

AGENDA ITEM No. 4

PEAK DISTRICT NATIONAL PARK AUTHORITY

URGENT BUSINESS ITEMS SUB COMMITTEE

16 MAY 2003

REPORT OF THE DIRECTOR OF NATIONAL PROJECTS

PART A

1. THE NEW ENVIRONMENTAL ECONOMY PROGRAMME - APPROVAL OF PROJECTS (A.92748/KJP)

Purpose of Report

- 1.1 Two specific projects exceeding the £8,000 delegation limit have been submitted and need to be formally considered by Committee. In setting up the NEE Programme in December 2001 it was agreed that applications should be processed quickly, using the Urgent Items Sub-Committee mechanism if necessary. In both cases final details of the expected costs of the project are being sought and an oral update will be made at the Committee.
- 1.2 The expenditure, although incurred by the Authority initially, will be reimbursed by the European Regional Development Fund (ERDF).

Policy Base and Background

- 1.3 The New Environmental Economy (NEE) Programme is one of the principal means of implementing the philosophy of the National Park Management Plan - seeking to integrate environmental conservation and economic development through the actions of local people. The NEE Programme is a single programme with a variety of activity within it. A key element of the programme is a delegated grant fund to assist individual business projects. Funding comes from twelve different sources in a complex pattern depending on the nature of the project and its geographical location. A major source of funding is the ERDF.
- 1.4 The detailed proposals for managing the Programme were agreed at Resources Committee in December 2001 (Minute 86/01). A Programme Manager (Hayley O'Neill) organises day to day work and facilitates the development of individual project ideas. Programme application procedures and the scoring system are based on standard practice previously used with the Peak Rural Opportunities and Farm and Environment Programmes. It has been agreed by Government Office for use in allocating ERDF funds. For simplicity the same rules and procedures are adopted for all projects whatever their funding source. Scoring criteria include economic benefits, environmental benefits and other criteria based on the ERDF Objective 2 programme. Thus a project with high environmental benefit but modest economic benefit would score higher than a project of similar cost but limited environmental benefit and high economic benefit. The grant range is 30% - 80% as with previous similar programmes.

Proposals

- 1.5 There are two specific project proposals that need Committee approval. These are set out briefly in the following paragraphs. Both projects are eligible for Objective 2 area funding from the ERDF.

Project 1: Lower Hurst Events, Lower Hurst Farm near Hartington

- 1.6 The aim of Lower Hurst Events is to promote and manage a series of open days at Lower Hurst Farm. This is a 90 hectare livestock farm. It is a registered organic farm and is a participant in a DEFRA stewardship scheme. The project will create a new marketing outlet for the produce of the farm but will link this with an environmental interpretation project. Grant funding will enable marketing and retailing operations to take place to promote events which will help the business to survive and prosper. The funding requested is for a marquee, promotional material and equipment.
- 1.7 **Economic benefits:** The introduction of a series of open days to take place on the farm annually for the foreseeable future. Planning permission is not required as the events fall within permitted development rights. The farm currently operates at a loss and needs to create new sales techniques that maximise returns to the business. There is already a butchery on the farm. The events will provide an opportunity for additional income to the farm in the form of entry fees, the sale of new products such as flowers and cakes and the surplus on the sale of food and light refreshments, all of which are expected to account for almost 40% of total income. The main income will be from the sale of food produced on the farm (mostly frozen pre-packed meat). The events will provide an ideal opportunity to add customers to the Lower Hurst Farm mailing list, through which a significant proportion of current sales are obtained. The project will safeguard the existing full-time and part-time jobs at Lower Hurst Farm. It will also provide casual work for local people. Tourists will be attracted into the locality and in some cases into the National Park where they may patronise other local businesses.
- 1.8 **Environmental benefits:** By being a series of temporary events the project will help to sustain the high quality environment of the Peak District, rather than creating a new permanent development. A new farm trail will be created alongside the River Dove, opening up a new area for visitors to the farm to enjoy. The relationship between food, farming and the environment will be interpreted for visitors to the events.
- 1.9 **Comments:** The applicant has been made aware that in the short term it may be more economically viable to hire the refrigerator and generator. However the applicant believes that the capital expenditure will over the longer term be more cost effective than hiring. Staffing costs for the event have not been included in the application. Some elements of the application are not felt to be eligible for grant by comparison with equivalent NEE projects and the total cost figure has been adjusted accordingly.

Grant Calculation

- 1.10 Total cost: £29,169 (reduced to £24,469 as explained above).
Total grant to be offered: £11,044 (45%).
Source: Objective 2 - ERDF.

