

# *Making Ends Meet*

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Proceedings from a workshop held at  
James Gracie Centre, Birmingham, England  
on Monday 6 October 1997

# *Making Ends Meet*

Proceedings of a workshop organised by the  
Countryside Recreation Network and held at the  
James Gracie Conference Centre, Birmingham, England  
on 6 October 1997

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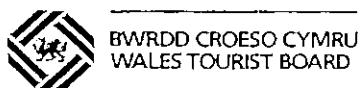
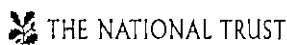
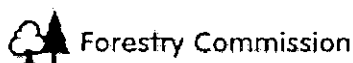
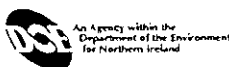
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A UK-wide Network, CRN gives easy access to information and people concerned with countryside and related recreation matters. The Network helps the work of organisations and individuals by:

**Research:**

to encourage co-operation between members in identifying and promoting the need for research related to countryside recreation, to encourage joint ventures in undertaking research, and to disseminate information about members' recreation programmes.

**Liaison:**

to promote information exchange relating to countryside recreation, and to foster general debate about relevant trends and issues.

**Good Practice:**

to spread information to develop best practice through training and professional development in provision for and management of countryside recreation.

The Countryside Recreation Network is committed to exchanging and spreading information to develop best policy and practice in countryside recreation

# Countryside Recreation Network

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## INTRODUCTION

*By Glenn Millar,  
British Waterways*

Many public organisations involved in countryside recreation have experienced a reduction in core funding in recent years. Certainly for most organisations, insufficient funds are available to do all that we would like to do to serve our users. At the same time however, a series of alternative sources of funds have become available. Countryside organisations are in competition with each other for these funds. They also compete with organisations in other fields to secure additional finance.

This particular CRN workshop was set up to review practical experience in securing funding from such sources, from the points of view of both applicants and the fund providers. The Workshop has concentrated primarily on a number of specific funding sources:- the National Lottery; European Structural & Social Funds; Landfill Tax credits; and U.K. funding through Government Offices and the Rural Development Commission. The workshop also looked at the future of funding from these sources, particularly in the light of changing circumstances, such as:-

- the establishment of Regional Development Agencies;
- the end of Millennium funding;
- future changes in European structural funds;
- recent changes in MAFF/RDC/FRCA; and
- the advent of Landfill Tax credits

### Specific objectives of the workshop were:-

1. To identify funding opportunities for potential applicants and suggest how the quality of applications can be improved;
2. To identify problems in securing funds and to suggest how these can be overcome;
3. To bring funding providers and applicants together, to appreciate each others point of view;
4. To review the future of funding opportunities for countryside recreation projects;
5. To see if there is a possible role for CRN.

# AN OVERVIEW OF EXTERNAL FUNDING

*By Peter Aitken,  
Hall Aitken Associates*

## Introduction

This paper is intended to give a broad overview of external funding sources as it applies in rural areas of England, both from EU and UK sources. It discusses briefly Lottery, Rural Development Commission (RDC), Challenge Funding, Landfill Tax and Objectives 2 and 5(b) funding opportunities. A number of the funding sources outlined in this paper are discussed in detail by speakers in subsequent sessions and are used here to illustrate the issues of:

- additionality;
- complementarity/synergy;
- partnership;
- impact;
- effectiveness;
- deliverability; and
- coherence.

UK and European funding programmes are competitive and output driven. The selection of successful projects or programmes are usually based upon the existence of a strong partnership, value for money, secured matching funding (including EU funds), the ability to deliver realistic and achievable physical outputs and final impacts (usually expressed in terms of employment and/or income). European programmes have, since the Treaty of European Union, attempted to bring in an environmental dimension to the decision-making process. More recently, additional factors such as equal opportunities and social exclusion have also come to the fore. The development of regional level programmes by the EU and the progressive transfer of decision-making to the regional and now more local '*partnerships*' or action groups has had an impact on other funding sources.

This paper begins by considering some of the key funding programmes applicable to countryside recreation projects. In addition to a brief description of the funding programme, an example of a funded project is given. The paper outlines *the current*

position in relation to the new Regional Development Agencies in England. Following the review of UK sources, there is a review of developments in relation to the EU Structural Funds as outlined in the Commission Working Paper – Agenda 2000. The key themes and issues are drawn together in Section 4, 'Concluding Comments'.

## Funding Opportunities – Review of UK Sources

### *Single Regeneration Budget (SRB)*

The SRB was introduced in April 1994 to provide an integrated approach to regeneration and economic development in England. The fourth round of applications is currently underway. The SRB supports initiatives which build on good practice, represent value for money and meet one or more of seven objectives. A key objective in terms of countryside recreation interests is: *"protect and improve the environment and infrastructure and promote good design."*

Bids must be supported by partnerships representing an appropriate range of interests, with local authorities and TECs expected to play a central role and to lead the bid. The highly competitive nature of the initiative has often encouraged the development of task groups of key local organisations, often based on existing partnership structures and usually dominated by the public sector. The voluntary sector has argued that it has been impossible for them to participate fully in the process due to the scale of the bids, the timescale required to put them together and the complexity of the process of compilation and subsequent monitoring.

Outline bids under the fourth Single Regeneration Budget (SRB) round had to be submitted to the Government Regional Offices by the 26th September 1997. Decisions are expected during March 1998. Successful bids can receive funding for up to seven years, and there are no restrictions on the areas that can apply for SRB funds. Following the General Election the guidance for the fourth round of bids was revised. The proposals must now include a review of existing local authority deprivation and regeneration strategies and add value to these through the SRB proposals. The bids must be able to demonstrate a clear collaborative approach in the compilation of the proposals. An example of an SRB application involving countryside development was the bid under SRB3 made for the regeneration of the Cotgrave area in Nottinghamshire. This is a six year scheme. The project was submitted by a new partnership, the 'Cotgrave Partnership', led by Rushcliffe B.C. The scheme involves a new country park, land reclamation at the former colliery site and restoration of part of



the Grantham Canal. The financial package includes funding from the EU's RECHAR Programme. Work has now begun on the colliery site funded by English Partnerships.

In the rural coalfield area of north-west Leicestershire an SRB2 award of £3.3 million was awarded to the 'Heart of the Forest' project at Bath Yard. This four year programme was intended to provide a mixture of offices and workspace, a training centre and a visitor centre in the middle of the new National Forest, on a derelict former mining site in the village of Moira, near Ashby-de-la-Zouch. The strength of the local partnership and the long-term strategy for the area were the keys to a successful bid for both SRB funding and the Rural Challenge Award. Finally the area is eligible under the EU's RECHAR Programme. Two rounds of applications have attracted nearly £7 million to the area. The project is now in jeopardy as a result of being unable to finalise the purchase of a key piece of land. The Rural Challenge Award has recently been withdrawn.

#### *The Rural Development Commission (RDC)*

The Rural Development Commission<sup>1</sup> targets its resources on the Rural Development Areas in England. These areas have been identified from a statistical analysis as being the areas of greatest economic and social need. The Rural Development Programme (RDP) process is the principal vehicle for assistance in the Rural Development Areas. The RDPs aim to develop a strategy for the economic and social problems of an area and then act through a co-ordinated programme involving all sectors of the community. The RDPs are prepared by the County Councils on behalf of the local partnerships. Among the main activities supported in relation to countryside recreation are:

- economic diversification or regeneration; and
- promotion of environmental improvement to assist economic and social regeneration.

The Rural Development Commission is also involved in a number of initiatives including the recently launched 'Action for Market Towns', a new membership organisation providing support for the 900 English towns with populations of under 15,000. There is no new funding available, but the Rural Development Commission is considering backing a small number of demonstration projects to test out innovative approaches to the problems facing market towns. As well as promoting innovation and good practice the initiative hopes to play a national role through lobbying and consultation responses.

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<sup>1</sup>Rural Development Commission Local Offices – Midlands Region: 01949 876200; Northern Region: 01325 487123; Southern Counties: 01622 765222.

The '*Rural Action for the Environment Programme*', now operating in 40 counties in England, was an initiative launched in 1992, sponsored and supported by the Rural Development Commission, the Countryside Commission and English Nature, together with various national voluntary organisations. It aims to create '*Country Rural Action Schemes*' to help rural community groups tackle local issues at parish level by:

1. Improving, enhancing or promoting enjoyment of all aspects of the rural environment, preferably integrating various environmental benefits.
2. '*Network Support Grants*', which are available to promote the Network (e.g. newsletters, training, directories).
3. Project grants which are available to local voluntary organisations for environmental projects once a '*Support Network*' is established, offering up to £2,000 or 50% of total project costs as grant.

Examples of successful projects include recycling schemes, conservation work on ponds, footpaths and wildlife areas, traffic studies, '*green tourism*' initiatives and energy audits of community buildings. Of particular note in this initiative is that matching resources from the applicant may include "in-kind" support calculated from volunteer time and community input.

### *Rural Challenge*

Rural Challenge is effectively the Rural Development Commission funded version of the Single Regeneration Budget. The £1 million Rural Challenge grants are paid out over a three year period. In exceptional cases bids for smaller amounts are considered. Applications for Rural Challenge fall into two categories: Projects in Counties which can apply every year; and those Counties only eligible on a two yearly basis. Rural Challenge funding is only available in the Rural Development Areas areas of the priority Counties.

Counties with a Rural Development Area population of over 200,000 (excluding those parts of wards containing parts of towns over 10,000 population) have been included in both groups, which are invited to bid in alternate years. Bids may extend beyond County boundaries to address issues over a wider Rural Development Area. Joint bids from two or three Counties in the same group or different groups are accepted.

### Group 1:

South	Cornwall and Isles of Scilly, Devon, Dorset, Somerset
West	Cumbria, Gloucestershire, Shropshire
East	Leicestershire, Lincolnshire, Norfolk, Nottinghamshire, Suffolk
North	Redcar & Cleveland, North Yorkshire, West Yorkshire

### Group 2:

South	Cornwall and Isles of Scilly, Devon, East Sussex, Kent, Wiltshire
West	Hereford and Worcester, Lancashire, Midland Uplands (covering Staffordshire and West Derbyshire)
East	Cambridgeshire, East Derbyshire, Essex, Lincolnshire, Norfolk
North	Durham, Northumberland, South Yorkshire, East Yorkshire and North Lincolnshire

An example of the type of initiative that can be supported is that of the '*Watchet Regeneration Partnership*' in Somerset. Here the proposal was to turn part of the under-used harbour into a marina to kick-start the regeneration process. The scheme was put forward as Somerset's bid for the initial round of Rural Challenge in 1995 and emerged as one of the six national winners to receive the £1 million award. In 1995, it also received conditional approval for around £2 million of ERDF funding under Objective 5(b). West Somerset DC has agreed to contribute £0.25 million and the County Council £0.08 million. A bid to English Partnerships for £0.5 million was approved, providing a total resource of £3.9 million. Detailed design work means that construction work on the project will not begin until 1998.

#### *English Partnerships*

English Partnerships' task is to promote job creation, inward investment and environmental improvements through the regeneration of vacant, derelict and contaminated land and buildings throughout England. English Partnerships can fund elements of Single Regeneration Budget and City Challenge initiatives and Rural Development Programmes of the Rural Development Commission.

English Partnerships<sup>2</sup> activities are focused on:

- areas of urban deprivation of localised high unemployment where bringing vacant, unused and derelict land into use will aid regeneration;
- derelict land (urban and rural) which is blighting an area for health or safety reasons; and
- areas of need as identified by the Government i.e. EU Objective 1 and 2 and 5b areas, City Challenge areas and other Assisted Areas.

A crucial element in many regeneration schemes has been funding through the Derelict Land Grant (DLG) programme. The land reclamation programme provides funding for local authority, voluntary and private sector sponsored reclamation projects. Local authorities are encouraged to reclaim derelict land in the context of well designed strategic programmes. Applications for DLG can be and are rejected where the strategic context, value-for-money and anticipated outputs are less than those claimed by other projects. The rejection of the proposals by Shropshire County Council for further work on the Montgomery Canal is a recent example. This rejection was most surprising given the fact that the WDA has previously supported similar work further along the canal in Wales. This project is continuing to be promoted by the Council to other funding sources.

English Partnerships also operates a Community Initiatives Fund. This is a specific initiative within their main Investment Fund and is aimed at community and voluntary groups. A contribution may be available where projects are:

- seeking £10-£100,000 gap funding;
- capital works to land or buildings;
- in accord with English Partnerships' and regeneration objectives; and
- based in the areas of need listed above.

Possible project activities include small-scale environmental schemes, as well as support for the construction or conversion of property for use by community businesses, training centres, and resource centres or crèches which facilitate and encourage employment. Key outputs expected are in terms of jobs created or safeguarded and, land or floorspace made available.

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<sup>2</sup> English Partnerships have awarded funds for projects which reclaim derelict land or act as a catalyst for regeneration and provide value for money. Tel: 01942 296 900.

### *Regeneration Concession*

This is a recent initiative introduced under the Local Government Finance Act 1997.

This resource is targeted upon selected areas of need in urban areas and the Rural Development Areas which are also included under the Index of Local Conditions. This funding is made available through 'qualifying' capital receipts derived from the disposal of eligible types of land or buildings within, or adjacent to, the selected areas.

A key condition of using the Regeneration Concession is that the public sector must not provide half or more of the eligible project costs (this includes contributions of land or buildings). However, it is not necessary that the regeneration project be on the same site as the source of the capital receipts. There is still considerable debate between the local authorities and DETR over the designation of the concession areas, as many do not accord with EU defined priority areas, making the sourcing of match funding difficult. It would appear that the opportunities under the concession are still to be exploited by countryside projects in the eligible RDA areas.

### *Landfill Tax*

The Landfill Tax<sup>3</sup> is Britain's first 'Green Tax' and was introduced on 1st October 1996. The tax was intended to satisfy two aims. Firstly, to ensure that the cost of landfill properly reflects the impact it has on the environment. Secondly, to provide a financial incentive to encourage the reduction and recycling of materials prior to disposal. Since October 1996, landfill operators with sites registered under the Environmental Protection Act 1990 have collected £7 per tonne for active waste and £2 per tonne for inert waste deposited in their sites. Through an innovative tax rebate scheme, substantial new sources of funding are available for a range of environmental regeneration projects. To trigger the rebate, landfill operators must make a voluntary contribution to a registered 'environmental body'. In return, they can claim a tax credit of 90% from Customs & Excise. A donation of £100,000 for example, after receipt of the tax credit, would require a net contribution of £10,000 from the landfill operator. To qualify, projects must demonstrate real community benefit and be registered with Entrust the regulatory body.

By early October 1997, 480 organisations had registered as 'Approved Environmental Bodies' and over £10m had been awarded to over 1,170 projects. The projects are annual and multi-annual and involve capital and revenue. The details are agreed between the

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<sup>3</sup> The tax is levied on registered landfill site operators, who may divert up to 20% of their landfill tax liability to Environmental Bodies. These are organisations registered with the Landfill Tax Regulatory Board, Entrust, and who intend to use funds received from diverted landfill tax payments for approved projects.

beneficiary and the landfill operator. There is increasing evidence to suggest that the operators are being encouraged by major contract holders to favour the local area when providing donations to projects. Projects which have been supported include support for the Weaver Valley Cycleway in Cheshire. In the North-East funding is being used to create the Great North Forest in County Durham, a new landscape and recreation area covering over 160 square kilometres.

In the year since the Act was introduced, there is already evidence that there has been considerable diversion of inert waste from reclamation and restoration schemes with the result that many mineral and waste operators are unable to meet the restoration conditions on their sites. Material is disappearing from the waste stream to unlicensed disposal sites or through the various exemptions and re-appearing in sculptured golf courses, landscaping, hard standing and agricultural access roads.

### *Lottery Funding*

The section below focuses exclusively on the Heritage Lottery Fund (HLF), although funding for countryside recreation can come from the Sports and Arts Lotteries.

#### *The National Heritage Lottery Fund*

In terms of Countryside Recreation, the National Heritage Lottery Fund<sup>4</sup> provides assistance for capital projects which safeguard and enhance public access to land and buildings. Funding can be awarded for capital works, running costs and, less frequently, endowment funds. Applications can be submitted at any stage throughout the year and total costs must be greater than £10,000. Policy guidelines are currently being revised together with the application forms. A public consultation exercise has recently been completed, which reviewed the operation of the Fund to date and outlined the various changes which will result from the implementation of the Heritage Lottery Act 1997. These changes include an extension of the funds activities into support for training, the development of regional teams and proposals for a 'Community Chest' to fund small, locally important projects.

Heritage Lottery Fund projects require at least 25% of the funding to come from the applicant (or sponsors). An example of the multi-agency approach is the Blackburn Engine House, part of the Boughton Pumping Station complex near Ollerton in Nottinghamshire. The project which received £0.745 million from the HLF in February 1997 involves the re-use of the building and gardens for a wide range of economic,

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<sup>4</sup> Heritage Lottery Fund, 20 King Street, London. Tel: 0171 591 6000.

community and tourism uses. The project, promoted by the partnership of local authorities, the TEC and Severn Trent Water, proposed a mix of starter business units, a heritage interpretation centre and a visitor demonstration centre on renewable energy. In addition to the HLF support, the project received £1 million under Round 1 of Rural Challenge and £0.9 million through the East Midlands Objective 2 Regional Challenge awards. Phase 1 of the project was completed in December 1996, with Phase 2 due for completion in October 1997, five years after the partnership was established.

