme funds. These include The Local Sustainable Transport Fund, The Surrey Market Towns Programme, The Rural Access to Services Programme and the Surrey Heritage Skills Programme.

## PROJECT DEVELOPMENT AND ASSESSMENT PROCEDURES

All administrative processes undertaken by programme staff, LAG members or the Accountable Body will be in line with the National Operational Manual which is to be released by Defra later in 2014. Project data will be input into the new CAP-D IT system being developed by Defra as soon as it is ready.

- The programme staff and Accountable Body will ensure that as many sectors of the community participate in the delivery of LEADER in Rural Surrey. There will be regular workshops and meetings with potential applicants to ensure a broad section of the community are involved
- The communications plan will be developed to ensure high quality project applications
- Projects will be developed by the applicant with support from LAG members and programme staff. It is envisaged that an EOI will be used to screen potential applications and clear guidance will be issued on how a project should proceed.
- Projects will be independently appraised considering: value for money, need for funding, can it achieve objectives, realistic approach
- Professional input including accountancy and legal support will be provided in kind by the accountable body
- Successfully appraised projects will be considered by the Executive LAG – the project panel, for funding. Each project will be subject to a rigorous scoring process agreed by the LAG
- Compliance will be ensured by robustly assessing projects during the appraisal and selection process
- A contract will be issued which will set out the conditions and requirements and signed by the applicant
- Regular checks will be carried out by the programme staff to ensure that projects are delivered as agreed and reported regularly to the LAG

## CLAIMS AND PAYMENTS

Approved projects will be allocated funding using an appropriate grant rate for the chosen measure. This will be reflected within the contract issued and within the file and on the database

- Claims will be scrutinised as per the operational manual and recommended by staff with experience within this area. All claims will be based on receipted invoices and clear evidence of payment. Details of claim irregularities will be recorded and reported
- Claim payments will be authorised by a separate person to the recommender, who will have the appropriate skills and authority. Post-payment checks on a sample of claims authorised by each authoriser will also be undertaken
- All projects will have a routine inspection at least once during their lifetime. Targeted inspections will also be undertaken by the LAG if it has concerns about the project progress or a particular claim. As in the current programme – regular telephone and email contact will be maintained with all applicants

## THE LAG PARTNERSHIP

An ambitious and effective LAG has been formed to produce this Local Development Strategy. This LAG has appropriate representation across priority areas to ensure a good balance. The LAG has identified the strategy and priorities following a series of workshops and consultation activities along with a review of Surrey based evidence.

The LAG will continue to be responsible for drawing in projects to be considered for the Rural Surrey LEADER programme. They will agree the selection criteria and assess each project ensuring they meet the LDS objectives and targets. They will be responsible for monitoring the implementation of the strategy.

The Rural Surrey LAG is the responsible partnership for the LDS under the authority of the Accountable Body. It will monitor the progress of the programme and review reports of projects received, ensuring that the strategies set out in the Rural Surrey LEADER LDS are met.

## MEMBERSHIP

The membership represents a dynamic cross section of interests and activities in rural Surrey including farming, forestry, local produce, tourism and rural communities. Membership reflects the issues and needs identified in Surrey LEADER workshops. It provides a vibrant mix of private, public and voluntary sectors which is gender balanced. The Rural Surrey Local Action Group (LAG) current membership is shown in the table below.

The LAG includes representatives from all business communities, including previous LEADER recipients and members representing the new geographical Rural Surrey LEADER area. An interim LAG group, with a Transition Chairman has led this LDS development for rural Surrey and it is anticipated that members from this group will be recruited onto the main LAG in early 2015.

<b>Area representing</b>	<b>no</b>	<b>Area representing</b>	<b>no</b>
Farming – as active farmer	5 (A)	LEP Coast to Capital and Enterprise M3)	2(A)

## Rural Surrey LEADER Local Development Strategy 2015 - 2020

NFU / CLA / SCAS	3 (A)	Landscape (Incl. AONB, SNP)	3 (B)
Parish and district Councils/communities	3 (A,Bx2)	Forestry and wood fuel	3 (Ax2,Bx1)
Rural Businesses – active business	3 (A)	Tourism and heritage	2 (A/B)

A=private B=public

### STRUCTURE AND DECISION MAKING PROCESS

The LAG will have a chairman and a vice-chairman. These posts will be elected annually and all members of the LAG receive one vote. LAG Members are champions for specific sectors. The LAG working and decision making procedures are clear, transparent and non-discriminatory.

The LAG will meet a minimum of three times a year to review delivery of the LDS, consider spend priorities and develop co-operation activity. Subgroups of the LAG will be formed to consider specific sectors (e.g. tourism) and activity (e.g. communication) as required.

An Executive LAG will act as a subgroup of the LAG and they are responsible for considering and approving projects. They will meet bimonthly (more if necessary).

Terms of reference will set out the operation of the LAG and subgroups. This will include details of LAG membership, membership review procedures, voting procedures and arrangements for the election of chairman and vice chairman.

