

Appendix III

Consultation on the Northern Ireland 2014-2020 Rural Development Programme

Draft Belfast City Council response for consideration by CMT – October 2013

Background

DARD is inviting written responses to the consultation paper on the Rural Development Programme 2014-2020. Given that only certain elements of the programme are relevant to Belfast City Council, the appendix sets out the proposed answers to those specific questions.

The key targets for the 2014-2020 Rural Development Programme includes measures to improve the competitiveness of our agri-food industry as well as the natural environment alongside measures to develop and improve rural areas. There are 6 priority measures: the one of most relevance to Belfast City Council is Priority 6: Rural Development.

The consultation document features a series of questions related to priority 6. Proposed answers to the key questions in this section of the consultation are detailed below.

The consultation document makes some reference to the potential for the “Leader” model of delivery which has happened under previous rounds of the programme. Leader is a bottom-up approach to rural development activity. It involves devolving funding to local level to allow the delivery of agreed programme of work against a set of objectives. At present, the EU requires at least 5% of the funding to be distributed in this way. Under the current programme, Belfast is part of a cluster with Lisburn and Castlereagh. There are seven of these clusters at present: they were established in 2006 in anticipation of aligning with the proposed 7 council area model that at that time. However the lack of progress in RPA meant that this did not happen.

While the current consultation does not define the geographies to be associated with the Leader approach, it suggests that there are a number of principles for service delivery that need to be considered, namely:

- Effectiveness
- Equality focused
- Capable
- Accountable
- Local.

It is proposed that our response includes a request to ensure that the Leader model is based on the 11 council structures and that, therefore, the new Belfast City Council boundary is designated as a Leader area in its own right.

Proposed answers to questions asked in the consultation document:

Question 31 - How effective do you think the proposed priority 6 schemes (Rural Business Development, Rural Business Investment, Rural Tourism, and Combating Poverty and Social Isolation – Basic Services, Village Renewal) will be in meeting the needs of the sector? Please provide reasons / evidence to support your views.

The above-mentioned activities are aligned to the EU priorities for smart and inclusive growth. The document sets out well the rationale for measures envisaged within this priority: the need to support and maintain rural SMEs, dependence on rural tourism (both as a main and supplementary income), reducing isolation through the provision of adequate basic services and the renewal of villages as community hubs.

Whilst Belfast City Council agrees with the focus of the proposed schemes, the operational delivery of these initiatives should take into consideration the challenges experienced by project promoters in terms of accessing match funding finance, securing planning permission and the timescales of this activity.

The proposed Rural Business Development and Rural Business Investment Schemes are both welcome additions to support business start up and growth in eligible areas. However both schemes appear to have prerequisites which impact on a company's ability to access support under the scheme. We have some concerns about placing potential barriers such as this which may prevent access to vital support services for rural businesses and would recommend that this issue is looked at again. If this does not happen, we consider that it could impact negatively on the ability to realise grant spend targets under this measure.

Question 32 – How might these schemes (Rural Business Development, Rural Business Investment, Rural Tourism, and Combating Poverty Social Isolation – Basic Services, Village Renewal) be improved upon to meet the needs of your sector? Please provide reasons / evidence to support your views.

Belfast City Council's Integrated Tourism Development Framework, which was developed in partnership with the Northern Ireland Tourist Board (NITB) has identified 10 Tourism Destinations for the city – two of which are directly located in or link into rural areas. These are Belfast Hills and Lagan Canal.

Tourism in Belfast was worth £416million in 2012 in direct visitor spending, and the industry supports 10,000 FTE jobs in the city. Belfast City Council's tourism strategy is focussed on spreading this benefit across the city. However, with particular regard to Belfast Hills and the Lagan Canal, there are a number of factors which impact on their ability to gain proportionate access to the economic benefits generated.