#### *Future Proposals – Lottery Funding*

The Government indicated in its White Paper, '*A People's Lottery*', an intent to make a number of radical changes to the operation of the Lottery funds. Part of the re-focusing will be a requirement on the distributors such as the Heritage Lottery Fund and the Sports Councils<sup>5</sup> to draw up strategic plans which reflect identified needs. The distributors will be expected to take into account existing regeneration initiatives and plans in the regions. Comments on the Paper had to be with the Department of Culture, Media & Sport (DCMS) by 12th September 1997. The thrust of the White Paper is the proposal to add a new sixth 'good cause' to the Lottery. The White Paper proposes to:

- promote innovative initiatives to improve Britain's education, health and environment (*New Opportunities Fund*);
- change the way the Lottery distributors work;
- establish NESTA (*National Endowment for Science, Technology and the Arts*); and
- reform the way the Lottery is operated and regulated.

At the Labour Party Conference in October 1997 it was announced that from Easter 1998 there would be a '*New Opportunities Fund*'. This Fund would receive £16 billion for Healthy Living Centres, After School Clubs and Teacher Training: The new arrangements mean that existing funds will receive 16.6% of lottery revenue compared with the current 20%. This means a loss of £50m per annum to the Heritage Lottery Fund. The cut in funding has come as the National Heritage Act 1997 broadens the range of projects that may be funded. Other changes were also announced including a greater emphasis on small scale initiatives (costing under £10,000 in total), involving '*community chests*' with simplified and speedier decision-making on grant applications. Proposals are still being developed for a network of '*one-stop*' shops to facilitate access to the funds by applicant organisations whose income is less than £10,000 per annum.

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<sup>5</sup> English Sports Council: 0171 273 1500; Scottish Sports Council: 0131 339 9000; Sports Council for Wales: 01222 300500; Sports Council for Northern Ireland: 01232 382222.

## Funding Opportunities – European Union Funding

The European Union funds economic regeneration initiatives targeted on those areas which have experienced job losses in the industrial and agricultural sectors. The assistance is organised on a programme basis covering the period up to 1999 and are prioritised under the 6 Objectives listed in Table 1.

TABLE 1  
THE SIX OBJECTIVES OF THE EU STRUCTURAL FUNDS

Objective	Aim	Where in UK?
Objective 1:	Promoting the development and structural adjustment of regions whose development is lagging behind.	Northern Ireland, the Highlands & Islands, and Merseyside. Over 75% of the money allocated to the structural funds goes to Objective 1 regions.
Objective 2:	Covering the regions or parts of regions seriously affected by industrial decline.	Areas in the East and West Midlands, South Wales, Yorkshire & Humberside, Central Scotland, and also Thanet, Plymouth and parts of five London Boroughs, including the Lee Valley.
Objective 3:	Combating long-term unemployment and facilitating the integration into working life of young people and of persons exposed to exclusion from the labour market, promotion of equal employment opportunities for men and women.	Unlike Objectives 1 and 2, there are no geographic areas designated for this objective, and the fund is available UK-wide.
Objective 4:	Facilitating the adaptation of workers to industrial changes and to changes in production systems [not yet adopted by the UK]	As for Objective 3, there is no geographic basis.
Objective 5:	<i>Promoting rural development by:</i>	Available across the UK
Objective 5a:	Speeding up the adjustment of agricultural structures in the framework of the reform of the common agricultural policy and promoting the modernisation and structural adjustment of the fisheries sector.	
Objective 5b:	Facilitating the development and structural adjustment of rural areas.	
Objective 6:	Development and structural adjustment of regions with an extremely low population density [Finland and Sweden only].	n/a

The three regional Objectives cover, for the main part, the industrial regions and the more rural areas of Scotland, Wales and the Midlands and the North of England. For each eligible Objective 1, 2 or 5b area a regional plan is prepared (known as a Single Programming Document (SPD)) which sets out the priorities for action and identifies



the types of measures within these which will receive support. In Britain there are two Objective 1 areas, twelve Objective 2 and eleven Objective 5b, each has its own SPD based on individual regional economic needs and objectives, but there are a number of common themes.

Themes of direct relevance to the CRN's aims and objectives include:

- environmental improvement schemes;
- tourism/cultural heritage development projects; and
- community economic development and capacity building (for deprived areas needing additional concentrated support).

Much of the CRN's likely interest and current activity will centre on the first two of these themes, but there are also likely to be opportunities to increase member involvement in community economic development by building on its community activities such as clean-up campaigns, promoting small-scale environmental improvements etc. A number of projects have already been implemented by bodies such as the Groundwork Trusts. Environmental improvement and land renewal may receive support up to a maximum of 50% of eligible costs from both the European Regional Development Fund (ERDF) and potentially the European Agricultural Guarantee and Guidance Fund (EAGGF). Support for tourism infrastructure will be 40%, though this figure will be affected by any potential income. Funding for linked training initiatives through the European Social Fund<sup>6</sup> (ESF) would be at 45%.

Applications are made via the European Programme Secretariats based in the appropriate Government Regional Offices or independent structures, as is now the case in Wales and the majority of the Scottish programmes. Examples of countryside projects funded through the EU programmes include a range of footpath, woodland planting and visitor facilities provided by the Central Scotland Countryside Trust, utilising a mixture of EU Objective 2, Forestry Commission, Local Authority and Millennium Commission funding. In the Rural Stirling Objective 5(b) Programme, there is the Trossachs Trail project involving a partnership of local and public authorities and the private sector. The EU funding contributes towards the cost of a project officer and promotional materials, as well as some of the individual projects promoted by the partners.

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<sup>6</sup> European Social Fund aims to help improve employment opportunities by providing support for the running costs of vocational training schemes and job creation measures.

There is also a Rural Environmental Skills project, providing training for the long-term unemployed. Projects are identified by local community organisations and include car parks, footpaths, signage etc. The EU funding is matched by the Council and Local Enterprise Company (LEC). In addition to the national programmes, there are a number of Commission instigated programmes, known as Community Initiatives.

These include "RECHAR"<sup>7</sup> focused on the former coalfield areas and "LEADER"<sup>8</sup> directed at the rural areas. The "North Yorkshire Heritage Coast" LEADER Programme was approved at the end of 1995. This regional programme is managed by a partnership between the local authorities in the area, the RDC and the National Trust. The LEADER Programme built upon the 'Yorkshire Coast Economic Development Partnership' which received funding from the Objective 5(b) programme and the Single Regeneration Budget (roughly ECU 6 million for the area). The LEADER Programme is seen locally as a very important instrument for the coastal villages. The initial funding went to support community appraisals, the funding being limited to 2,500 ECUs per appraisal. The projects that come from the appraisal will then either be funded through LEADER (for small scale projects), or by the other programmes for larger scale initiatives.

#### *Future Proposals – AGENDA 2000*

In mid-July 1997, the Commission presented its general strategy for the post-1999 structural and regional policy. The proposals were part of the Agenda 2000 document which, apart from the structural and regional policy, also gives the Commission's analysis of those countries applying for membership of the European Union and a proposed financial framework, including guidelines to the continuing reform of the Common Agricultural Policy (CAP). As far as the structural and regional policy is concerned, the Commission proposals may be summarised as follows:

- The financial allocation will be kept at 1999 levels in terms of total EU GNP: 0.46%. However, projected GNP growth means that overall resources available for structural operations will amount to 275 billion ECUs (1997 prices) for the period 2000-2006, compared with 200 billion ECUs for 1993-1999. During the period 1993-1999, funding for the Structural Funds increased continuously; during the next seven year period, the funding for EU 15 will be decreasing, from 31.3 billion in 1999, to 27.3 billion in 2006.

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<sup>7</sup> RECHAR – Aimed at improving the physical and social environment in coal mining areas.

<sup>8</sup> LEADER II programme aims to address specific and persistent problems affecting the economics of rural areas.

- The seven present Objectives (Objective 1 – 4, 5a & b and 6) will be reduced to three: two regional objectives plus one for human resources.
- The percentage of the population of the EU 15 covered by a regional objective should be reduced from the current 51% to between 35% and 40%. In the UK, overall coverage is expected to fall from 42% to 25 – 30% of total population.
- Community Initiatives will be reduced to just three; dealing firstly with trans-national, cross border and inter-regional co-operation; secondly, rural development (based on the current LEADER programme) and thirdly training and human resources. The present schemes, such as RECHAR, will be incorporated into the programmes and financed through the three new Objectives.

Considering the AGENDA 2000 proposals in more detail indicates 3 major factors:

1. A Continuing High Priority for Objective 1 Regions

The less developed regions, whose GDP per capita is 75% of the EU average or below, will continue to enjoy Objective 1 status. About two thirds of the total funding for EU 15 will be devoted to these regions, which is comparable to the 70% of today. *The GDP criteria will be applied strictly*; for those current Objective 1 regions that are above the 75% threshold, a phasing out mechanism will be decided upon.

2. A Redefined Objective 2

The new Objective 2 will, in effect, merge the current Objectives 2 and 5(b), to cover non-Objective 1 areas and those experiencing structural change. These regions or localities include:

- areas undergoing economic change (in industry or services);
- declining rural areas;
- crisis-hit areas dependent on the fishing industry; and
- urban areas in difficulty.

These areas will be identified by means of various economic indicators including a high rate of unemployment or depopulation. The intention is to identify a limited number of areas in order to facilitate the development of an integrated strategy for economic diversification. Designation will depend upon:

- the rate of unemployment;
- the levels of industrial employment;
- the level and development of activity in agriculture and in the fishing industry;
- the degree of social exclusion.

In addition to these universal criteria, individual Member States will be able to propose other zones (up to a certain level) on the basis of national criteria, such as indicators of deprivation, education attainment etc.

### 3. Delivery

In the interest of simplification, the different funds (ERDF, ESF, EAGGF) will be implemented through one single programme per region, as is the case for the current Objective 1-regions.

#### *Rural Development*

The Commission is trying to ensure that the proposed continued reform of the Common Agricultural Policy is accompanied by a range of rural development measures.

Structural support will be given according to the following:

- integrated development programmes will be maintained in those rural areas located in Objective 1 regions;
- in rural areas eligible under the new Objective 2, rural development measures will be financed by the European Agricultural Guarantee and Guidance Fund (EAGGF) and will be implemented as an integral part of the Objective 2 programmes, together with the ERDF, ESF and, where appropriate, the FIFG (Fisheries) measures;
- in all rural areas outside Objective 1 and the new Objective 2, rural development measures will be co-financed by the EAGGF Guarantee Section, that is the CAP budget, rather than the EAGGF Guidance Section (the Structural Funds). They will be applied horizontally and implemented at the initiative of Member States.

The current indications are that the range of EU supported initiatives funded through the Objective 5(b) programmes or the environmental measures within the CAP budget would continue to be supported as part of the agricultural diversification activities. Much of the current thinking on Europe's future policy on rural development has come from the conference entitled '*Rural Europe – Future Perspectives*' held in Cork in

November 1996. The *'Cork Declaration'* summarised the results of the workshops and discussions and set out the framework for a 10 point rural development programme for the EU. This is now to be translated into action through the Agenda 2000 proposals and revisions to the Structural Fund Regulations.

## Regional Development Structures

Since the General Election, the Government, basing its proposals on the Millan Report *'Renewing the Regions'*, published in 1996, has introduced its proposals for the establishment of Regional Development Agencies (RDAs). The consultation process on these proposals has just been completed. The proposals for the RDAs will be developing in parallel with the implementation of the devolved powers to the Scottish Parliament and Welsh Assembly, following the Referendum decisions in September.

In June 1997, the Government issued a consultation document on the formation of the RDAs under the proposals, which are expected to be in operation by 1999. Each Government Office for the Regions will have its own agency, except Merseyside which will be included in the North-West. The document was designed to raise issues by posing a series of broad questions including:

- How can RDAs take account of local needs?
- What role should local authorities have in strategic economic regeneration?
- What role should RDA board members have?
- How much should the board members be paid?
- How many board members should the RDAs have?
- How should the RDAs represent the needs of women and ethnic minorities?

The deadline for submissions was 5th September 1997 and more than 1,500 submissions were received. The Local Government Association report, prepared with the English Regions Association, has argued that the introduction of regional sustainable appraisals will help link regional and strategic guidance and the RDAs. The approach being taken varies between the Regions, i.e. in the West Midlands, the Regional Forum of Local Authorities will follow the LGA model and become the Regeneration and Environment Committee from April 1998. In other Regions, the local authorities are staying with the Regional Forums, while others are merging into prototype regional assemblies.

In the first instance the RDAs will be the creations of Central Government, matching the status of the current Scottish and Welsh bodies on which they are modelled, i.e. Scottish Enterprise National and the Welsh Development Agency. They will be accountable to Parliament. While each region will be free to devise the structures which best suit its circumstances, there still will be a common framework of objectives and funding arrangements. The agencies are inextricably bound up with the new agenda for regional governance. Ministers want them to be responsive to regional need and to be called to account locally.

In due course the RDAs are to be responsible directly to the elected regional assemblies, but this is unlikely to be achieved before the next General Election. The business sector representatives are keen to prevent another layer of government being established and want the RDAs to be business led and '*action focused*'. The Business sector want English Partnerships and other organisations such as the RDC and the TECs to become divisions within the new structure. The RDC and the Countryside Commission have voiced their concerns that rural issues should feature in the RDAs remit. Among the 'Rural' lobby, ACRE<sup>9</sup> supports the concept but is calling for the creation of a rural desk, while the Countryside Commission wants to see the RDAs as major players in the regeneration of countryside around towns.

The next steps to be taken by the Government will be to digest the responses to the consultation paper, prepare a White Paper and generate specific proposals in the form of a Bill to be published in November 1997. Following the passage of the Bill, the next stage is to take steps to ease the transition from the present arrangements to the establishment of the RDAs in April 1999. At this stage, the Government's preferred model for an RDA Board is apparently six representatives from the private sector, including the Chairman, balanced by representatives from local government and education. The Government will appoint Board Members from nominees chosen by the Government Offices for the Regions. The RDA will report to Deputy Prime Minister, John Prescott. The RDA will not have statutory planning or land use powers. There are expectations that the English Partnerships Regional Network of six offices will be subsumed into the nine RDA's, giving the agencies an established core administration and planning portfolio, as well as a land and industrial property portfolio. It is possible that the Single Regeneration Budget responsibility and budget could also be transferred to the RDA. The situation as regards the Training & Enterprise Councils and other agencies remains to be decided, despite the April 1999 start date.

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<sup>9</sup> ACRE: Action with Communities in Rural England.

## Concluding Comments

When bidding for the type of funds outlined above, the degree of competition and the pressure on resources mean that countryside projects must demonstrate their economic impact and value-for-money. The links to tourism and other economic and training initiatives and the ability to interest and secure private sector investment has become crucial to the selection process for many schemes, both national and EU. Projects can be, and are, rejected and projects are regularly deferred for additional information on the economic impacts. Projects which fail to meet the milestones projected in the original bid can have grant reduced or cancelled. Funding packages are now so inter-dependent that the failure or delay on any element can jeopardise the whole project.

There are three other issues:

1. If the funding is tied to particular areas, defined in terms of wards, parishes, postcodes or Travel to Work Areas, complications will arise where projects cross the boundaries – in terms of structuring the bid and in the subsequent monitoring.
2. There can be problems over the duration of the funding, e.g. SRB at up to 7 years and Rural Challenge at 3 years.
3. Variations in the eligibility of matching expenditure between the various grant schemes, particularly *'in-kind'* contributions in terms of time or labour.

Applicants are expected to demonstrate how their project fits within a broader strategic approach. Funders have made a distinct shift from *'piecemeal'* actions to a longer term perspective, integrating initiatives within overall regeneration strategies and the development of genuine *'partnerships'*. The approach taken, however, varies from one project to another in terms of the partners involved, the scale of their involvement, the funding sources identified and the rationale used to justify the actions proposed (in terms of the consultancy reports or impact studies used).

Developing such initiatives puts an increasing demand on the partners to demonstrate their previous track record in the delivery of both the physical output, i.e. the finished result and the impacts in terms of jobs created or sustained, training opportunities, or increased visitor numbers.

This requires a clear statement on:

- applicants organisational structure and details of the administrative and implementation arrangements;
- the establishment of an accurate baseline situation, in setting realistic and achievable targets in bids and;
- providing the monitoring returns to the deadlines set by the funding body.

The results from the tighter monitoring have yet to fully impact on the decision-making process. For example, the results of the interim and ex-post evaluations of the EU funded Objective 2 programmes have not had the degree of detail on outputs anticipated by the Commission.

The development of a strategic approach to help judge the best value or assist in prioritisation of projects is an essential part of the application process for most funding schemes. Rural strategies have been promoted by the RDC, the Countryside Commission and English Nature as a way of integrating conservation and development interests. Research by Oxford Brookes University for the DETR highlighted a number of shortcomings in terms of how far these strategies provide better integration of policies for conservation and economic development. As has been indicated, however, external funders are increasingly interested in such a strategy based approach which they see as helping to target resources, minimise overlap and duplication and promote a programme approach to the delivery of the initiative.

The proposed RDAs should enable some restructuring of the fragmentation of agencies and funds that has occurred over the last decade. The result of this fragmentation and the introduction of new players onto the economic development scene has meant that many of the organisations involved in urban and rural development have found it difficult to provide a coherent, complete and clearly identifiable service. These organisations have also had problems integrating their activities with those of other (frequently competing) organisations. There is pressure, resulting from the content of the responses to the consultation exercise, for the RDAs to have a broader mandate, allowing them to promote improvements in the environment and quality of life enjoyed by the inhabitants of the regions. In addition, the RDAs might be empowered to exercise a degree of control over agriculture, transport, education and other matters as they relate to regional development.