The Rural Surrey LAG will maintain effective communication with all Surrey's rural groups including: Surrey Rural Partnership, Surrey Community Action, Surrey Countryside and Rural Enterprise Forum (SCREF), Surrey Connects, Surrey Local Nature Partnership, Surrey Hills AONB, NFU, CLA, CPRE, FSB.

A Rural Surrey LAG membership pack will be created for every member. Details of the contents can be found within the section on training which follows.

The working procedures and decision making process for projects will be created in detail when the full advice is received from Defra. Selection criteria will be clear, non-discriminatory and transparent and uses a combination of a score card and votes. A project score card has been developed to fully assess the project's suitability, alignment with the LDS priorities such as creation of jobs or growth of local economy and sustainability. This will be further developed over the programme period as appropriate. Each Executive LAG member will be entitled to one vote.

The LAG has the competencies and skills to support activity and deliver the programme. All LAG members will be responsible for engaging the local community as well as drawing in and selecting projects. Projects will be independently appraised by an Appraisal officer. Successful projects are then considered for funding by the Executive LAG.

LAG project appraisal, project approvals, claim authorisation, post-payment supervisory checks and project inspections will ensure separation of duty and be handled by different people. The LAG is responsible for monitoring and evaluation of the strategy. All national guidance will be followed.

## LAG STAFF, NUMBERS AND JOB DESCRIPTIONS

Rural Surrey LEADER will have three (1.3fte) paid members of staff to undertake the programme delivery. The staffing of the 2008-2013 programme was reviewed and this informed the staffing levels for the 2015–20 programme. The programme manager and officer are in post and have been funded through the LEADER Transition Year (2014). The administration officer would need to be in post early 2015.

- Programme Manager (0.5fte) – in post since 2008
- Programme Officer (0.3fte) – in post since 2010
- Programme Administration Officer (0.5fte) – to be appointed
- An Appraisal Officer will be engaged when required

### **Job Title: Surrey Rural LEADER Programme Manager 2015 - 2020**

The Programme Manager delivers the programme, on behalf of the LAG.

Principal Accountabilities:

- Lead the 2015-2020 LEADER programme, including applications, meeting with applicants to develop their project ideas
- Manage and monitor project and programme budget and spend to meet funding allocations and targets
- Develop the membership and approach of the Local Action Group (LAG) to reflect the needs of rural Surrey
- Line manage programme staff

### **Job Title: Surrey Rural LEADER Programme Officer 2015 - 2020**

The Programme Officer promotes the programme and engages with applicants, rural businesses and communities to deliver projects, on behalf of the LAG.

Principal Accountabilities:

- Engage and work with appropriate rural businesses and communities to achieve a good submission of projects. Provide support to individual applicants to develop their project ideas
- Implement the Engagement, Co-ordination and Communication Strategy to ensure the programme meets the needs of rural Surrey. Including the use of website, social media, newsletters and workshops
- Develop and maintain effective contact databases to ensure accurate reporting of spend and outcomes
- Engage with the Local Action Group (LAG), prepare monthly newsletter and secure their commitment to assist the Programme

### **Job Title: Surrey Rural LEADER Administration Officer 2015 – 2020**

The Administration Officer undertakes the administration of the programme, on behalf of the LAG. Principal Accountabilities:

- Develop and undertake all administrative processes as per national guidance
- Be the first point of contact for prospective LEADER applicants
- Make arrangements for meetings (book rooms) as required for the LAG to operate
- Take minutes at LAG meetings and other meetings as required



**Job Title: Surrey Rural LEADER Appraisal Officer 2015 – 2020**

The Appraisal Officer undertakes project appraisals on behalf of the LAG.

Principal Accountabilities:

- Complete a detailed appraisal for every project which is to be considered by the LAG as per Defra national guidelines
- To present the project to the LAG at executive LAG meetings

## TRAINING REQUIREMENTS

The LAG contains members with a mix of knowledge, skills and experience in delivering LEADER. The new programme will also have new processes and requirements. The LAG and LEADER staff will undertake training for the new 2015-2020 programme. This includes training on:

- Understanding the LAG's role
- Process training
- Application success criteria
- Collaboration

A Rural Surrey LAG membership pack will be created for every member. It will contain:

- Local Development Strategy
- Role of the Local Action Group
- Role of LAG members and accountability of the LAG
- Conflict of interest register
- Process overview
- Project appraisal criteria
- Voting procedures
- Annual review process
- Recommend a project form to Rural Surrey LEADER
- Introduction to the Rural Surrey LEADER grant programme
- Project booklet from 2008-2013 Surrey Hills LEADER programme
- List of current members
- Terms of reference for Surrey Rural LAG

## EQUAL OPPORTUNITIES STATEMENT (THE PUBLIC SECTOR EQUALITY DUTY)

The Rural Surrey LAG will ensure that processes are in place to comply with the Public Sector Equality Duty of the Equality Act 2010. The LAG will ensure proactive promotion of equalities at all stages of the programme implementation including design, delivery, monitoring and evaluation. The process will be:

- Equality Impact Assessments (EIA) and action plans will be used to ensure any new LAG partnership, policy or project meets equal opportunity and diversity requirements. The process will assess:
  - Whether there is potential to cause unlawful direct or indirect discrimination.
  - How discrimination will be dealt with.
  - How equality of opportunity will be promoted.
  - How positive attitudes towards different groups will be fostered.

