

# Rural Economy Growth Review: Frequently Asked Questions

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## 1. General

### Q. What areas does the review cover?

A. The Review recognised that many of the most significant issues affecting rural businesses, such as access to finance, the effectiveness of training, the cost and supply of housing, and the availability of expert business advice, similarly affect businesses in urban areas, and are being addressed at a national level.

However, the Review looked at specific barriers to sustainable growth that face rural areas, such as poor electronic communications; a lack of premises for businesses to start up, expand or diversify; and limited access to a local workforce with the right skills. The Review also considers the comparative advantages of rural areas, such as space for businesses to develop and expand sustainably and plentiful supplies of natural resources on which key rural industries such as agri-food, tourism and renewable energy depend.

### Q. Does the Rural Economy Growth Review replace the Rural Statement?

A. No. The proposed Rural Statement would reflect and build upon the content of the Rural Economy Growth Review. But, it would also cover a wider range of policy areas, including public services, shops, pubs and Post Offices, transport, housing, culture and heritage, fuel and energy, and education, as well detailing Defra's rural policy function.

### Q. Is this package UK wider or limited to England only?

A. Policy responsibility for many of these measures is a devolved matter with the result that scope of this package is largely England-wide. Regarding issues of connectivity, it should be noted that the main £530m rollout of superfast broadband to rural areas is a UK wide programme.

## 2. Rural Growth Networks

### Q. How many pilot RGNs will there be?

A. As a result of a competition being run to become a Rural Growth Network, we expect up to 6 Local Enterprise Partnerships (LEPs) to be invited to become a pilot.

It is expected that an RGN would typically consist of between 5 and 20 small sites or 'enterprise hubs' each suitable for between 10 and 20 micro or small enterprises, although some larger sites (including existing business or industrial parks) might also be included in an RGN.

## Q. Will the RGNs be rolled out more widely and will there be any benefits to LEPs who are not pilot RGNs?

A. The RGN competition will result in up to six pilots run by Local Enterprise Partnerships (LEPs) being announced. Defra will undertake monitoring, evaluation and knowledge transfer activity so that other LEPs can better understand what works and doesn't work for rural economic development. Further announcements on the future of RGNs will be made in due course.

## Q. How will the RGN initiative be funded?

A. There are several ways in which the Government can make additional resources available to the pilot RGNs, through:

- Government funding of up to 15m over three years will be made available to pilot LEPs from April 2012.
- Preferential access will be given to pilot RGNs to all the new schemes under the £100 million Rural Development Programme for England (RDPE)
- Government will establish a robust programme of monitoring and evaluation of their impact on growth in the rural economy

## Q. What is the application process for becoming a pilot network?

A. The details of the RGN competition and selection process will be announced in **December 2011**, with bids from Local Enterprise Partnerships likely to be invited by the end of **January 2012**. The pilot areas will be announced by March 2012.

As part of the Rural Growth Network pilot selection process which LEPs will be invited to go through they will be asked to set out in their bid how they would meet at least the following minimum criteria:

- Identification of a number of specific (rural) sites on which to develop 'enterprise hubs'
- Provision of key infrastructure including superfast broadband, energy (preferably renewable) and other basic utilities. We will also expect them to prioritise Growing Places Fund allocations to support the provision of the necessary infrastructure in a pilot RGN.
- A simplified planning regime for each of the hubs making up the RGN
- Skills Enhancement and Business mentoring including, for instance, arranging shared apprenticeships where the small size of the business makes having a full-time apprentice impractical

### 3. Launch of the Community Broadband Fund

**Q. Where will the £20m funding to support this measure come from?**

A. The Fund is jointly funded through the Rural Development Programme for England (RDPE) and from the £530m Broadband Delivery UK (BDUK) programme funding

**Q. Will the fund be available after 2013?**

A. Under the current RDPE Programme (2007-2013), funding needs to be contracted by 31 December 2013. We propose to explore an extension of the Fund to 2015 with additional funding provided early projects demonstrate this is a cost-effective way of delivering the Government's 'best in Europe' commitment.

### 4. Agricultural Building Flexibility

**Q. Does the proposal apply to new buildings too?**

A. The consultation on new permitted development rights would include proposals on applying the rights to buildings:

- used for agricultural purposes that are in existence as of 29 November 2011; and
- constructed after 29 November 2011 that have been in agricultural use for 10 years

**Q. Will it apply to changes to the structure of the building?**

A. Planning consent would still be required where there were material alterations to the building to accommodate the new uses. For example: putting in windows, raising or changing the roof, car parking and new access arrangements.

**Q. What changes of use are not covered by this proposal?**

A. We will consult on the detail of the change of uses which should be permitted development. They are likely to be within the use classes identified (office, light industry, cafes, leisure etc ). All other uses would continue to require a planning consent for change of use. For example housing, , places of assembly, car showrooms, theatres and general industry although planning consent could be applied for if the farmer considered the uses would be appropriate.

## 5. Agri Food – Exports and Innovation

### Q. What is a Business Ambassador?

A. The Business Ambassadors Network was created in October 2008, with a particular focus on helping small and medium-sized enterprises (SMEs), which sometimes face greater barriers to accessing global markets than larger businesses. The roles are unpaid. Business Ambassadors are senior members of industry.

### Q. Who will be the Business Ambassador?

A. This is still to be decided

### Q. How can I apply to the Agri Food Innovation Fund?

A. The details of the competition, including the criteria, are still being finalised. Full details will be made available at the summit in March. TSB will be running the competition and will use previously successful models for doing so.

## 6. Skill for Forestry

### Q. When will this apprenticeship scheme be launched?

A. The delivery arrangements for supporting the training for apprentices are being looked at by the Forestry Commission, working with the partners to the Skills Action Plan. They will be publicised in due course.

## 7. Reducing Regulation on Farms

### Q. When will the Government's final report to the Farm Regulation Task Force be published?

A. Early in 2012. Final decisions have not yet been made on the date.

### Q. What is meant by “earned recognition”?

A. Earned recognition is part of our better regulation agenda. It is a part of a risk based approach to inspection that takes account of efforts made by farmers and others to improve standards and demonstrate competence, for example being a member of an independently audited third party assurance standard.

### Q. What exactly is the proposal on Nitrates?

A. We will be issuing a consultation paper on Nitrate Vulnerable Zones in December. This is a wide ranging consultation that discusses NVZ designations, but it also addresses the Farming Regulation Task Force recommendations about reducing paperwork and record keeping for certain categories of farms.

## 8. Community Renewable Energy Fund

### Q. Where is the funding coming from?

A The Fund will initially total £15m, with £7.5m being provided by the Regional Growth Fund and £7.5m from the Rural Development Programme for England.

### Q. Will £15m be the final size of the Fund?

A. We believe that £15m is the right amount to establish the fund, and that it will meet initial demand from rural communities. We will, however, keep the situation under review and continue to explore options for adding to the Fund, through further injections of public funding or by leveraging in private capital.

### Q. How can we find out more information on the Fund?

A. More details of how the Fund will operate, including the types of renewable covered by the scheme, will be published in due course.

DECC and Defra expect to appoint an expert third party to manage the Fund and distribute the loans.

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