The 1990s have seen central government move towards more strategic and inclusive forms of partnership initiatives such as the Single Regeneration Budget and Rural Challenge. In this approach all partners with an interest are expected to be involved in economic development planning and delivery. This has allowed the potential for a greater role for local authorities, the voluntary sector and local communities, whilst retaining the private sector interest generally seen as essential. It should also mean that no single interest dominates the decision-making or direction of policy. The now universal presence and undeniably good idea of 'partnership' makes it difficult to be critical of the principles. Practice, of course, has demonstrated the different approaches, resulting in good and bad, appropriate and inappropriate forms of partnership.

Clearly, there are issues associated with seeking to influence Government and Commission decision-making, both in terms of individual schemes such as the Regeneration Concession or the possible role and structure of the RDAs. In the case of Lottery Funding the Heritage Lottery Fund is completing its own exercise, whilst the Government has set out its proposals in the White paper 'A People's Lottery'. In the case of EU funding, the overall impression is that a number of UK regions currently receiving funding from Objectives 2 and 5(b) are likely to lose out in the new period, although there will be a transitional period up to 2005, when funding will be phased out. This assessment will no doubt pave the way for intense lobbying on the definition of national eligibility criteria and the delimitation of regional boundaries.

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*Disclaimer*

*This paper is written in a personal capacity, but based on extensive work for clients across the UK, including British Waterways and the Heritage Lottery Fund, as well as material published in a range of professional publications and press reports. The comments and views are personal and not necessarily those of Hall Aitken Associates. Comments have been made on earlier drafts by Neil Lindsey, Kevin Pocklington, Duncan Neish and other colleagues at Hall Aitken Associates. This should not be quoted without the agreement of the author.*

# THE FUND PROVIDERS' PERSPECTIVE

## HERITAGE LOTTERY FUND

*By Alan Bird,  
Countryside Council for Wales*

The Countryside Council for Wales is the Government's executive authority in Wales for the conservation of species of wild animals and plants as well as the habitats in which they live. It has a responsibility for protecting valued geological and land form sites. It advises Government on sustaining natural beauty and the opportunity for outdoor enjoyment in Wales and its inshore waters. It acts as the Government's agent to fulfil international obligations in the conservation of wildlife and its habitats. Although it has responsibilities for the environment in Wales only, it does not work in isolation. The Joint Nature Conservation Committee, set up by the Council and the other statutory conservation bodies in England and Scotland, help to co-ordinate joint projects and to advise Government on a UK level.

For the last 3 years, since the National Lottery was launched, staff of the Council have provided specialist advice to the Heritage Lottery Fund. This is the distributing body set up by Act of Parliament to pass money raised by the Lottery players towards the heritage, one of the original 5 good causes. This effort contrasts with the National Heritage Memorial Fund which was established as a reactive fund of last resort and whose grants commemorate those fallen in the 2 world wars by linking funds to deserving projects.

The brief was quite specific and so the paper will try to answer the range of questions posed in the Brief and some other common questions. To begin, the Heritage Lottery Fund gives financial help to projects which improve public access to land, buildings, objects and collections considered to be of interest to the local, regional or national heritage of the United Kingdom.

Who can apply? You can apply if your organisation is a public sector organisation, a charity or a voluntary organisation which preserves heritage. Very soon, when the new 'Operating Guidance for the Heritage Lottery Fund' takes effect, since the Heritage Bill has passed into law, a private individual can apply for Lottery funding. A commercial organisation is unable to do so.

So what do we mean by heritage? This is broadly defined. In practice the Heritage Lottery Fund recognises 6 main categories:- maritime & transport, gardens & parks, historic buildings, archives & collections, land of scenic or scientific value, museums & galleries.

If shopping and visiting garden centres are classed as leisure activities now, so too must visiting attractions under these categories. The Countryside Commission collaborated with others in the UK Day Visits Survey of 1996. This shows that between 1994 and 1996 the number of leisure day visits grew by about 10% in the UK from 5.2 billion to 5.7 billion. A similar rate of growth applied to all of the 3 main types of destination whether they were towns and cities, the countryside or the seaside and the coast. In the same period, the average amount spent per trip rose slightly more than inflation. The combined effect of that finding means that expenditure on day visits grew from about £44 billion to about £52 billion per annum, a real growth after inflation of about 13%. The provisional figures for people travelling to and staying in places outside their usual environment for trips lasting over 3 hours, and which are not made on a regular basis show that people aged 15 and over made day trips totalling 46 million in Wales alone. This represents a spending of £8.60 per visit per head. In the countryside, their average spend per visit was £5.10. These are significant factors in the rural economy these days.

What kinds of projects does the Heritage Lottery Fund support? Giving general examples of worthwhile projects is not easy because they are so very varied. It is easier to give the key attributes:

- Projects must have a threshold exceeding £10,000 in overall value;
- The project must be new;
- If the project has already started, the Heritage Lottery Fund is unable to fund the activity;
- The project must have a clear beginning and an end and should be supported by a sound business plan;
- There should be adequate after-care and management proposals and, because the Heritage Lottery Fund will not fund the whole cost of a project, it expects to see a proportion of partnership funding invested by a 3rd party.

The Heritage Lottery Fund can fund up to 75% of the cost of a worthy project. However rates of grant will vary because of the enormous variety in scale. For example the smallest grant, some £1,500, contrasts with the award made for the restoration of the Kennet and Avon Canal by British Waterways Board which received £25 million.

Broadly, because the Heritage Lottery Fund has wide parameters and a potentially huge budget, presently £280 million per annum, to distribute from National Lottery players, (although it will drop by some £50 million in future to pay for the 6th Good Cause), it should not be difficult to attract their support for a well-considered proposal for projects within the relevant heritage categories.

Successful projects are often funded to the tune of 75%, but at present, partnership funding from 3rd party sources is running at 50%; genuine partnership in other words. £1 for £1 has always been a good adage, so it is here. Applicants looking for over £100,000 from the Heritage Lottery Fund are expected to find 25% from elsewhere. That could be from the value of their own labour input for funding a feasibility study and business plan, for professional fees, or the value of property, goods or chattels which are integral with the project.

How easy is it to apply? The process is simple. There is no '*window of opportunity*' as the Fund never closes. Applications can be submitted when they are ready. The partnership funding does not need to be in place beforehand. The process is logical and straightforward. A simple telephone call will elicit the Guidelines and Applications Pack. Then comes the considered work, to prepare and submit the application. This is acknowledged by the Heritage Lottery Fund who will check eligibility of the applicant and the merit of the project. An initial assessment is made and expert advice will be secured from appropriate advisers like CADW, Countryside Council for Wales or, in England, English Heritage or the Countryside Commission or, in Scotland, Historic Scotland or Scottish Natural Heritage. Your duplicate copy is sent straight to the expert advisers for their scrutiny. A final assessment is made and the staff of the Heritage Lottery Fund will make recommendations to their Trustees (who are also the Trustees of the National Heritage Memorial Fund). Their resolution will be communicated to the applicant and, if an award is to be made, the terms will be made clear. Once the project has been completed, the payment is made. The Heritage Lottery Fund, through its advisers, will monitor the aftermath and compliance with the agreed terms.

The process can take several months. There is a '*fast track route*' where the applicant's timetable is critical, for example a property or chattel is to be sold at auction, but even this may take some weeks. About 4,000 applications have been received to date and over 1,200 awards have been made so far amounting to £748.8 million, a staggering sum by any previous Yardstick!

Who has been making the applications? Awards have largely been made to charities (36%) and to local authorities (30%) and religious bodies (21%) who together have accounted for 87% of the projects funded. Central Government at 6%, the private sector at 5% and other public sector bodies at 2% have made up the balance. As you can see, there is plenty of scope here for both private and public sector proposals.

So how does this help the Countryside Recreation Network membership? There are strong links between the conservation and management of the heritage and accessibility to the countryside to see the wealth and variety of heritage the UK has to offer. The Penguin dictionary defines 'leisure' to be "*freedom from work*" or "*free unoccupied time*" and 'recreation' to the "*the act of relaxing and amusing oneself after work*" or "*an amusement or pastime*".

The membership of the National Trust stands presently at 2.4 million, that of RSPB at 1 million, the Wildlife Trusts at 260,000. This illustrates the numbers of people wishing to see sites protected in the countryside and made available for their leisure, recreation and enjoyment. Because 90% of our population lives in towns and cities it is no surprise that over 8 million per day use the network of public parks in the UK. Over £66 million has been awarded by the Heritage Lottery Fund towards some 80 parks under its Urban Parks Programme - a clear example of targeting the Countryside Recreation Network's own sphere of interest. Enjoyment by the public follows protection through stable management and demonstration. This enables visitors to spend their leisure at the 500,000 separate locations funded by the Heritage Lottery Fund.

What is the job of the Trustees? Their task, primarily, is to distribute Lottery funds. Theirs is a reactive function. Fundamentally, they must objectively appraise the heritage merit and the public benefit of projects before them. They will seek external advice from specialist agencies including the Council for Museums in Wales, and they seek quality of project; the longevity of materials; the impact of displays; the use of imaginative techniques plus expertise of the project team itself. They look for geographical spread and to spread the cash throughout the categories of project; towards projects of differing scale; for the conservation and access to the heritage throughout each of the categories described.

What makes a good application? Having seen some 25 applications, the successful ones select themselves. These start with describing the heritage asset. They explain how it is to be deployed for public benefit. They explain how it is to be made accessible to the public at large and provide a sound business plan, where all the figures add up and

there are funds available for after-care and proper maintenance. Successful applicants choose imaginative, long lasting, quality proposals. They consult early and have their proposals endorsed by experts in the appropriate field. Marketing is essential and supporting the proposal with slides or photographs hugely helps the objective assessment. The proposal should follow a logical sequence, be self-contained and, most importantly, fit inside a small briefcase! The Heritage Lottery Fund is open for business now and from the end of 1997 will be able to deploy funds specifically towards the enjoyment spectrum excluded previously from its statutory role.

What are my conclusions? The impact of the Lottery on the sphere of heritage conservation has been enormous. A cameo of one perspective on the 3 years' efforts might address these topics:

*Scale:*

4000 applications made to date of which 1269 awards have been made, passing in round figures, £749 million grant into the heritage good cause.

*Public benefit:*

Accessibility to the public at large is a fundamental criterion.

*Additionality:*

This is provided for by statute.

*Leverage:*

Evidence shows partnership funding to be running at 50% and so the £1 for £1 adage is satisfied!

*Strategic planning:*

Evidence from the Director General of the Wildlife Trusts, Dr Simon Lyster, suggests there has been a marked improvement in strategic behaviour. The Wildlife Trusts are a nationwide network of 47 local trusts and 52 urban wildlife groups having a combined membership of 26,000 people in the UK. Undoubtedly, the major focus of HLF grants to the Wildlife Trusts, over £7.1 million to date, has been on the acquisition of nature reserves including additions to some of their existing 2,000 nature reserves.

*"We have also been able to make improvement to access and interpretation with 7 new visitor centres and to embark on a variety of habitat management projects. Most important of all however is the confidence HLF has given the Trusts to go for projects that would otherwise have been beyond our resources. A good example is Clattinger Farm in Wiltshire. Two crucial factors in saving this marvellous grassland habitat were the speed with which HLF reached its decision and the inspiration the award*

*gave to others to provide the necessary matching money. Of course, simply acquiring a wildlife habitat is not enough to preserve it; active management is usually needed. For organisations such as the Wildlife Trusts, HLF is one of very new sources of serious funding and its existence is helping us to think far more adventurously. For example, it may one day be possible to look beyond habitat management to large-scale habitat restoration of the kind already undertaken for wetlands in the Netherlands. It owes a lot to the far-sighted approach encouraged by HLF that nature conservation in the UK can even start to envisage this type of quantum leap."*

These words also provide evidence attesting to improvements in standards of project planning, project management and after-care.

#### *Accessibility:*

A fundamental tenet of Lottery funding, local, regional and UK-wide, is that visiting arrangements enable the public at large to enjoy the projects which their Lottery has championed.

#### *Economic benefit:*

In the area of parks it is clear that these are so obviously widely used and valued that it is really hard to believe that nothing has been done for them on the scale now described since the Public Health Act of 1875 from which many of the classic Victorian parks owe their existence. For example the Norfolk Heritage Park in Sheffield to which Heritage Lottery Fund provided £2.35 million is all that remains of the medieval hunting park of the Earls of Shrewsbury. In the 1840s it became one of the first and great Victorian public parks and today preserves a sense of open landscape at the heart of a densely populated area. This scheme is an essential feature of the local authority's environmental regeneration plan for the area and will not only restore an historic landscape but also create a new community centre within the park.

Other local authorities too recognise the importance of parks in providing not just green space in urban areas where few houses have sizeable gardens. With the benefit of Heritage Lottery funding it is possible to develop comprehensive strategies. In Wales, for example, Conwy County Borough Council's Llandudno Open Spaces project which received £2.48 million from the Heritage Lottery Fund will enlarge and enhance 5 parks. At Walsall the Willen Hall Memorial Park originally constructed in the 1920s by local unemployed people on the site of a disused colliery has been restored using £1.26 million from the Heritage Lottery Fund. The restoration project has involved very wide local consultation. Some of the volunteers are relatives of the park's original workforce making the point that the urban parks programme is set up not just to repair and restore parks but also to put them back at the heart of community life. The

'double dividend' of Lottery awards is very clear, helping to bring about urban renewal and economic development.

Above all, comparing how the awards are made with the perception of the man on the Clapham omnibus, of where he would like the awards to be made, the Trustees are clearly taking heed of the MORI poll showing what the Lottery players want! Any critique ought to address availability, rate of take-up, impact and awareness. I offer the following figures\* and to show the success of the Heritage Lottery Fund's distribution of Lottery cash towards leisure and recreation aspects of the conservation of our countryside and built heritage.

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 \* As announced by HLF on 1.10.97.

The grants, by country are:

Number	Percentage of grant	Amount	Percentage of spend
Northern Ireland			
46	4%	£11.248m	1%
England			
977	76%	£622.676m	83%
Scotland			
149	12%	£95.217m	13%
Wales			
97	8%	£19.602	3%



The grants by heritage area are:

Buildings and urban parks			
698	55%	£241.358m	32%
Industrial, Maritime and Transport Heritage			
77	6%	£63.376m	8%
Land ie. acquisition			
160	13%	£45.689m	6%
Manuscripts and archives			
68	5%	£46.956m	6%
Museums, Galleries and Collections			
266	21%	£351.364m	48%

The grants by project are:

Acquisition			
243	19%	£103.907m	14%
Building Refurbishment			
51	4%	£129.459m	17%
Conservation & Restoration			
293	23%	£110.290m	15%
Cataloguing			
29	2%	£19.026m	3%
Historic Building Repair			
345	27%	£129.491m	17%
New Buildings			
33	3%	£69.172m	9%
Public Access & Exhibitions			
165	13%	£182.392m	24%
Surveys/ Feasibility			
110	9%	£5.005m	1%

For further information, Heritage Lottery Fund operate an information line on 0171 591 6000. 'Heritage Lottery Fund News' is available on request.

## THE FUND PROVIDERS' PERSPECTIVE

### LOTTERY SPORTS FUND

*By Rebecca Barnham,*

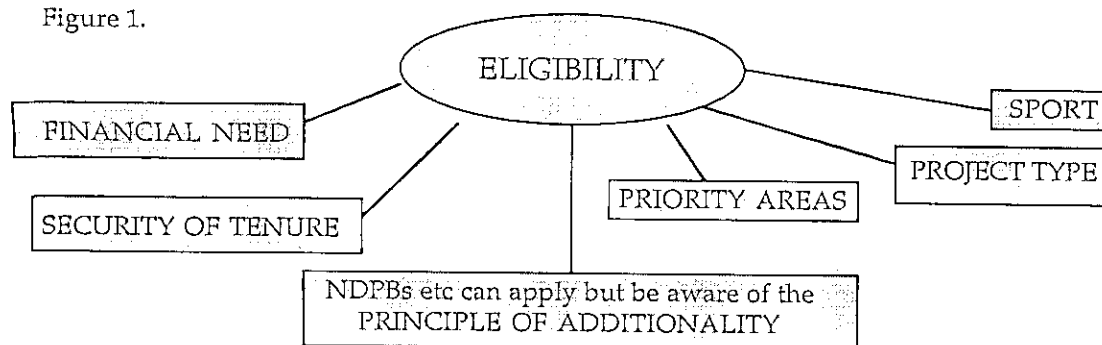
*Lottery Sports Fund*

This paper will cover eligibility, technical details, further information and changes for the future. First of all I wish to provide a few key figures for background information. Since the Lottery started the following amounts have been distributed via the Lottery Capital Sports Fund (figures correct up to October 1997).

Canoeing	£2.5 million
Caving	£1,900
Cycle Routes	£475,000
Equestrian	more than £2 million (£171,000 for bridleways)
Orienteering	£6,500 (for a scheme in Birmingham)
Outdoor Activity and Watersports Centres	over £1.5 million
Mountain Rescue Vehicles	£38,000
Footpaths	£300,000
Climbing Walls and associated developments	over £2 million

The Lottery Sports Fund (LSF) produces a very detailed Guide for Capital Applications. This is contained within the Application Pack and should be read before putting an application together. It can be obtained from the Lottery Hotline on 0345 484950, although you will need to know what sort of project you are applying for and who the applicant is.

Figure 1.