Rural Surrey LEADER Local Development Strategy 2015 - 2020


- How good relations between different groups will be fostered.
- How participation of groups under- represented groups will be encouraged.
- Ongoing monitoring will ensure that equality considerations become embedded into all partnerships, policy and projects
- Staff and LAG training –refresher training will be made available to all staff members and LAG members will be offered training as required

**SOURCES OF REFERENCE**

Data for this report has been sourced from studies and evidence including;

Surrey Hills Area of Outstanding Natural Beauty Management Plan (2014-2019), Surrey Farm Study 4 – 2014, Surrey Rural visitor Economy Study 2014, NFU, SCREF workshop research, Surrey Uncovered by Sian Sangarde-Brown for Surrey Community Action 2013/4, Surrey Rural Partnership Rural Strategy 2010-2015, Forestry Commission research, Enterprise M3's Strategy for Growth, Coast to Capital's Strategic Economic Plan and their ESIF strategies.

Signed below for and on behalf of Rural Surrey Local Action Group

Signed: .....  .....

Name: .....Sir Graham Wilkinson Bt.....

Position: ...Chairman, Rural Surrey LEADER for 2014 Transition Year

Date: .....5 September 2014



Driving prosperity in the M3 corridor

Hampshire County Council  
The Castle  
Winchester  
Hampshire  
SO23 8UD

Cathy Miles  
Surrey LEADER Programme Manager  
Surrey County Council  
County Hall  
Penrhyn Road  
Kingston-upon-Thames  
Surrey  
KT1 2DN

14<sup>th</sup> August 2014

Dear Cathy,

Ref: Rural Surrey Local Action Group Local Development Strategy

Thank you for sharing the Rural Surrey Local Action Group Local Development Strategy objectives and priorities with the Enterprise M3, Local Enterprise Partnership. Your objectives and associated action plans demonstrate the knowledge that the Rural Surrey Local Action Group has of its area and business economy along with understanding of the opportunities and challenges that will be faced in the future.

Enterprise M3 welcomes your recognition of the Enterprise M3 Strategic Economic Plan and EU strategy and your demonstration of joint working that will provide complementary rather than duplicated support for rural and farm businesses. Your key themes of rural enterprise, tourism, access to rural services and the development of culture and heritage all resonate hugely within our own thinking.

We are supportive of your strategy and look forward to working with you on rural activities. We wish you every success with your submission.

Yours sincerely,

A handwritten signature in black ink that reads "Deborah Wyatt". The signature is written in a cursive style with a large, stylized 'D' at the beginning.

Deborah Wyatt – Enterprise Project Manager. For and on behalf of Enterprise M3



Arun House  
Hurst Road  
HORSHAM  
West Sussex  
RH12 2DN  
29 August 2014

Ms Cathy Miles  
Rural Surrey LEADER Programme Manager  
Whitebeam Lodge  
Merrow Lane  
Guildford  
GU4 7BQ  
Dear Ms Miles,

### **LEADER Local Development Strategy**

I write to you in support of the Local Development Strategy for the Surrey Local Action Group (LAG).

Coast to Capital's extensive rural area is covered by three Local Action Groups responsible for the delivery of the LEADER part of the Rural Development Programme for England, managed by Defra.

After a recent reorganisation which ensures that there is now complete coverage of Coast to Capital's rural area, the three LAGs are:

- Surrey
- Sussex Downs and Coastal Plain
- Horsham, Lewes and Mid Sussex

The LEADER LAGs have been asked to submit Local Development Strategies (LDSs) for the next programming period of 2015 to 2020 for their locally developed and delivered projects. These LDSs require Local Enterprise Partnership (LEP) endorsement in order to be successful.

Coast to Capital LEP has worked closely with the three LAGs during the drafting of their strategies and the cooperation and partnership work has been very impressive and encouraging. Emphasis has been placed on the importance of rural economic development and the necessity of alignment with our Strategic Economic Plan (SEP) and our Growth Fund activities, together with our allocation of the European Agricultural Fund for Rural Development (EAFRD).

Our rural development priorities are:

- Building knowledge and skills in rural areas
- Supporting rural small and micro businesses
- Support for rural tourism and the forestry enterprises project (included in our Growth Funding)

The proposed LDSs complements (without duplicating) the rural strategy component of our 2014 Strategic Economic Plan (SEP). The LEADER funding will primarily provide grants to rural businesses to support growth, for example, helping them to purchase new equipment and technology, whilst our funds which provide revenue rather than capital funding, will mainly support skills development, knowledge exchange, business advice and support.

After due diligence and reflection, I strongly feel that the proposed LDSs should be given Coast to Capital LEP's support.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ron Crank', with a horizontal line underneath the name.

Ron Crank

Chief Executive