With regard to the Belfast Hills, baseline research has been undertaken by various groups in the hills and at the fringes of the hills. Current efforts have allowed pockets of sustainable development to take place but wider development has been hampered by limited access into the hills and within the wider hills network. Belfast City Council, with partner organisations, will continue to consult with private landowners and the National Trust to enable the maximum potential of the hills to be achieved and facilitate enjoyment of the natural assets by the public. These actions will greatly increase the potential of the Belfast Hills to realise its share of the overall Belfast tourism dividend. We would therefore encourage the Department to delineate the eligible hills boundary and increase the funding threshold for tourism projects to enable strategic, sustainable and inclusive projects to be delivered.

With regard to the Lagan Canal, Belfast City Council is working with several partners including the Lagan Canal Trust and landowners. However progress has been limited due to the need for large-scale investment. The funding limits in place in the current programme have supported only piecemeal investment in the site. If any strategic tourism development schemes are to take place, we would recommend that the Department considers removing the current funding cap to allow a number of these "flagship" projects to progress.

It is also important to consider the impact of Local Government Reform which will affect local government boundaries, bringing in and transferring areas across Council boundaries. How this transfer is managed without disruption to the scheme and any live projects needs to be taken into account.

A key element of the Local Government Reform Programme is the requirement for the new Councils, in partnership with other stakeholders, to develop Community Plans for their areas. The NIRDP has the potential of becoming a significant resource stream to support the delivery of social, economic and environmental development projects within those Community Plans.

Belfast City Council proposes that the Leader elements of the programme should therefore be managed on a council area basis and the new Belfast City Council boundary should be designated as a Leader area in its own right. We consider that this would have a number of benefits:

- Allow for the alignment of rural development projects with the Belfast City Council Community Plan
- Support the development of the community led local development approach: we are currently working with DFP, DETI and DEL to look at opportunities for providing ring-fenced funding to address identified socio-economic challenges in the locality. Inclusion of Leader funding into this model would allow a holistic yet targeted approach to addressing these challenges and would reduce duplication of funding, allowing Belfast to maximise the impact of the EU resources
- Belfast City Council has many years of experience in drawing down EU funding for use in social and economic regeneration projects, including some significant schemes under the current Rural Development Programme. We have a track record of delivering results and ensuring funding drawdown, in line with programme commitments
- The council's governance processes ensure that there is compliance with all relevant equality legislation. This would provide appropriate assurances for the Department in this regard
- The council has significant profile at a local level as a key delivery body. Through our elected members, we are able to reflect the issues addressing local communities and deliver tangible projects to make a difference at local level.

To support business growth, we would further suggest reconsidering the eligibility requirements for this programme to include small businesses with up to 20 employees. The majority of businesses in Northern Ireland are micro-businesses and will fall into this category. This would align with the requirements of other programmes being run by the council and would therefore make it easier for companies to understand the nature of the offer.

Question 33 – On which issues should the proposed All Island Cooperation scheme focus in order to address deprivation and disadvantage in rural areas most effectively? Please provide reasons to support your views.

We consider that this measure should focus on shared learning, networking and exchange of best practice. Given that the council boundary is at a distance from the border, there are challenges in developing collaborative activities. While the opportunity for collaboration exists within the current programme, this has been difficult to realise in practical terms.

Question 34 – Should a scheme to address deprivation and disadvantage through North/South Co-operation focus only on those regions in the north adjacent to the border, or should it cover all rural areas in the north? Please provide reasons to support your views.

We recommend that it could operate on the same principle as the INTERREG Programme; namely those areas not contiguous to the border are eligible for 20% of the total priority budget.

Question 35 – How much of the programme budget should be allocated to the Leader approach, and why?

The Lagan Rural Partnership has fully allocated its available budget through the current NIRD. This demonstrates the potential of the Leader approach to achieve spend targets. We would therefore suggest that the Department considers going beyond the minimum 5% allocation to Leader projects and allocates a budget that is closer to the current programme (19% of programme budget).