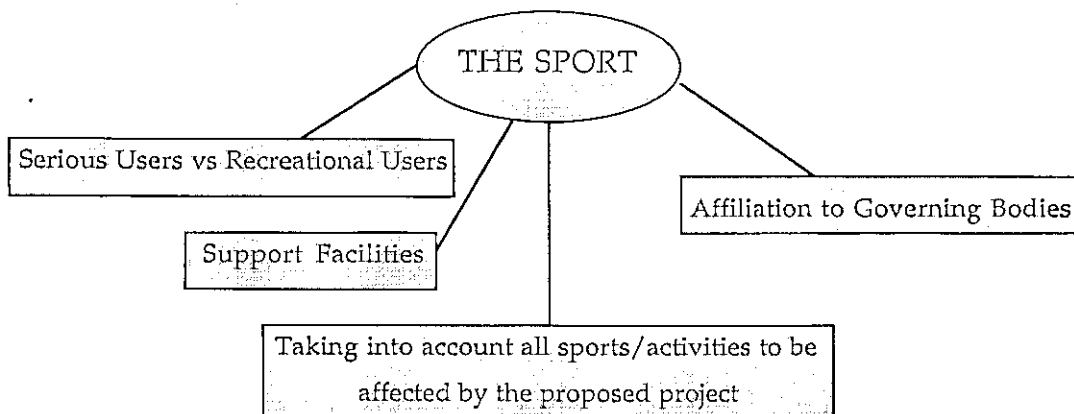
I will now highlight some key points raised by the headings in figure 1 above.

- An eligible organisation can be a partnership of different groups as long as each is eligible in its own right and there is one lead body. A *Heads of Agreement* document may be useful here to confirm responsibilities of each partner;
- There are over 100 sports which are eligible for Lottery funding;
- A project has to be valued over £5000 and be for capital items or non personal equipment;
- Under the *Priority Area Initiative* certain projects may be eligible for funding of up to 90% of the total project cost (there is a separate leaflet giving more information about this scheme). Otherwise, the maximum grant we can consider is 65%. It is important to note that the LSF provides shortfall funding and we expect applicants to obtain, or try to obtain, as much partnership funding as possible;
- We expect applicants to be the freeholders or hold a long lease on the site. The exact length of lease required depends upon the size of the grant;
- The LSF can fund Non Departmental Public Bodies, but only for projects which are not part of their ongoing programme;
- We do not fund projects which have already started.

There are over 100 sports recognised by the ESC which are potentially eligible for lottery support. For sports such as sailing, caving and mountaineering, the applicant must be affiliated to the appropriate Governing Body. We can fund storage facilities, changing rooms, accommodation (for an Outdoor Activities Centre for example) and

improvements allowing access by people with a disability. This is as long as the proposals are linked to the sports development plan. We would expect to see that all sports on a particular site are managed appropriately, ensuring all users are catered for. This could involve zoning the use of a lake for example or sensitive programming of an outdoor site. For all projects we would want to see how all users are catered for, ranging from non-participants through to beginners and improvers (see figure 2).

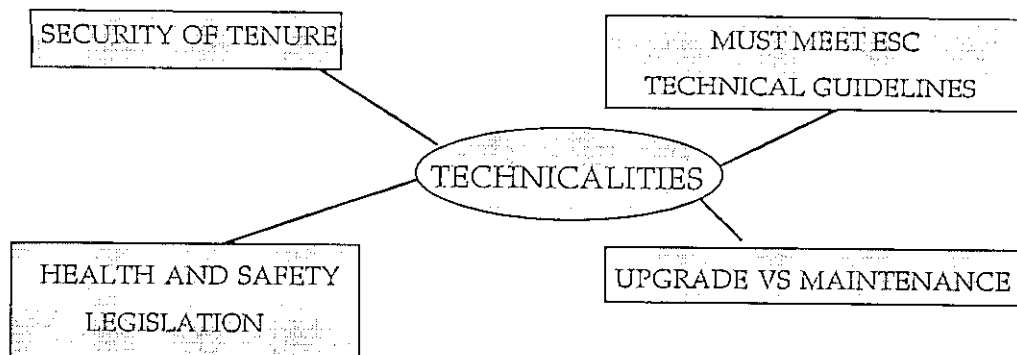
Figure 2.



As stated previously, applicants should own the freehold of their site or have a long lease for a period of time of at least the length of the clawback period of the grant. If a Public Right of Way is shown on a definitive map then this usually confers sufficient security of tenure, although we would expect to see commitments in terms of management and maintenance. For other footpaths and bridleways we would wish to see agreements from landowners ensuring public access, management responsibilities and a commitment to repair and maintenance. In some instances, the value of the land can be counted as partnership funding if it is given by a genuine third party.

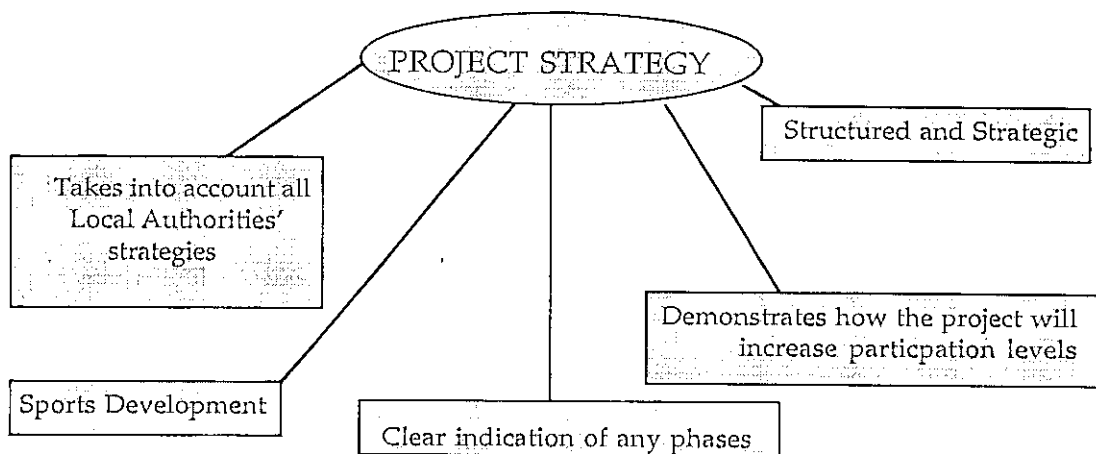
The proposals must meet ESC technical standards which are provided in various leaflets and guidelines produced by ourselves. We would also recommend potential applicants talk to staff in the ESC regional offices before the application is submitted. We do not fund routine repair and maintenance, but we would fund significant upgrades with associated sports development proposals. If a building is to be extended or upgraded we request that a condition survey is carried out so we can assess value for money issues. We ask for health and safety policies for all buildings, as well as specific licensing requirements e.g. the Adventure Activities Licensing Authority for outdoor activity Centres catering for young people.

Figure 3.



The proposed project must fall into a wider long term strategy for the organisation and where appropriate, into the Local Authorities or Governing Bodies future plans for increasing participation and standards of participation (see figure 4).

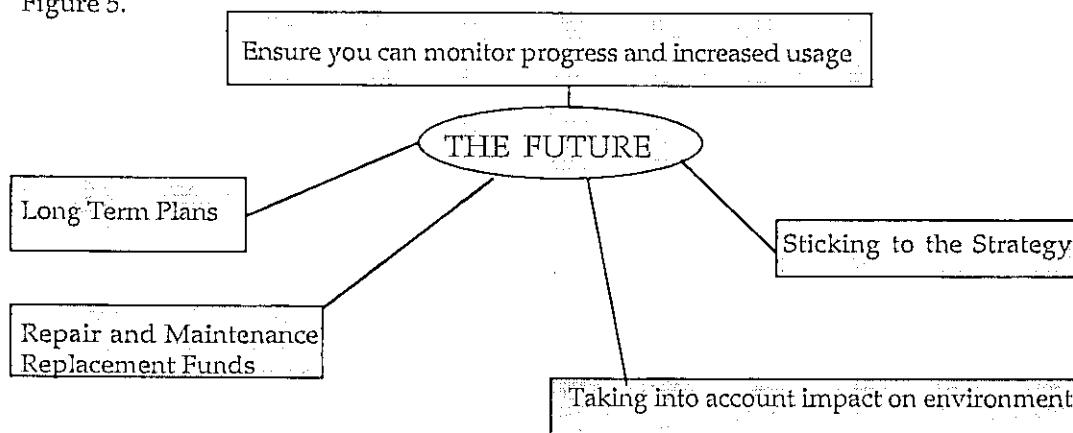
Figure 4.



The sports development proposals must be appropriate for the scale of project and identify how new participants will be introduced to the activity and how existing participants can improve their standards. A marketing plan would also be useful for showing how this can be achieved. For example, with a residential outdoor activity centre in Wales run by a local authority in England, we would expect to see how links with local clubs, instructors or governing bodies will be developed once someone has taken part in a course or activity and returns to their home town.

We will fund individual phases of a project as long as it is planned, and each phase is individual, identifiable and stands alone in terms of management, finances and long term viability. We assess each scheme to ensure it is viable (see figure 5). This includes looking at income and expenditure projections, repair and maintenance, replacement funds, environmental impact, management proposals and business plans for projects over £250,000.

Figure 5.



We have started monitoring successful projects to ensure that they have kept to the proposals outlined in the application, we also try to help organisations through the first years of running their schemes. Sources of further information include:

- Capital Sports Facility Award Pack
- Javelin
- Guide to the Lottery Sports Fund
- New Guidelines
- Regional specialist ESC officers

The application pack and guide to the lottery sports fund are available from the Lottery Hotline on 0345 649649. *Javelin*, the electronic information service produced by the LSF is available at no cost and is updated regularly (for further information ring 0171 273 1538).

The ESC are currently producing guidelines for applicants wanting to develop projects based on the use of natural resources. These will be completed shortly. Finally, if you have an idea for a project, contact the English Sports Council Regional Staff to discuss the proposals before you submit the application. They may be able to help you with up to date advice and technical guidance. Good luck!

# THE STATUS OF ENTRUST

*By Richard Sills,*

*Entrust*

## Introduction

ENTRUST was set up as a private-sector, not-for-profit company, limited by guarantee for the sole purpose of acting as the regulator of the Landfill Tax Credit Scheme. The company was approved by H.M. Customs and Excise in that role in October 1996 to oversee the enrolment and operations of Environmental Bodies (EBs) according to the requirements of the Landfill Tax Regulations 1996 (LTRs). The company was fortunate to be given a start-up grant of £20,000 by DTI, as well as obtaining a loan of £100,000 from a commercial bank, under the Department's 'Small Business Loan Guarantee Scheme'. It was planned that all other funding would be from those regulated, i.e. Environmental Bodies, from two fees (i) an Enrolment Application Fee of £100 per application and (ii) an annual Administration Fee, initially set at 1% of annual receipts of each EB. This was in order to enable ENTRUST to perform its function of auditing and monitoring EB's expenditure to assure that all the funds were spent in compliance with the LTRs' requirements. The forecast was for between 250 and 450 applicants (see figure 1) and the contributions to be between £10M and £20M (see figure 2) within the first year. This would prospectively give ENTRUST an income between £125,000 and £245,000 in the first year (see figure 3). The Landfill Tax Credit Scheme (LTCS) is intended to do several things, by providing a private-sector funding resource, capable of being matched by central government or EU funding for the following main, broad purposes:-

- (i) To encourage the creation of partnerships between landfill operators (LOs) and local or national organisations and groups which have an interest in the environment, especially, its improvement, education and research/development into more sustainable waste management practices;
- (ii) To assist in the reclamation of derelict or contaminated land;
- (iii) The creation or maintenance of public parks or other amenities and the restoration/maintenance of buildings of religious worship or of historical or architectural interest.

**BUDGET FORECAST:  
CUMULATIVE NUMBERS OF  
APPLICATIONS**

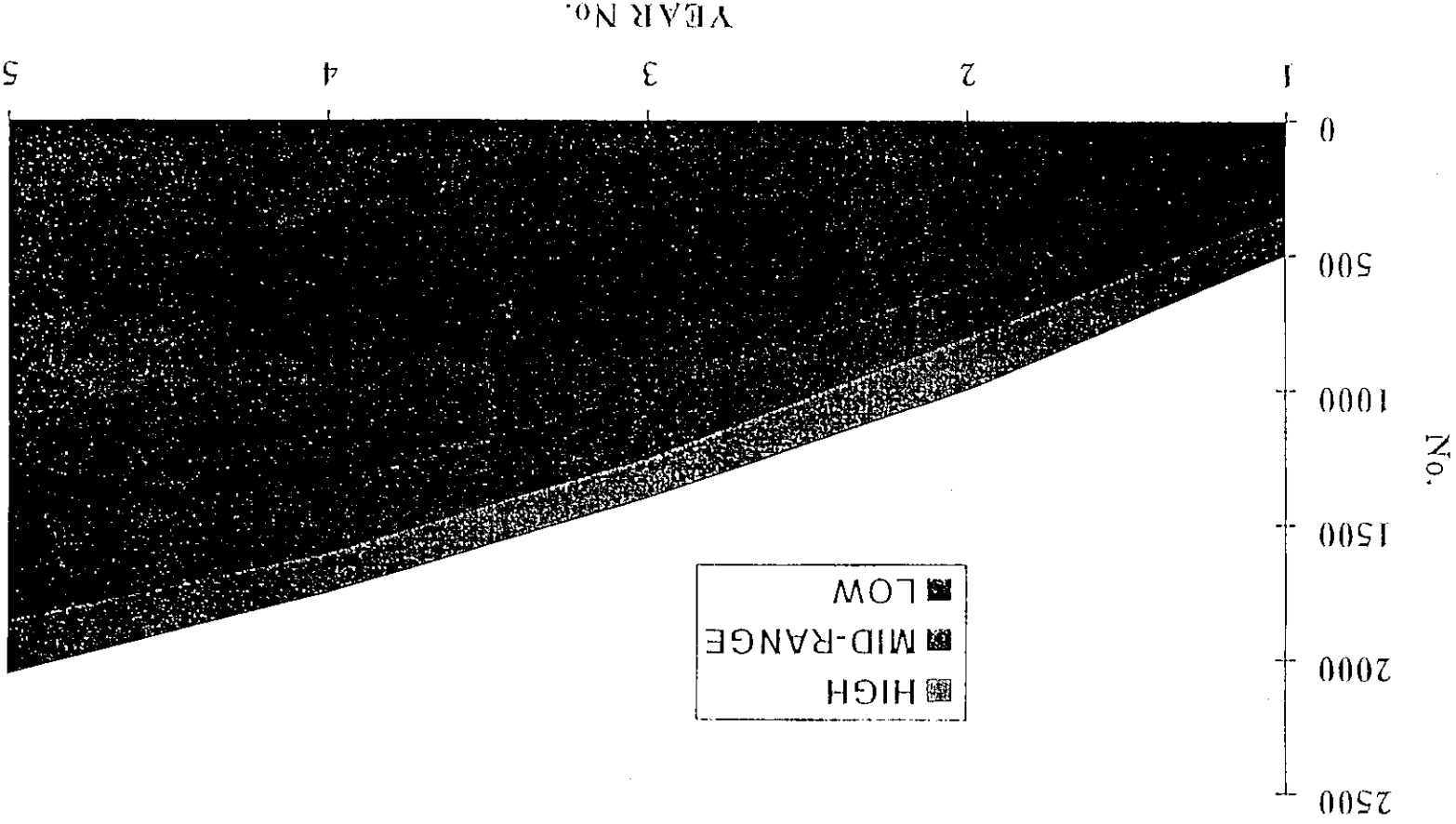
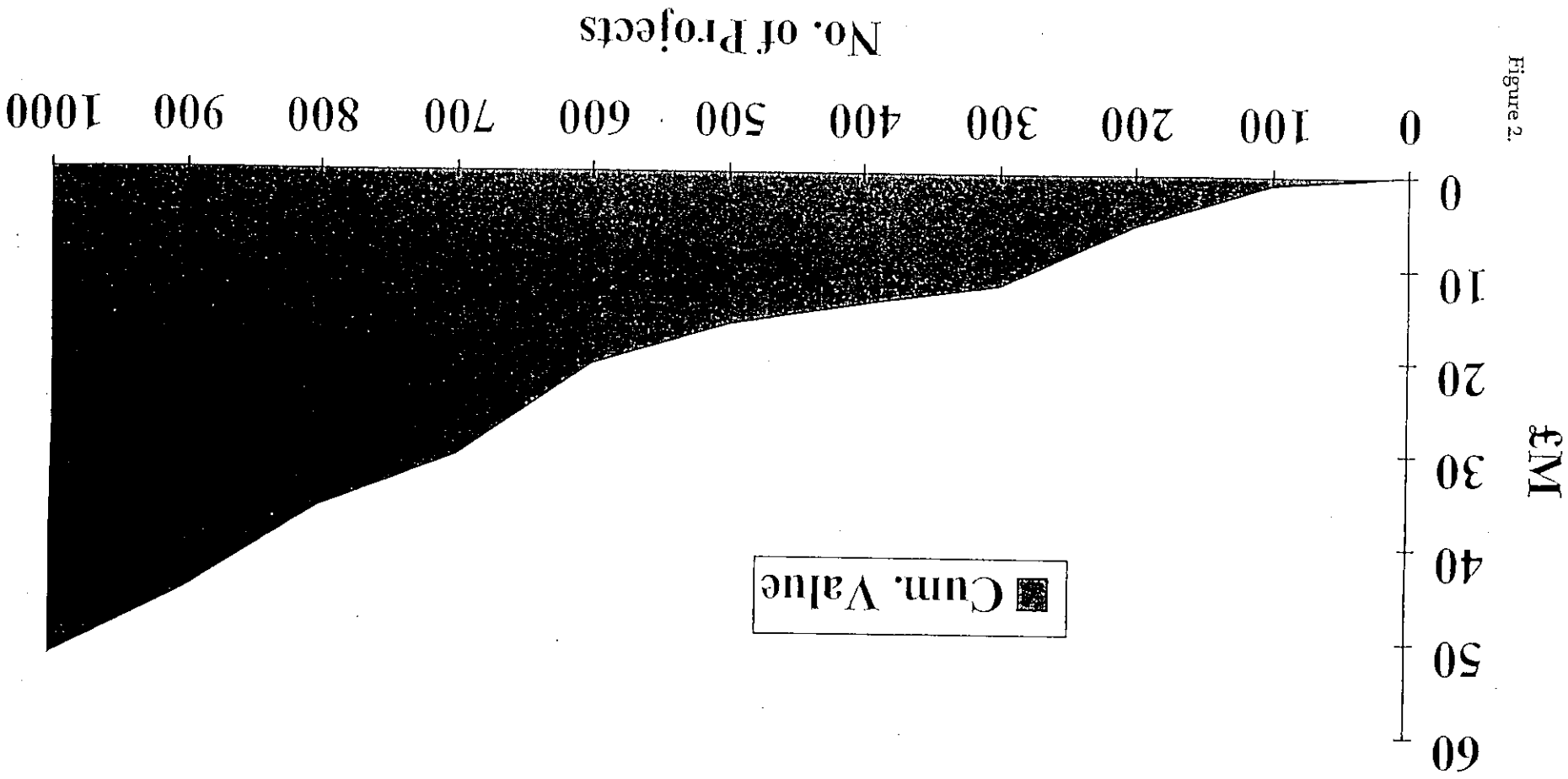


Figure 1.