Project 2: Kath and Ada's Shippon, Adders Green, Quarnford

- 1.11 This project will enable the renovation and conversion of an dilapidated and redundant calf shippon into a new multi-purpose workshop/studio/consulting room and self-catering accommodation in the local vernacular style. The building is currently an eyesore, highly visible on the intersection between two heavily used cross-country footpaths. It will be restored using original stone and reclaimed Staffordshire Blue tiles. It is one of a small group of farm buildings – once restored it will make a complete set of traditional buildings. The farm is within the South West Peak ESA and the adjacent land is part of a large SSSI.
- 1.12 The project will offer activities which, in terms of both philosophy and content, link creative activity directly with the Peak District environment. The shippon will be a base to consolidate existing freelance peripatetic environmental writing workshops as well as providing new economic opportunities for environmental and multi-artform workshops. The future aim is to provide a private environmental/mental health practice. Awareness of conservation issues will be heightened to those attending workshop programmes.
- 1.14 Economic benefits: Adders Green is not, and cannot become, economically viable as a farm. The farmland has been let to a neighbour and an income is no longer gained directly from agriculture. This project is the beginning of a process that will bring Adders Green back into productive use. This project will make the new 'Kath and Ada's Shippon' the economic cornerstone of the applicants' capacity to generate employment directly, for themselves and others. Local builders, electrician and plumber will carry out the building works, ensuring that the entire NEE grant benefits the local economy. Working in partnership with self-catering businesses locally will enable the applicants to run larger group workshops with accommodation attached, helping to fill their bed spaces. The project will secure part time employment for its two resident managers, as well as creating a new local part time post of cleaner. There will also be freelance opportunities for local artists and artisans.
- 1.15 Environmental benefits: This project will enhance the image of the local area as an interesting, creative and environmentally progressive one to visit, and directly promotes local produce and other businesses within the area that are environmentally progressive. Particular use will be made of traditional vernacular craft skills for example dry stone walling. Local experts will teach and pass on their experience to guests.
- 1.16 The dilapidated traditional farm building will be renovated, the exterior will be a restoration in traditional style. The interior of the building will however be completely modern, using high quality insulating materials to ensure energy efficiency and conservation, and incorporating a domestic wind turbine to generate energy directly. Reclaimed wood amongst other materials will be used to create original hand made furniture and fittings. Timber produced on Adders Green will provide fuel for a wood-burning stove used as a secondary heat source.
- 1.17 The project will focus on the use of the local environment for a wide variety of a activities. This will include a programme of workshops and courses on direct observation of the interaction between traditional hill farming undertaken by neighbours and conservation. The project managers expect to generate a unique body of research material directly documented by the participants on their courses. This material will also be published in creative form on the project's own website.

1.18 The applicants aim to use the building in the future as an activity centre to engage participants in further environmental improvement projects such as hedge laying, stone walling, tree planting, and pond digging. The applicants are currently working with English Nature to develop such projects.

1.19 Total cost: £40,000
Total grant to be offered: £20,000 (50% up to maximum of £20,000).
Source: Objective 2 - ERDF

Conclusion

1.20 As can be seen both projects are in different ways creating new business ventures that capitalise on (and enhance) the environmental values of the Park and create or sustain existing jobs. They are both excellent examples of the NEE philosophy in practice.

Financial Considerations

1.21 Both projects are expected to be implemented mostly in 2003. In the case of the Adders Green project implementation will be completed during 2004. In the case of these two projects claims for grant are likely to be received mostly in financial year 2003-2004.

1.22 The Authority manages the Delegated Grant Scheme, which includes ERDF funding from the Government Office for the East Midlands (GOEM), which both projects seek. GOEM, who will reimburse the Authority for the costs of these two projects, have agreed both are in principle eligible for ERDF and will be sent copies of the full applications to confirm the detailed project proposals.

Equal Opportunities/Health and Safety/Human Rights Implications

1.23 These have been considered in the preparation of the report.

Consultation Responses

1.24 The Acting National Park Officer and the Financial Services Manager have been consulted on this report.

1.25 **RECOMMENDATION:**

That grant aid be offered to the projects described in this report.

1. Lower Hurst Events. 45% grant up to a maximum £11,044.

2. Kath and Ada's Shippon. 50% grant up to a maximum £20,000.

All grants to be subject to the standard conditions of the NEE Programme.

List of Background Papers (not previously published)

Application documents.

(a) Lower Hurst Events- application dated 7 May 2002.

(b) Kath and Ada's Shippon- application dated 7 May 2002.