In addition, it should be noted that Councils were able to design and deliver strategic projects only at a very late stage in the current Programme's lifespan. This demonstrates councils' flexibility and ability to design projects which meet localised needs and which contribute to the overall programme aims and objectives. We would encourage the Department to maintain this element of the Programme as we consider that there is additional potential for significant projects of this nature which can make a positive impact on the rural economy. Any reduction in budget to this element of the programme would have a significant impact on the ability to deliver projects of strategic impact and scale.

Should this approach be adopted for the 2014 programme, we would recommend that strategic projects with a value in excess of £250,000 of grant funding should be eligible for

funding earlier in the programme in order to allow for time to build the potential landmark projects and facilitate early acceleration of grant spend.

Given the change of boundary as a result of Local Government Reform, Belfast City Council will have a more significant footprint in the designated rural boundary. We have seen the benefits of engagement under the current programme, albeit that our rural population is limited in size. Under the future programme, we would be a willing partner in a Leader-type approach and would be keen to look at how we could work with the Department to develop rural regeneration schemes which will impact positively on the quality of life for rural residents within our boundary.

Question 36 - Which measures/schemes should be delivered through the Leader approach, and why?

We believe that the draft Operational Programme is accurate in terms of what is envisaged to be delivered through Leader. There is however potential for Local Action Groups to also deliver activity related to knowledge transfer and innovation (priority 1) and we would support a revision of the programme to take account of this. This is in line with our proposals under the ERDF consultation.

Question 37 – Which measures should be delivered by bodies (including Councils) other than Local Action Groups and why?

Belfast City Council believes that it has a key role to play in the delivery of the outlined measures in Priority 6. In particular, we consider that local authorities, in partnership with the Local Action Groups, have a key role in delivering:

- Village renewal activity: notably where the rural community lacks the community infrastructure to develop plans and then map out and develop the delivery of initiatives contained therein
- Strategic flagship initiatives which deliver a lasting legacy and sustainable outputs for an area, including tourism infrastructure schemes.

As previously mentioned, cognisance should be given to the likely transfer of functions to Councils through the Reform of Local Government e.g. business development and enterprise support initiatives. Belfast City Council would encourage the Department to work

closely with councils in the development and implementation of any related measures, in order to minimise any negative impact on the end user.

We consider that, while the focus of the programme is on development of the physical space and its communities, it is also important to consider linkages with the adjacent urban areas. Many of the communities who use and “own” rural parts come from outside the designated area.

Additional comments

Whilst Belfast is principally an urban area, we welcome the opportunity to engage in the NIRDP and provide support to its rural visitors and population. Cities across the EU are recognising the importance of linking urban-rural and actions to support this should be welcomed within the functions of the Programme.

From our experience in the current programme, we would also make the following comments:

- Village Renewal Scheme (p80): one of the key lessons from the current programme is that the success of this measure is dependent on the social fabric existing in the village. Where a community infrastructure does not exist the Programme should facilitate community development and accommodate the time needed for this work within the profile of the Programme’s lifespan.
- The Department should recognise that, if it is envisaged that communities themselves are responsible for the development of these plans, the communities may not be able to access match funding. In the current Programme, local authorities undertook this responsibility. However, in line with the principles of community regeneration and in order to ensure that the community has ownership of the Programme, we would encourage communities to take the lead in this process. This however raises a number of issues including availability of funding and variances in capacity levels across local communities. The programme should consider how these issues can be addressed.
- We consider that there is a significant opportunity in the new programme to focus on support for the social economy in rural areas – both in terms of raising the awareness of its potential amongst rural communities and in providing resources to develop the sector

- We would encourage the department to look at how the administration and bureaucracy associated with Programme delivery can be reduced. A possible consideration for this may be the creation of a one tier robust corporate body, rather than the two tier (Strategic Joint Committee/Local Action Group) management system in the current programme
- We consider that the Leader structures should be co-terminous with the new council boundaries. This will ensure alignment with both Community Plans and the proposed integrated programme approach that has been discussed with DFP as part of the new EU funding programming period 2014-2020.