## VALUE & NO. OF PROJECTS APPROVED



# ENTRUST

THE ENVIRONMENTAL TRUST SCHEME REGULATORY BODY LTD

## BUDGET FORECAST: ANNUAL ENTRUST REVENUE (@ 1%)

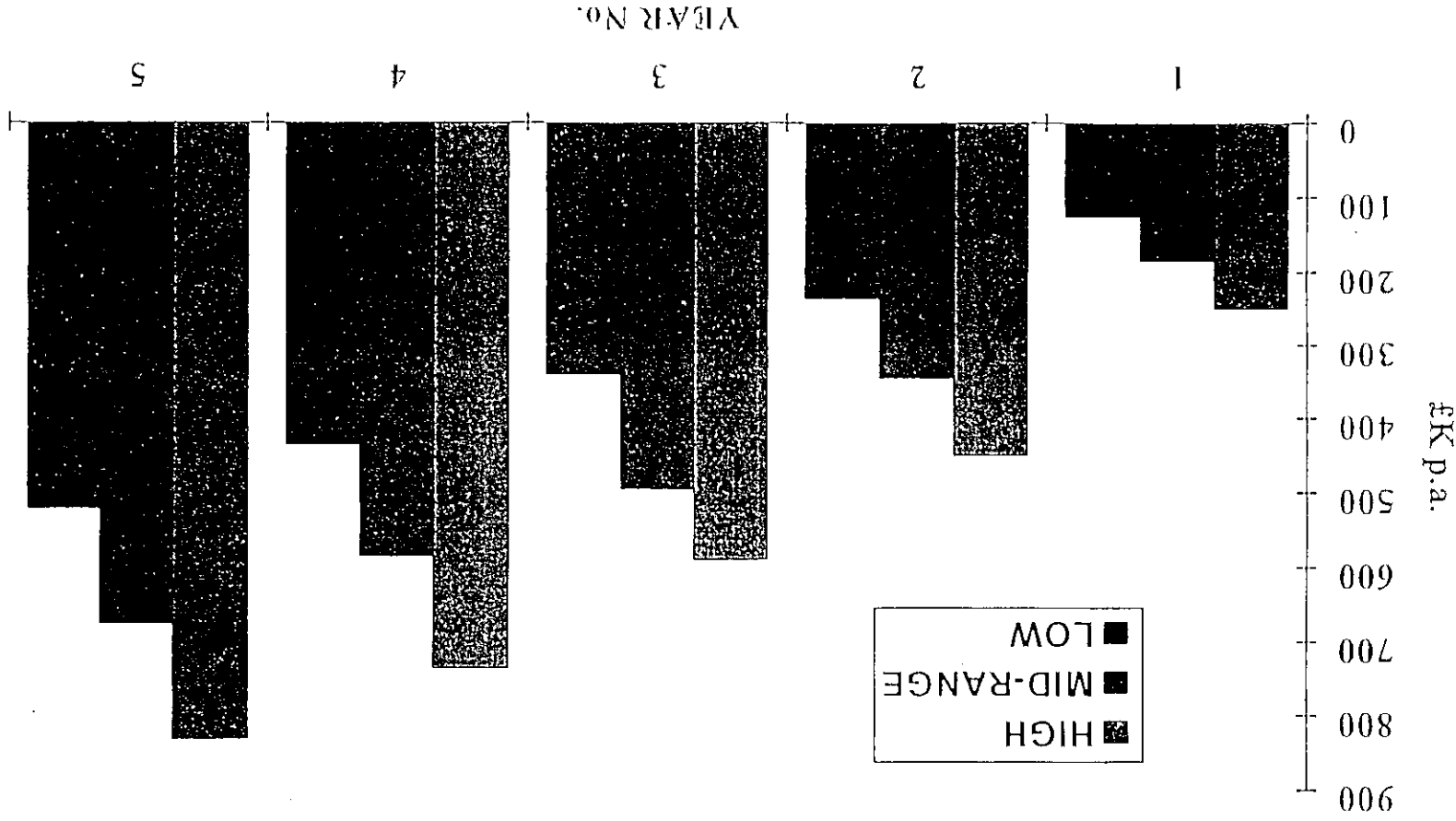


Figure 3.

## Scheme Criteria

The requirements for the enrolment of Environmental Bodies and the expenditure of the funds supplied by Landfill Operators are specified in the Landfill Tax Regulations. Broadly, the enrolment criteria are structural. The EB must reflect one or more of the 'approved objects' spelt out by the LTRs. It should be not-for-profit and not able to be controlled by either a Landfill Operator or a Local Authority (LA).

The expenditure criteria are deceptively simple. Funds must only be spent on projects compliant with the six 'approved objects' or on the Environmental Bodies' administration. The six 'approved objects' are:-

- a) The reclamation of derelict or contaminated land, where its use is prevented by a former activity;
- b) The removal of contamination or the mitigation of its effects;
- c) Research & development, education or the collection/dissemination of information for the purposes of encouraging the use of more sustainable waste management practices;
- d) The creation or maintenance of a public park or other public amenity, where it is for the protection of the environment and in the vicinity of a landfill site;
- e) The restoration, repair or maintenance of a building or other structure of religious worship, or of historical or architectural interest, where it is for the protection of the environment, in the vicinity of a landfill site and open to the public;
- f) The provision of support services (e.g. financial, administrative or legal) to other EBs.

Funds may also be spent on the organisation's internal administration and in paying ENTRUST's annual levy.

## Project Characteristics

The reason that the approved objects are deceptively simple is that real projects cannot be guaranteed to fit easily not only into the technical categories (it is usually relatively easy to say whether a particular project is in one or other category) but also to comply with the other LTR's requirements, such as whether the public have access to the site and for what proportion of the year?; or how does the project conform with the need to be '*for the protection of the environment*'?; and what does '*sustainable waste management*' really mean?

The difficulty in determining whether a project is truly compliant is a principal reason why the Board of ENTRUST has insisted that, initially, all projects must be pre-approved.

#### Provision of Public Park/Amenity

Very large numbers of green-space projects have been submitted to ENTRUST, together with proposals for using these spaces. These have ranged from the provision of a sports field, to a children's playground, a mini-nature reserve, and a planted garden area. Other proposals in this category comprise the building of or modifications to local village halls; new or improved public footpaths and bridleways; creation of nature reserves; purchase of land by trusts for these activities; and generally improving facilities in the neighbourhood of landfill sites by, for instance, planting hedgerows or tree screens.

#### Restoration of Religious, Historical or Architecturally Significant Buildings

ENTRUST has received substantial numbers of proposals for repairs, maintenance and restoration of these buildings. Mostly, they are for the repair or maintenance of religious buildings but the number of applications for Listed Buildings is increasing. Examples go from the weatherproofing of the church or adjacent buildings all the way up to the complete restoration of a church destroyed by fire. The ENTRUST Board has been asked to approve several projects to enhance facilities in these buildings but has not interpreted the Regulations in this manner. This is aside from the provision of facilities that are required by recent legislation, such as toilets, access for the disabled, improved fire safety equipment, etc. The Board also insists that the plans for restoration or maintenance to these buildings is performed to an appropriate standard.

#### Provision of Services to Other Environmental Bodies

This category covers the support services available to other enrolled bodies. These are generally smaller bodies that lack the infrastructure to enable them to do everything they wish. It also incorporates the re-distribution of Landfill Operators funds. There are a number of bodies which function as distribution 'agents' for Landfill Operators, in the sense that they receive the funds and undertake to scrutinise the applicants and projects. They prioritise them to ensure that a range of local needs are met and then re-distribute the funds to relevant projects. This activity means that there is a specialist organisation dealing with applicants, rather than having the operators interface with all of the bodies requesting funding.

## The Group Environmental Body Scheme

This scheme was developed by the ENTRUST Board to facilitate the transfer of operators funds to the 'grass roots' organisations that would, in all probability, be unable either to attract the attention of operators or to support and afford the administrative requirements of the full scheme. In summary, a Group Environmental Body (which would be a normally constituted and enrolled EB) would gather a 'family' of Associate EBs which it would supply with funds, administrative assistance, financial aid, technical requirements, help, and general advice. Associates would have to comply with the requirements of the LTRs (e.g. be not-for-profit, comply with the project criteria) but the Group EB would supply the system which assures ENTRUST that the money is being or has been spent only for purposes approved by the LTRs. Instead of the usual Application Fee of £100, an Associate would pay £20 but would also be liable to pay for the services received from the Group EB. The Associates would not be able to obtain funding, in their own right, directly from Landfill Operators. So far, the scheme is in its infancy but we have about a dozen Group EBs approved and more are applying every month.

## Progress in 1st Year

Customs original estimates of the amount of tax likely to be collected were in the region of £450M –£500M in the first year. These were based upon figures submitted by the Operators. On this basis, the maximum possible contributions by LO's would be about £100M (i.e. maximum claims would be 20% (£90M) and LO's could claim only 90% of their payment (£100M) to EBs). If the contributions were made regularly throughout the year, this would result in about £12.5M per month.

## Major Challenges

There have been several major challenges, virtually all stemming from the lack of Administration Fees receipts for the first ten or eleven months. The uncertainty and slow rate of contributions being made to Environmental Bodies until September prevented ENTRUST recruiting staff. This in turn, made the achievement of the enrolment and project 30-day turn-around required by Customs more and more difficult; particularly with the rise in numbers of project applications towards the end of the tax year. The biggest problem was not so much the lack of funds (although this was a severe and chronic handicap), but the uncertainty over whether there would ever be

sufficient funds coming in to permit ENTRUST to recruit staff on a permanent basis. Because of this uncertainty, the organisation could not seek permanent staff and the use of temporary help made continuity impossible, despite the generally high calibre of the assistance.

Another consequence of the lack of funding was the inability to promote the scheme adequately. This was a classic 'Catch 22' situation which made it very difficult to spread the word to landfill operators to enable them to understand the scheme and its potential advantages to them. During the year, it was firstly suggested and then accepted by Customs that a 3rd party could reimburse or pay the operator's 10% contribution, leaving the operator 'cash-neutral'. The advantage to the scheme is that the total contributions could be more readily maximised but a disadvantage is that neither of the contributors are permitted to reap any direct benefits from the funds. It also required that consideration be given to formulating rules to prevent any 'fiddling' by, for instance, an Environmental Body paying 10% to an operator and receiving the 100% contribution in return. Clearly, this would give the operator a direct benefit but there are other, less obvious, arrangements which would lead to an illegal benefit. In the event, it has been agreed that, in addition to the proscription of an EB, no associated organisation (either controlling or controlled by an EB) nor an EB's contractor may make the payment to an operator.

It has also been necessary to develop rules for preventing mis-use of the provisions relating to the reclamation or decontamination of land. Perhaps the most obvious potential abuse would be a landowner or developer profiting significantly from the investment of EB money. The rules so far agreed between Customs and ENTRUST are that where the value of the 'improved' land is realised (i.e. sold or rented) by the owner or developer then the seller will be required to repay the difference between the 'before' and 'after' valuation to the EB (both valuations being made by a completely independent and fully qualified valuer).

## Scheme Development -- Scope & Priorities

There are a number of areas where it is clear that some developments or further rules are necessary, for instance:-

- (i) The 10% contributor's identity must be known, in order to ensure that neither the operator nor the 10%-er benefit from the application of the funds;
- (ii) ENTRUST must develop an auditing and inspecting capability, in order to be able to credibly assure that the EB funds are, and have been, applied solely to approved purposes;
- (iii) It is already clear that in some of the project areas, there is likely to be duplication of projects, e.g. research & development, educational materials, and some means of avoiding or minimising this is required;
- (iv) The Group Environmental Body scheme needs to be developed and more widely promoted, as we are very aware that the full scheme is inappropriate for a large number of the smaller organisations which should be able to 'tap into' and get benefit from the Credit Scheme.

The highest priority for ENTRUST itself is for the recruitment of inspection and auditing staff to permit a reliable assurance to be made that EB funds are being employed only on objects approved in the Regulations. This recruitment is presently being implemented and it is hoped that an adequate force will be in the field in early 1998.

THE FUND PROVIDERS' PERSPECTIVE  
MAFF AND EU FUNDING FROM THE EUROPEAN  
AGRICULTURAL GUIDANCE AND GUARANTEE FUND  
(EAGGF)

By John Powell,  
MAFF

This paper outlines and give examples of some of the schemes available to the agricultural sector and others, which involve support for recreation activities, and for which funding is provided by the European union via MAFF. The paper is split into two distinct parts covering first the CAP Reform Accompanying Measures and the Agri-Environment schemes and second, the English Objective 5b programmes. The reason for this is that CAP Reform Accompanying Measures and the agri-environment schemes are specifically targeted at the agricultural sector. The Objective 5b programme, however, is a programme which is of particular interest to those involved in countryside recreation activities. It is a wider rural economic regeneration programme designed to stimulate economic activity in those areas designated for support rather than being limited in the main to the agricultural sector.

CAP Reform Accompanying Measure

*Farm Woodland Premium Scheme and Woodland Grant Scheme*

Woodlands can provide useful opportunities for recreation and amenity. Possible activities range widely and can be directly income earning or provided free of charge e.g. picnicking, nature trails, pony trekking, orienteering, rallying and moto-cross etc. Although greater opportunities exist for recreation in existing woodlands, new woodlands can reasonably quickly provide some landscaping and screening effect.

The Farm Woodland Premium Scheme (FWPS) is a UK scheme designed to encourage farmers to plant woodlands on land currently in agricultural use with annual payments of up to £300 per hectare paid to compensate for the income forgone. These payments are in addition to a range of establishment and management grants offered by the Forestry Authority (FA) under the Woodland Grant Scheme (WGS), a scheme open to both farmers and private landowners.



Through WGS annual management grants or the more formal WGS Community Woodland Supplement, financial incentives exist for woodland owners to create, maintain or enhance public access to woodlands. Grants are also paid for work which will help encourage informal public recreation in existing woodlands, to open up woods for recreation; or to improve areas already used by the public. Details of the various grants available can be obtained from the FWPS/WGS Applicants Pack copies of which are available from MAFF or the Forestry Authority.

## Agri-Environmental Schemes

### *Environmentally Sensitive Areas*

The ESA scheme implements the provisions of EC regulation 2078/92. ESAs are designated areas of the countryside of particular landscape, historic or wildlife value which are under threat from changes in farming practices. Their primary purpose is to encourage farmers to maintain or adopt traditional farming methods which will conserve or enhance the environment. There are 22 ESAs in England covering 10% of agricultural land, ranging from the Lake District to West Penwith in Cornwall, and from the Clun on the Welsh borders to the Broads.

The scheme is operated on voluntary entry and annual payments are based on the amount of land within the scheme. The agreement that is made under the scheme operates for 10 years with an optional break clause after 5 years. Payments are reviewed every 2 years. To be eligible you must occupy land within one of the designated ESAs and it must be in agricultural use. The different farm management options available under the scheme reflect the traditional farming methods which have led to the special environmental interest in the area designated. If an application is submitted then it must include some or all of the permanent grass on the land within the ESA.

The principal activity available under the ESA scheme of interest to those here today is probably the public access option. This is intended to enable applicants to permit new access by the public along routes across or around the ESA land for the lifetime of the agreement. The route would take the form of a 10 meter wide strip which is signposted and available for use by the public at no charge. Land which is subject to any existing public right of way is not eligible and if the proposed route is likely to damage the ESA, wildlife or other objectives it may also not be accepted.

New routes which are likely to be most appropriate for the receipt of ESA funding are those which are close to towns or villages and where there may be a public need for further areas for walking within the countryside. New routes could provide:

- circular walks which link up with existing Public Rights of Way;
- access to a fine viewpoint or historic feature;
- a walk along a riverside or by woodlands.

In terms of eligibility, routes should be easy to reach on foot or it should be possible to park nearby. Payments are not available as I have already said where this is an existing public right of way or where the public have traditionally been allowed to walk even though no rights may exist. If, however, the existing use by the public is only occasional and by only a few people then payment under the scheme may be possible. Copies of the guidelines for farmers for the Environmentally Sensitive Areas are available from MAFF.

#### Public Access

Having referred to public access under the ESA scheme, it is worth noting here that the Government has a manifesto commitment to increase public access to open land and that a consultation document on this is to be issued in early 1998.

#### Countryside Access Scheme

The Countryside Access Scheme itself creates new public access for quiet recreation in the form of walks, rides or open areas on grassy land entered into set aside. Details can again be obtained from MAFF and leaflets are available.

#### Countryside Stewardship Scheme

The Countryside Stewardship Scheme is a scheme first set up and run by the Countryside Commission and now administered by MAFF with the purpose of showing that the conservation of landscape, wildlife and historical features and provision of access to the public could co-exist with profitable farming. Permissive access on these sites can also provide an opportunity for the public to have access to appreciate the landscape, wildlife and historic features that would be managed under the scheme which operates throughout England. While there was some doubt originally as to

whether landowners would be willing to welcome the public onto their land, this has not proved to be the case. There are currently 1,207 agreements with access provisions covering 13,077ha and 528km. The Countryside Stewardship Scheme along with the ESA Scheme and the Countryside Access Scheme is part of the package of measures set up to meet the requirements of EC Regulation 2078/92. Details of the schemes are available from MAFF.

#### Objective 5b of the Structural Funds

Turning now to the European Union's Structural Funds programme and in particular the Objective 5b programme as it operates in England. This became operative on 1 January 1994 and will remain so until 31 December 1999. There are 6 designated areas in England which benefit from Objective 5b funds. Designation of these areas was on the basis of economic criteria notably, low level of GDP, high dependence on agriculture as an employer and high unemployment and depopulation trends. The areas include the South West (Cornwall, the Isles of Scilly and parts of Devon and Somerset), the Marches (most of Shropshire and parts of Hereford and Worcester), the Northern Uplands (parts of Lancashire, North Yorkshire, Durham, Cumbria and Northumberland), Lincolnshire (excluding the city of Lincoln and other mainly urban areas), East Anglia (the Fens, rural Norfolk and the Waverney Valley), and the Midlands Uplands (the Peak district of Staffordshire and Derbyshire). In most of these areas countryside recreation and farm tourism are important and growing features of the economy. They have therefore already featured strongly in the number of projects submitted and approved for funding under the agricultural component of the programme. The way the Objective 5b programme operates is that each area designated for support draws up a regional document known as a Single Programming Document. This outlines the economic situation of the area and sets out the priorities and means by which economic regeneration will be addressed. Each of the programmes therefore features countryside recreation and tourism as part of this.

The amount of funding available to the Objective 5b programme is not insignificant – some £376m. Of this £72.4 million is to come from the EAGGF for the English programmes. For projects that directly benefit the agricultural sector just over £56 million is available from the EU. This has to be matched by an equal amount from the public sector of which MAFF is one of the major contributors. Objective 5b is a programme that operates differently to the traditional MAFF administered schemes. Rather than award a fixed level of grant for a fixed set of activities, Objective 5b requires applicants to present their own project application and to demonstrate why

funding for it is required. Objective 5b also supports both capital and revenue projects (including mainly projects that involve both).

The Objective 5b programme is based on a number of key principles and themes. Four of these on which it is particularly worth focusing are.

1. Strategic

When considering bringing forward an Objective 5b project, you need to think strategically. How does your project fit into the bigger picture. Where does it integrate with existing schemes/programmes and other projects receiving structural fund support? When developing project ideas consider what it is you want to achieve and whether you have the key players involved to achieve those aims. Right from the start you should also consider how it is that the project will operate and what the outcomes of it will be? And most importantly, from where the money to fund it is to come from?

2. The partnership approach

This operates at two levels. The partnership that is responsible for the development and implementation of the programme; and the partnerships that are built and developed at project level. At the broader programme level partners include central and local government, government agencies, the environmental sector, the higher and further education sector and the private sector. At project level for projects from the EAGGF, this means involving not just the agricultural sector but the wider rural economy in their development and implementation. An important part of thinking strategically is in relation to the key players who should be involved in putting together a project. It is better to involve those who can deliver a project at the strategic level rather than the first partners who express an interest in a project.

3. Sustainable economic growth

The Objective 5b programme is intended to bring about sustainable economic benefits from the projects funded. It should also be able to measure these benefits in quantifiable terms. When claiming economic benefits there needs to be justification and rationale to support what is claimed. No good just claiming 'x' number of jobs will be created, and 'x' number of new visitors will visit the area, without providing a justification for this and a rationale for how these outputs will be measured and checked.

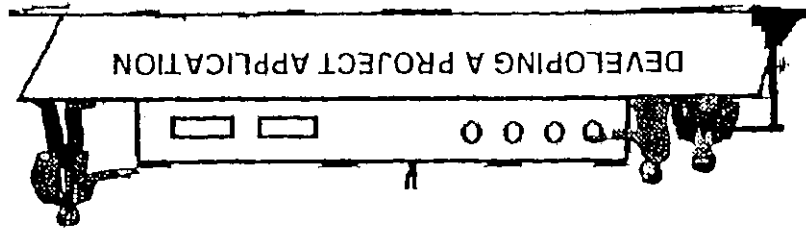
#### 4. Additionality

Projects supported must demonstrate additionality. This means ensuring that the proposed activity to be funded is new and not already fundable from an existing source. It is also necessary to ensure that only the minimum necessary level of grant is being sought for a project to proceed. In practical terms, this means that any work for which funding is already available, for example under the CAP reform accompany measures or agri-environment schemes, cannot be funded using Objective 5b money. As an economic programme, environmental schemes that result in purely environmental benefits would also not be appropriate for Objective 5b.

#### Selection Process

In addition to the key themes mentioned already, I want to stress the need for applicants to address the criteria upon which selection is based. A number of applications received to date have failed to adequately address the criteria in terms of providing information on how the project fulfils them and the rationale that support the basis of this view. This leads to delays. Applications that are supported by a fully thought through business plan and a sound funding package, should go through the system reasonably quickly (See Figure 1, p53, *'Developing a Project Application'*).

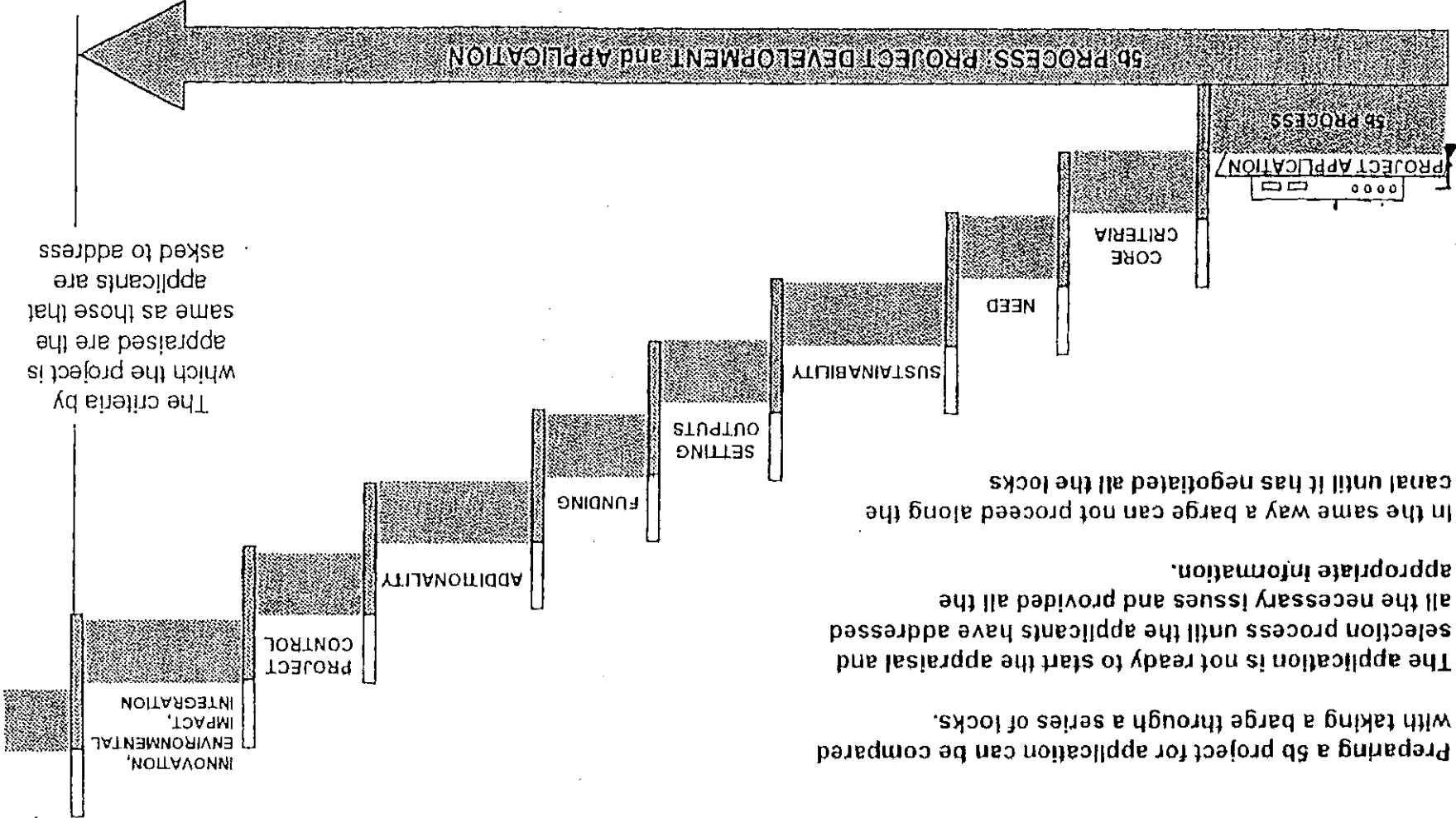
It is accepted that Objective 5b is a new concept for the agricultural sector. Therefore to assist applicants in developing projects to be funded from the EAGGF, the Objective 5b programme funds the provision of EAGGF Agricultural Sector Facilitators. These are responsible for developing strategic projects that will ensure the 5b programme meets its indicative targets and also assist applicants to develop projects in a form suitable for 5b support. The assistance of facilitators is free. (A contact list of facilitators is enclosed in Appendix 1 (p82)).



Preparing a 5b project for application can be compared with taking a barge through a series of locks.

The application is not ready to start the appraisal and selection process until the applicants have addressed all the necessary issues and provided all the appropriate information.

In the same way a barge can not proceed along the canal until it has negotiated all the locks



The criteria by which the project is appraised are the same as those that applicants are asked to address

Figure 1.

It might be helpful to briefly outline details of a number of projects which involve countryside recreation and tourism and which have already been funded under the Objective 5b programme. These may help bring out the potential that exists under Objective 5b and as a result stimulate some further thoughts and ideas.

#### Holnicote Estate

This is a project submitted by the National Trust leading to the generation of income for both tenants and the Trust from increased tourism and day visitors to the estate. This will result from upgrading the holiday accommodation, upgrading visitor facilities including a visitor centre and provision of recreation in the form of walking, cycling and improved interpretation. The project also involves improving the general amenity of the estate both from the environmental and landscape point of view. The funding package for this project which has a total cost of £318,740 is receiving £47,811 from the EAGGF and £43,811 from MAFF.

#### Marches Countryside Attractions

A project submitted by a group of farmers in association with local authorities to upgrade their enterprise to standards set by the group including making provision for the disabled and joint marketing to raise the profile of the Marches as a tourist destination. The total cost of this project is £544,655 of which the EAGGF is contributing £134,892 and MAFF £104,892. Interestingly, the National Farm Attractions Network are currently considering adopting the Marches Countryside Attractions Group's standards as their own national standards.

#### Lincolnshire Farm Tourism

This is a project submitted by the Lincolnshire Tourism Partnership which includes local authorities in association with the regional tourist board, Lincolnshire TEC and the RDC. It is designed to encourage farmers to develop farm based tourist accommodation enterprises of high quality and to market them and associated activity on a collaborative basis involving the local marketing consortia, Lincolnshire farming families and Lincolnshire Farm Attractions. Total cost of this project is £531,100 of which £138,200 has been contributed by the EAGGF and £75,360 by MAFF.

## The River Esk Regeneration Project

This is a project advanced by the North Yorkshire Moors National Park staff. It involves a partnership including the Environment Agency, fishing clubs and farmers and is designed to raise the income flowing into the area as a result of the improved recreation value arising from enhanced access, water quality and increased value of fishing, arising from improvements to the management of the river bed, its surrounds and fish stocks. Infrastructure improvements have also been supported in order to avoid disturbance to the river bank and pollution arising from livestock farming. The total cost of this project is £291,096 of which the EAGGF is contributing £111,169 and MAFF £75,429.

From these four examples, you will see that the type of projects coming forward are varied, interesting and innovative. The focus to date has tended to be concentrated on 2 main areas:

1. Improving the recreational value of an area through environmental enhancement;
2. Increasing the tourism income to an area through improved infrastructure and more effective marketing.

However other opportunities exist and indeed in Lincolnshire we have supported two projects providing aid for an equestrian centre and a fun farm. Other opportunities might include, for example:

- To increase the range and quality of sporting activity using farm-based resources through projects led and co-ordinated by a sports governing body.
- To increase consumer awareness of the opportunities available in a region by co-ordinating the marketing of farm-based recreational activity.
- To increase the use of regional speciality foods in hotels, restaurants of major attractions and their shops to help reinforce the identity of the regional tourism product.

This list is not exhaustive and the Objective 5b programme does encourage project applicants to come forward with their ideas as to how they best can stimulate and develop economic activity within a designated area.



## Conclusion

There are many opportunities available to the recreation sector from EU and MAFF funds. It is hoped that the brief outline provided in this paper will stimulate further thought and discussion and lead to some interesting and innovative projects coming forward for EAGGF support particularly under Objective 5b.

# EXPERIENCE IN SECURING FUNDING – SECURING PARTNERSHIP FUNDING TO TRANSFORM HISTORIC CANALS

*By Tom Brock,  
British Waterways<sup>1</sup>*

The West Midlands of England lies at the heart of the extensive national canal network and the region has a canal system of several hundred miles. The West Midland canals have a very rich history covering over 200 years and were extremely busy in their commercial heyday. However, commercial use declined earlier this century and canals unfortunately entered a period of decline, decay, neglect and mis-use. This situation contrasts with the British Waterways objective of "efficiently managing the inland waterways for the increasing benefit of the nation". British Waterways wants to:

- Effectively conserve this key part of the nation's heritage;
- Improve facilities for the increasing number of people using the waterways;
- Cut down mis-use and make canals more attractive and safer places to visit.

However, British Waterways do not have sufficient funds to be able to do this in isolation and help from partners is essential. This paper will briefly describe some of the partnership projects that have been helping to transform the West Midlands canals as well as examining what opportunities and challenges have been encountered and what progress has been made.

In the late 1980's and early 1990's, British Waterways had achieved considerable success in attracting funds (eg European Regional Development funding) for individual canal improvement projects. However, in the run up to the '94-96 ERDF Programme, the Government Office for the West Midlands advised British Waterways that if it wanted to apply for ERDF funding a regional canal-based strategy would be required. This would have to examine the opportunities for canals throughout the region in an integrated way. Projects should not be looked at in isolation. Consequently, British Waterways entered into a partnership with The Heart of England Tourist Board to prepare '*Renaissance*' a canal based regeneration strategy for the West Midlands. This

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<sup>1</sup>British Waterways, which owns and manages over 2,000 miles of canals and rivers throughout England, Scotland and Wales, is deficit funded by National Government (Department of Environment, Transport and the Regions).

strategy was used as a basis for submitting a successful bid for Regional Challenge funding (top slicing of the main '94-96 ERDF Programme) to improve canal corridors across the Objective 2 area of the West Midlands. The £2.8m ERDF Regional Challenge funding has been used to lever in match funding producing a total Regional Challenge programme budget of £8.7m.

Over the last few years British Waterways have been involved with a wide variety of partnership improvement projects eg:

- Dredging which has involved removing contaminated silt (the result of over two centuries of industrial pollution), fish restocking and improving water quality.
- Habitat improvement – developing canals as wildlife corridors and corridors of countryside reaching right into the heart of towns and cities.
- Improving paths and access – towpath enhancement across the region and providing quality links to neighbouring footpaths and visitor attractions (As part of the Regional challenge programme a jointly funded Project Officer has been appointed with the Countryside Commission. The Project Officer is working to increase awareness of canals as well as improving information and interpretation provision).

Other initiatives include:- canalside enhancement projects; community schemes (eg school adoption work); improving facilities at 'honeypot' sites; education projects; graffiti removal; and refurbishment of historic structures e.g. Original Thomas Telford footbridges.

The most dramatic canal-based transformation has been in Birmingham which lies at the heart of the national canal network. The canal-side regeneration around Gas Street, the National Indoor Arena, the International Convention Centre and Brindleyplace has been dramatic and the area now attracts over 2 million visitors a year. Gas Street is now the start of the Grand Union Walk (a traffic free, long distance walk between London and Birmingham). 'Birmingham's Waterfront' has now gained both national and international recognition and won the 'Excellence on the Waterfront Award' from the Waterfront Centre in Washington DC, and a British Airways 'Tourism for Tomorrow' award.

## Partnership Funding – Lessons Learned

As part of the transformation of the West Midlands canal network several key issues have been essential to the project's success.

1. *Purpose* – it is essential that the project has a clear purpose identifying what you are trying to achieve and why. A strategy, shared with partners, is also important.
2. *Passion* – enthusiasm will spread to others.
3. *Professionalism* – bids should be of the highest quality and outputs must be delivered (or over-delivered). Credibility as a delivery agency and a partner with a successful track record should be developed.
4. *Partnerships* - should be developed with a wide range of organisations (ideally private, public and voluntary).
5. *Pounds* – time and money needs to be invested to ensure success.
6. *PR* – it is important to demonstrate that you are doing a good job and providing value for money. Successes should be publicised and recognition (eg awards) should be gained. Publicity for partners and funders is also important.
7. *Pride* – people (especially locals) should take a pride in the improvements taking place. The local community should be involved whenever possible and ideally, they should have some feeling of ownership.
8. *People* – successful projects will bring benefits to people eg jobs, inward investment, improved environment, better facilities.

British Waterways still have a considerable way to go in improving the 2,000 mile canal network for the benefit of the nation. There is still a maintenance backlog of over £90m. Many historic structures (eg bridges, aqueducts, locks) are in need of repair. The current funding situation makes it extremely difficult for British Waterways to deal with this backlog, let alone conserve and improve the waterway system. A review of future canal management and funding is therefore being undertaken. This involves examining five possible options for the future:-

1. Selective closure of the waterway network.
2. Privatisation and fragmentation.
3. A new framework for British Waterways.
4. A membership scheme for British Waterways.
5. The formation of a British Waterways Trust.

To conclude, over the last two centuries canals have experienced commercial success followed by a period of decline and decay. However, waterways are being rejuvenated and are now becoming important in leisure, tourism and regeneration. Partnership funding has allowed a wide variety of improvement projects to proceed and *'Birmingham's Waterfront'* is the country's award winning flagship in canal based regeneration. The future of our canals is now extremely bright and changes in the management of the national waterway system may help to further realise their potential.

## LOCAL AUTHORITIES OFFICERS EXPERIENCE -SECURING FUNDING

*By Les Morgan,*

*Standing Conference of South Pennine Authorities*

This is a digest of a series of musings about the experience of one officer in bringing to fruition a bid to the European Life Committee and also successfully obtaining funding from the National Heritage Lottery Fund. The South Pennines is an area of upland sandwiched between the Peak District National Park, the Yorkshire Dales National Park, and the great conurbations of Lancashire, Greater Manchester and Yorkshire. The Standing Conference of South Pennine Authorities (SCOSPA) has been in existence since 1974, originally well supported by the two metropolitan counties and the Countryside Commission. The ability to undertake work has decreased with the increasing squeeze on local authorities through the 80s and 90s, leaving the partners with a vision but with little financial support. The present partnership consists of ten local authorities, two Water Companies, Pennine Heritage, a registered charity, and the South Pennines Association who represent community interest. The whole partnership is supported by English Nature, the Countryside Commission and the RSPB.

The designation of the upland core of the South Pennines as a Special Protection Area (SPA), under the EC Birds Directive, and the designation of the South Pennines as a non-statutory Heritage Area by SCOSPA in October 1995 prompted the partnership to seek funding from the European Union. This was required to support the development of an Integrated Management Strategy and Conservation Action programme for the SPA and its surroundings. This bid was successful and it was supported to the extent of 30%. The National Heritage Lottery Fund indicated an interest in supporting conservation work and agreed to support this work further. We are presently in the exit stage from the Life Strategy and the first Lottery contract is about to be signed. This will enable us to produce a strategy for the whole South Pennines area which will act as a basis for future work and bids. This process has now been under way for three years and, even for one individual with a long career in local government, it has presented some fascinating lessons in the process of setting up and operating bids.

Perhaps the first major lesson was the value of the quality of '*patience*'. The process has been going on for over three years. Consider your timetable and double it.

The European Union always appears to demand things yesterday then keep you waiting weeks for replies. Points to address include:

- Make sure the correspondence is accurately and meticulously addressed. If it ends up on the next desk in Brussels you can consider it lost.
- Examine each of the bidding criteria minutely. If your bid does not fit the criteria completely and exactly, then it is unlikely to succeed.
- Follow the application instructions to the letter. If you are required to make a description of a specific length, it means exactly that.
- Remember, the perception of your area from Brussels is not the same as that from your office. Bear this in mind at all times. Your extensive knowledge of your patch will probably be distilled into one sheet of A4. That is very often the basis of decision making.
- Be prepared for a level of financial monitoring that you have never realised possible. This is the biggest culture shock of all. All spending has to be accounted for and it must therefore be recorded.
- Record keeping for time and materials is essential. Budgeting systems must be very taut.
- Be clear what is claimable. Matching funding can be in terms of costs in kind. Therefore all work undertaken needs to be logged and monitored. This is likely to be a new and onerous task and needs serious thought. This is one of the most difficult adaptations we have had to make.

Make sure that the contract is the one you want. Do not be tempted by the pressure to start the work to sign up and think that little problems will be ironed out as work progresses. Once the ink is dry that contract becomes law and is encased in concrete. Keep meticulous records not only of time spent but of conversations on the telephone. The tautness of our European experience is contrasted by the relative ease of our relationship with National Heritage Lottery Fund. Again it is important to remember that NHLF is still a relatively young organisation and is in a very steep learning curve. The clarity with which you present your proposal is vital. Again its relationship to their bidding criteria must be firm and easily identified. Our project was at the time of presentation unique. We invited representatives from NHLF to visit us. This visit we

believe was instrumental in obtaining their support. They were able to see and understand what we were aiming at and gave them convincing proof of our ability to deliver.

One thing that struck us forcibly was the lack of knowledge that the National Heritage Lottery displayed of the workings of local government. There is, of course, no reason why they should have this knowledge. The lesson to us was not to assume others have the same knowledge base as we do. This can easily lead to misunderstanding and frustration. However, it must be said that our dealings with National Heritage Lottery have been consistently helpful, supportive and enthusiastic. Remember, patience is a very necessary virtue. Your scheme is one of many. Its crucial importance to you is only relative in the mounds of applications that NHLF receive. That being said, the submission must ooze quality and conviction, and must be clearly seen to accord with current NHLF criteria.

Over the last three years SCOSPA has engaged in two major projects, one European and one NHLF funded. One prescriptive almost to a fault, the other open ended and ground breaking. The partners have discovered that many of the approaches and practices that have been standard for many years have had to be replaced by a new set of practices involving such tedious matters as time recording, data collecting, regular report writing and efficient information gathering and collating. If we are to obtain the benefit of the considerable finance that is available it is essential that we learn to march to a different drum. A willingness to accept the role of supplicant and competitor is a difficult transformation, it demands flexibility and patience and above all a resilient sense of humour.



# CASE STUDY IN SECURING FUNDING FOR PERSHORE BRIDGES PICNIC PLACE

*By Richard Graves,  
Hereford and Worcester County Council*

This case study was selected to demonstrate how obtaining Local Authority funding for projects is more likely to be successful if the Local Authority contribution can be seen to generate inward investment into its area. This is particularly so if the gearing ratio is high and there are a number of funding partners.

## Background to the project

Pershore Bridges Picnic Place was opened in the mid 1980's by Hereford and Worcester County Council. The land was assembled from a length of redundant highway land which once led to the mediaeval bridge over the Avon. An old wharf registered as a common but having no owner was adopted by the County Council; and on the other side of the busy A44 a piece of riverside land surplus to the requirements of the Pershore College of Horticulture was obtained. The initial works included the profiling of the river bank to provide informal mooring facilities in partnership with the Lower Avon Navigation Trust, tree planting, the provision of picnic tables and a small car park.

Like so many of the sites provided by the Countryside and Conservation Service of the County Council it soon became immensely popular and made us the victims of our own success. The need to improve and extend the site and above all to provide toilets very soon became apparent with over 200,000 people visiting each year. But as with so many schemes it had to compete with scarce resources and other more urgent priorities and consistently failed to find a place within the County Council's Capital Programme.

The break through came when the County Council was offered a self contained, prefabricated state of the art toilet block by Wychavon District Council. However the cost of connecting this toilet block to the mains services was very high due to the location of the site. The District Council was unwilling to fund these costs and at £25,000 they were too great for the 'Minor Works' budget of the Countryside and Conservation Service and again the scheme, even with the gift from the District Council, failed to score highly enough to obtain funding from the County Council's Capital Programme.

Alternative sources of funding were considered but it soon became clear that the only way to be successful would be to put together a comprehensive scheme to improve the whole site. This would include the installation of the toilets; improved vehicular access; deepening of the culvert under the main road to allow people to pass from one side of the site to the other in comfort and safety; the installation of properly engineered moorings with convenient and safe river side access for people of all abilities, including ramps, a special fishing platform for the disabled; and of course landscaping and interpretation.

One of the most important elements of this overall project was to provide information on the history of the site particularly its role as a key historic river crossing. Research was undertaken to discover the history of the site and it soon became apparent that it had played a key role in the Civil War and in the last World War. Evidence of much of this history is still there for all to see including the repairs to the mediaeval bridge after it was partially demolished in the Civil War during the retreat of the Royalist army defeated at Oxford and the W.W.II defences including pill boxes, anti tank dragon's teeth and the bases for the spigot mortars.

### The Application (Figure 1)

The Application shows the breakdown of the bid to the Heritage Lottery Fund. As the project turned out to be far more interesting and exciting than was originally thought it was successful in capturing the imagination of the Heritage Lottery Fund which had been asked for a contribution of 60% of the overall cost.

### The Offer (Figure 2)

Ironically the HLF offered a higher level of grant at 75% of the overall costs but excluded the cost of the toilets so that the whole project was back where it started! Instead of being short of the cost of installing the toilets which was originally estimated to be £25,000, the shortfall was now £60,000 to complete the full project.

### The Solution (Figure 3)

However the full project was a much more attractive proposition for potential partners to help fund than the original scheme which was just for the installation of the toilets. Furthermore so much interest had been generated during the research into the history of the site that local people could readily see how the improvements could make a significant contribution to the appearance and amenity of the area and to tourism. Although the District Council still declined to make any further contribution, the Pershore Town Council made a magnificent offer of £30,000 from its Capital Programme because the project now scored highly as it had a gearing of around 9 to 1 and attracted investment into the County of well over £100,000. The small residual sum of £7000 had already been found from the County Highways budget to improve the access to the site and so the whole project was eventually funded 18 months after its inception.

## *Pershore Bridges Picnic Place*

Figure 1.

### The Application

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	£	£
Total Cost of Project		275,000
Funding in Kind (Toilets)	93,000	
HWCC - Supervision, Cost of Submission Etc	17,000	
Heritage Lottery Fund	165,000	
Grant Requested		275,000
Grant Requested 60% of Total Cost		

**Hereford and Worcester  
County Council**  
ENVIRONMENTAL SERVICES DEPARTMENT

  
**Countryside &  
Conservation  
Service**

*Pershore Bridges Picnic Place*

Figure 2.

## The Offer

	£	£
Total Cost of Project		275,000
Funding in Kind (Toilets)	93,000	
HWCC Input	17,000	
Heritage Lottery Fund Offer	105,000	
Shortfall	60,000	275,000

HLF offer based on their maximum grant rate of 75% of all the work except the provision of the toilets and the costs of connection



## *Pershore Bridges Picnic Place*

Figure 3.

### The Solution

	£	£
Total Cost of Project		275,000
Funding in Kind (Toilets)	93,000	
HWCC Input	17,000	
County Highways - Access Improvements	7,000	
HLF Offer	105,000	
Pershore Town Council	23,000	
HWCC Capital Programme	30,000	275,000

County Council Capital Gearing Ratio 9:1

# BUILDING PARTNERSHIPS

*By Fiona Moore,  
Countryside Commission*

The Countryside Commission is a non-departmental government organisation. Our aim is to protect the countryside and ensure that it can be used and enjoyed, and handed on in good shape to future generations. We do this through partnership with others. There was a time when the Commission was concerned only with the high ground, the National Parks, the Areas of Outstanding Natural Beauty, the National Trails and so on. We are still active in protecting these areas, but now take our responsibilities to the wider countryside, guided by the principles of sustainable development.

Our remit:

- Government's advisor on countryside and informal countryside recreation matters over the whole of the English countryside;
- A particular role as a *'think tank'* on countryside matters on government's behalf;
- Our almost unique experimental powers under the 1968 Countryside Act as amended by the 1981 Wildlife and Countryside Act which are there to test and demonstrate new ideas alongside our role in innovation and grant provision;
- Research – again an important component to the above role;

Some examples of past successes combining innovation and experimentation in partnership approach include: Countryside Stewardship Scheme – a major 5 year experiment piloted by the Countryside Commission to introduce incentives for positive environmental management of important landscape types and now successfully transferred to MAFF; the National Forest which started life as a Countryside Commission initiative before successfully being established as an independent publicly funded company.

The long history of research and experimentation in the urban fringe extends, from Country Parks, through Countryside Management, Groundwork Trusts to the programme of 12 Community Forests around some of our major conurbations. These Community

Forests represent an ambitious approach to transform the countryside around towns and contribute to economic regeneration. This latter example is a particularly good one of working in partnership with the Forest Authority and the numerous Local Authorities and other parties involved in implementing the Forest Plans.

The significance of our experimental powers is that we can respond swiftly to issues as they arise by conducting experiments and demonstrations, on our own or in partnership with others which have a local, regional, national and/or European significance.

With the publication of our new Strategy in 1996 (see Appendix 2, p83) we have further emphasised these roles but the publication came at a time of government expenditure restraint and therefore limited resources. The combination of these two probably make it seem that we are moving further away from our traditional role (or that perceived of us) as a grant-giving body and an important source of funds for countryside projects and programmes. In fact we continue to support many of these programmes but admittedly at lower resource levels. We have always stressed the importance of partnership working and the importance of this has increased still further in the current climate we all operate in. There are a number of reasons behind the push towards cross-sectoral partnerships as the preferred way of working in addressing environmental issues (Agenda 21 is a good example of the need to take a holistic view which encompasses social and economic aspects alongside the environmental focus).

Firstly, the current political agenda is forcing the pace in this area. Funding requirements for the Single Regeneration Budget (SRB) and other sources explicitly require the development of partnerships. Secondly, because they offer greater involvement by all sectors of society in the decision-making process, partnerships are seen to be an inherently more efficient way of allocating public funds. Thirdly, many of the issues we face are multidimensional and benefit from a multi-agency approach.

The Commission itself has also taken on a more proactive role in seeking alternative funding ourselves. For example looking to the Lottery – the Millennium Greens Project is an umbrella grants scheme to support the creation of 250 Millennium Greens throughout England by the Year 2000. This has received £10 million from the Millennium Commission. Another successful lottery project is for Hadrians Wall National Trail where we have secured £1.2 million from the National Heritage Memorial Fund for the first phase of implementing Hadrians Wall Path which is an 80 mile new National Trail which will extend from Wallsend on Tyneside to Bowness on Solway.



Currently the Sports Lottery Fund are considering an application from us for the development of the Pennine Bridleway. If successful this would bring in £7.6 million towards providing the most challenging route for horseriders and cyclists in the UK. It is a project of international significance, a 520kms trail designed specifically for horseriders and off-road cyclists with 660kms to challenge cyclists. To develop, establish and manage a route which enables people to participate in long distance horseriding, cycling and rambling along a green corridor of outstanding scenic and historic interest at this scale is more than any one organisation could achieve on its own.

Both Trails by their very nature involve a large number of partners both local authority and others. In the case of Hadrians Wall, English Heritage, English Nature, the National Trust and the National Park Authorities are also involved; the Pennine Bridleway partners include all the Highway Authorities, the British Horse Society, the Cyclist Touring Club, local Rambles Association branches, Sustrans and the Yorkshire Dales National Park. They require complex and often protracted negotiations to ensure that there is a common understanding, agreement and commitment about the aims, objectives and outputs. However the co-ordination of activity and harnessing of collective resources results in a clarity of purpose, roles and responsibilities, and maximises resources and the scale of what can be achieved.

Another source of funding where the Commission is successfully drawing in funding to further its Strategy priorities is through the Structural Funds. Through developing strong links with the Government Office we have helped influence the shape and strategic direction of the funds in the West Midlands. We have ensured that the environment is prominently featured in economic regeneration priorities and that funds are available for environmental projects. We find ourselves in a good position to negotiate co-ordinated regionally focused programmes which support our interests and we have exploited opportunities to draw funds into our own work, or into the work of others in support of our objectives. This process is very time-consuming, but we consider it a worthwhile investment at the outset in order to achieve long term gains for the environment.

The consensus and co-ordination we have achieved through adopting a pro-active role in co-ordinating the countryside and environmental sector has added force to our views and status and helped ensure that sustainable environmental development is reflected throughout the programme. A good example of success in the Midlands is the Marches Woodland Initiative which has secured £460,000 from Objective 5b for advice, marketing, training and general development of the industry within a broad

environmental approach. This project involves a wide partnership including the Forest Authority, Rural Development Commission, Malvern Hills District Council, Shropshire County Council, Hereford and Worcester County Council and Countryside Commission. Community Forests have also achieved notable successes in drawing in significant sums of European money and there is no doubt that the strength of partnership working has paid dividends in the quality of bids submitted which have brought in the very necessary extra resources.

The Commission itself actively seeks sponsorship. We will be announcing a major sponsor for the Millennium Greens Project in November and Timberland sponsorship for the Community Forests. These are just two examples: Landfill tax is another major source of funds available to further the environmental agenda. We are registered with Entrust and are currently developing a project with Nottinghamshire County Council to further Countryside Character work on the 'Dumbles' which will tap into this source for funding.

We all need to develop the opportunities to influence related programmes and form partnerships to co-ordinate the delivery of our objectives with others in order to maximise benefit from various funding sources, not only Europe, but also other primarily UK based, significant funding sources and ensure that our approaches are well co-ordinated. The Countryside Commission wants to play our advisory role to the full. In this way we can help achieve our objectives through non-financial means. As expert advisor to the National Heritage Lottery Fund we can lend weight to and support applications for significant amounts of funding for countryside related projects. We also have a role as statutory advisor to MAFF on agri-environment schemes.

Looking to the future, the likely fund delivery mechanisms such as the Regional Development Agencies will be crucial. However, the urban emphasis in the structure of these bodies means that the countryside might lose out. There would be benefits in the Countryside Commission forming partnerships with other countryside agencies such as Farming and Rural Conservation Agency (FRCA), Rural Development Commission (RDC) and the Tourist Boards, to influence the development of the Regional Development Agencies. The aim would be to ensure opportunities to further our own (Countryside Commission) objectives and that of our partners are not lost.

I have illustrated the way that we too are seeking alternative sources of funding to achieve our objectives. You are all familiar with the difficulties of matching your aspirations to the requirements of funding organisations and will acknowledge that there is clear evidence that new funds are skewing the activities of many organisations.

With those kind of pressures to chase funds it becomes even more important to start with a clear view of what is needed and, within the bounds of the rules (and the tolerance of the grant giving bodies) push them to your needs rather than the other way round. Objective 5b is a good example and one lesson we have learnt here is to get in early to help influence the general direction of the Single Programme Document.

Whilst demand for Commission grant aid has always exceeded that available, in common with many other agencies, government expenditure restraints have put increasing pressures on our ability to support the broad spectrum of countryside work we traditionally have been able to do. We wish to maintain our ability to make a significant impact in the countryside and this can best be achieved by focusing our grant aid in different ways and concentrating funds on fewer but larger scale projects. We are looking to influence at the regional and national level and reinforce our unique role.

Our *'Design in the Countryside Programme'* illustrates a good example of the Commission's more recent approach. We researched, developed and successfully piloted a scheme which involves local people in the process of deciding how development should be accommodated in their own village through the preparation of a *'Village Design Statement.'* The ideas have been enthusiastically received although we acknowledged at the outset that we were never going to be in the position of embarking on a nationwide grant aid programme. In order to take this initiative forward, we have directed our resources towards the production of a comprehensive, user-friendly *'Do-it-Yourself'* manual; a three-year training programme aimed at facilitators and others who are in a position to spread the word; and grant aid to a limited number of villages whose completed *'Village Design Statements'* will act as exemplars for others to follow.

We look for grant bids which clearly demonstrate how they meet identified needs and, where appropriate, contribute to relevant strategies and plans. We want to see where our investment may fit in the wider picture. We are looking for proposals for new projects which clearly accord with priorities outlined in our Strategy. In the Midlands region we will identify what it is we are interested in supporting this coming year and the likely resource available to support projects within that particular *'Strategy Theme'*. We are encouraging partners to have early discussions with us about ideas for potential projects in future years, in order to give longer lead - in times for project planning. We look for clarity of purpose, clarity of the roles within a partnership, effective steering and management procedures for projects, money management and a clear timescale over which the activity is planned. The longer lead in time will also

allow the necessary time for a business case to be made and necessary partnerships to become well established before any project commences.

All of us recognise that the very short time-scales imposed by various funding regimes can cause many partnerships to compress their development process which may lead to only superficial attention being paid to the process of building relationships – moving from the idea of partnership to a real sense of joint endeavour. In reality, what often happens is that a partnership is simply an initiative existing only as a formal structure that draws together interest groups who each use a share of the funds generated by the partnership to *'do their own thing'*.

Partnerships will exist for different reasons, they will create different structures, involve different partners and set themselves different goals; there is no prescription or formula approach. We all recognise that commitments and energy are needed in order to keep the momentum going. In an ideal world, the objective of a partnership should be to create an initiative where partners work together to achieve a commonly agreed set of goals and objectives and in doing so deliver more than the sum of its individual components. Whilst the Commission must concentrate on our corporate priorities and operate within the constraints of our limited budgets, we are still active partners in a whole range of ideas and we remain interested in new, innovative ideas that further the broad aims set out in our Strategy. We are looking to work with a broader range of partners. Should inspiration strike why not phone us to talk your ideas through with us.

## WORKSHOP SESSIONS

### *SUMMARY OF FINDINGS*

What are the main stumbling blocks to securing funding?

- Lack of information – no feedback available from funders regarding similar projects (Perhaps a database of successful applications would be useful).
- Poor objective setting – the aims and objectives of projects may not match those of the fund providers.
- Projects sometimes led by availability of grants, rather than the intrinsic qualities of the project itself. This can lead to a distortion of priorities within applicant organisations.
- Lack of strategy.
- Funding bodies are not geared to meeting the needs of the voluntary sector.
- Inability to present good business plans (Are the funding bodies' requirements compatible with those of the applicants?).
- Need to draw in adequate levels of partnership/match funding.
- The length of time needed to prepare bids and the need to allocate staff time to do this – The complexity of the bid process.
- The level of competition for funds.
- An inability to secure funding to meet statutory duties.
- Moving goal posts – the need to alter projects as policy changes and evolves.
- The need for long-term monitoring of projects.
- The lack of revenue funding to meet long-term commitments.

- Poor organisation and management within applicant organisations. Organisations may need to alter the way they work, in terms of project management and a need to take account of the requirements of partners.
- Lack of budgets for feasibility studies etc.

### What are the key success criteria?

- Satisfying the funding criteria – take account of the funder’s desired outputs and outcomes.
- Strong community support.
- Partnership – ensure that all partners own the project.
- Good research.
- Effective Communication.
- Professional support to give projects credibility.
- Clear outcomes/ outputs/ benefits/ milestones.
- Good planning & project management.
- The need for a strategy and obtaining a good fit with other organisation’s strategies.
- Having secured match funding.
- Allowing adequate time to prepare bids & making effective use of staff time.
- Corporate support for bids within organisations.
- Be prepared to modify the project to accommodate opportunities.
- Ensure the project is sustainable after completion.

## WORKSHOP SUMMARY

*By Professor Adrian Phillips,  
University of Wales, Cardiff*

### Changing context for countryside funding

The context in which countryside recreation and conservation funding takes place has changed dramatically in the five years since I left the Countryside Commission. There has been a continuing decline in the funds available in the public sector (local authorities and agencies) who work in the countryside field. At the same time, new sources of funding have emerged. There are opportunities from Europe (e.g. structural and social funds), from the lottery (the Millennium Commission, Heritage Lottery Fund and Sports Lottery Fund in particular), and the emergence of hypothecated 'green' taxes, of which the Landfill Tax is the first.

The past five years has also seen greater emphasis placed upon the linkage between economic activity and environmental care; on regeneration through heritage protection for example. More emphasis has been placed upon support for schemes based on community involvement, particularly in the implementation of *Local Agenda 21* and through programmes such as *Rural Action*. Greater importance is attached to private sector-public sector partnerships (indeed these are a requirement for Single Regeneration Budget (SRB) programmes), and we have become familiar with the idea of 'challenge funding'.

The funding scene is likely to change further. The new Government is committed to seeking 'full employment', and clearly this will place a premium on projects which contribute to economic regeneration. Also relevant in this regard is the proposed *Environment Task Force*, which is likely to have significant implications for many countryside bodies. The devolution of power to Scotland, Wales and the English regions is also likely to affect the funding scene in future, with new actors and new emphasis, and with some familiar organisations having changed functions or roles. At the same time, strict control on public expenditure seems bound to continue. However, the Government may want to explore the scope for earmarked environmental taxes: we might therefore expect the Landfill Tax levels to increase, and possibly new environmental taxes (e.g. an aggregates tax) to be introduced. The Government assures us indeed that the environment is very much at the heart of all policy making. At the

same time its emphasis on a rather more 'populist' approach is evident in the new directions within lottery funding, and in the question of access to the countryside.

Change will also be driven by further developments in Europe. The implications of Agenda 2000, leading to reduced structural funding for areas in Britain, even if social funding is maintained, are beginning to become clearer. Also important is the further greening of the CAP, with support for farmers being increasingly linked to social and environmental benefits rather than agricultural output. So the main message from this overview is that change will continue, and organisations seeking to secure funding for their work need to be adaptable, opportunistic and ready to learn new ways of working. They may also need to consider how they organise themselves more effectively to access funds.

The presentations today about the sources of funding have confirmed that very large sums of money are now available. For example the Heritage Lottery Fund has committed £749 million of grants since establishment (although only a small part of this is for countryside projects); the Sports Lottery Fund has committed £45 million for countryside recreation projects; the Environment Trust, using funds from the Landfill Tax, has committed £70 million for projects; and within objective 5b areas, £376 million has been approved over the past six years.

Of course the above figures are not strictly comparable, but they do indicate the scale of funding which is now available. It is important also to remind ourselves that as much again has been levered by the above in the form of partnership funding.



## Key messages from the funders

The key messages for applicants from the funders have emerged clearly and are as follows:

### *"Strategy-Strategy-Strategy"*

All the funders place emphasis upon the strategic approach to the preparation of bids. This means thinking long term, looking for ways in which the project can further economic and social objectives, being visionary and setting schemes in their broader context, for example, their relation to Local Agenda 21 programmes, development plans and tourism strategies.

### *"Go for the double dividend"*

In other words, exploit the opportunities which heritage conservation provides to regenerate the economy (The case of the Birmingham Canals provides an excellent example). But perhaps we should be going for a triple dividend: looking also for the linkages with the community as well.

### *Build Partnerships*

This involves creating alliances with all those with an interest in the project. When organisations come together in this way "the whole can be greater than the *sum* of the parts". Partnership building also involves bringing in funds from many sources, putting together "a *funding cocktail*" as Peter Aitken described it. Funding agencies are encouraged by organisations which raise funds beyond the minimum necessary, and also those which make good use of work in the private sector, e.g. as sponsors.

### *Be Professional in your Approach*

It is essential to study the advisory literature available from the funding agencies, indeed to study it "like monks". It is important to check the eligibility considerations and all the other requirements of the funding agency. Take the opportunity provided to contact the experts and advisors at an early stage for their guidance. Then, once the scheme is under development, work with all the stakeholders, listen to what they have to say and adjust schemes appropriately. Be ready to lobby for your proposals in appropriate ways and take time to put the case together.

### *Be Professional in your Application*

It is important that your project should describe the asset which it seeks to protect or revive. Set out clearly the aims of the scheme. Demonstrate the public benefits in terms that would be understood by the funding agency. Base the proposals on a sound

business plan. And present the application in an accessible and reader-friendly form. This may seem very obvious, but it is surprising how often such common sense advice is overlooked.

#### *Ensure "Deliverability"*

It is important to demonstrate the track record of the applicant. Also to show that proper arrangements are in place to ensure that the project can be implemented: demonstrable project management capacity is essential. Include measurable outputs, and be ready to monitor the achievement of these. And be ready too to be monitored, or at least evaluated, by the funding agent.

#### *Ensure Sustainability*

This means two things: ensure that the project is viable even after the capital funding input has ceased, and that the necessary stream of revenue income can be raised (in this connection, revenue funding from the Environment Trust could be a useful innovation). It also means ensuring that the project is environmentally sustainable.

Where next for CRN?

Finally what are the implications for CRN's work programme? I suggest as follows:

- Ensure that the report of the workshop is widely distributed to all who can make use of it.
- Consider holding thematic workshops, for example to address funding from one particular source, or to look at a cross cutting issue such as partnership funding.
- Consider organising regional workshops at which the various funding agencies themselves might work together with a group of potential applicants.

# Making Ends Meet Programme

- 0930 Registration and Coffee
- 1000 Welcome and Introduction
- 1005 Overview of Funding Sources  
*Peter Aitken, Hall Aitken Associates*
- 1035 The Fund Providers' Perspective  
*Heritage Lottery -- Alan Bird, Head of Land Management, Countryside Council for Wales*  
*Sports Lottery -- Rebecca Barnham, Senior Case Officer, Sports Lottery*  
*Environmental Trusts -- Richard Sills, Chief Executive, Entrust*  
*MAFF -- John Powell, EAGGF Structural Funds Manager, MAFF*
- 1135 Coffee
- 1150 Round Table Workshop Sessions  
*What are the main stumbling blocks to securing funding?*  
*What are the key success criteria in making the case for funding?*
- 1310 Lunch
- 1400 Experience in Securing Funding  
*Tom Brock, Head of Special Initiatives, British Waterways*  
*Les Morgan, Project Officer, Standing Conference of South Pennine Authorities*  
*Richard Graves, Countryside & Conservation Officer, Hereford & Worcester County Council*
- 1445 Building Partnerships  
*Fiona Moore, Senior Countryside Officer, Countryside Commission*
- 1505 Question & Answer Session
- 1545 Summing up & Close  
*Prof. Adrian Phillips, University of Wales, Cardiff*

# Making Ends Meet

## *Delegate List*



Dominic Acland  
Countryside Manager  
Torbay Council

Nichola Beardmore  
Marketing Officer  
British Waterways

Judy Adams  
Head of Countryside Services  
Lee Valley Regional Park Authority

Alan Bird  
Head of Land Management  
Countryside Council for Wales

Peter Aitken  
Director  
Hall Aitken Associates

Edmund Blamey  
Network Manager  
Countryside Recreation Network

Paul Ardies  
Finance Manager  
Ulster Wildlife Trust Ltd

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Sheffield Environmental Training

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British Waterways

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Norfolk County Council

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Land Use Officer  
National Forest

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British Upland Footpath Trust

Roger Brown  
Chief Executive  
Cotswold Water Park Society

Rebecca Barnham  
Senior Case Officer  
English Sports Council

William Carter  
Senior Access Officer  
Leicestershire County Council

Brian Bassett  
Director of Finance  
The National Botanic Garden of Wales

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Countryside Projects Manager  
Blaenau Gwent County Borough Council

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Senior Lecturer  
Northumbria University

Duncan Davenport  
Waterway Supervisor  
British Waterways

Shaun Dawson  
Chief Executive  
Lee Valley Regional Park Authority

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Assistant Countryside & Landscape Officer  
Cotswold District Council

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Development Officer  
Forestry Authority

Sue Ginley  
Valleys Forest Initiative Project Manager  
Forest Enterprise

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Assistant Co-ordinator  
Pennine Way Co-ordination Project

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Countryside & Conservation Officer  
Local Government Association

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Nature Conservation Officer  
Birmingham Nature Centre

Siân Griffiths  
Network Assistant  
Countryside Recreation Network

Andy Guffogg  
External Funding Officer  
Peak District National Park Authority

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Suffolk County Council

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Kent County Council

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Mendip Hills AONB Office

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National Trust

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British Waterways

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Shropshire Hills Countryside Unit

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British Waterways

Christopher Lea  
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Glanrhyd Dolanog

Simon Lees  
Training & Development Officer  
Losehill Hall

Jacqueline Lightstone  
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British Waterways

Ros Love  
South West Coast Path Co-ordinator  
South West Coast Path Team

Fiona MacKenzie  
Education Officer  
Newbury District Council

Richard Mains-Smith  
Regional Corporate Planning Manager  
Environment Agency

Glenn Millar  
Research Manager  
British Waterways

Wendy Paine  
Parish Paths Officer  
Devon County Council

David Mills  
Countryside Access Officer  
Norfolk County Council

Adrian Phillips  
Professor of City & Regional Planning  
University of Wales Cardiff

Rosalind Mills  
Rights of Way Officer  
Devon County Council

Jim Phillips  
Project Officer  
Stockport Urban & Countryside Services

Fiona Moore  
Countryside Commission

John Porter  
Countryside Development Officer  
Cannock Chase Council

Judith Moore  
Regional Organiser  
WWF UK

John Powell  
Structural Funds Manager  
Ministry of Agriculture

Les Morgan  
Project Officer  
Countryside Service

Marian Price  
Senior Landscape Officer  
Cannock Chase Council

Mike Moroney  
Public Rights of Way Manager  
Kent County Council

Peter Redman  
Business Development Manager  
FRCA

Sue Murtnatt  
Countryside Officer  
Bath & NE Somerset Council

Guy Revans  
Countryside Manager  
Redditch Borough Council

Juliet Nicholson  
External Funding Manager  
British Waterways

Paul Richards  
Countryside Services Manager  
Flintshire County Council

Sharon Nicholson  
Marketing Officer  
British Waterways

Paul Richardson  
External Funding Executive  
British Waterways

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National Lottery Officer  
Countryside Commission

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Countryside Council for Wales

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Environment Agency

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Parks and Countryside Ranger  
London Borough of Barking & Dagenham

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Chief Executive  
EnTrust

Joe Waterton  
Policy Officer  
English Sports Council

Steve Silvey  
Business Adviser  
Environment Agency

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Senior Research Officer  
The Scottish Office

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Northumberland County Council

Miles Wenner  
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Forest Enterprise

Phil Stocks  
Countryside Manager  
Somerset County Council

Michael West  
Council Member  
Inland Waterways Association

Bob Summers  
Countryside Recreation Manager  
Warwickshire County Council

Hazel Whittington  
Programme Coordinator  
Groundwork Black Country

Briony Sutcliffe  
Development Manager  
English Tourist Board

Michael Youé  
Environmental Projects Co-ordinator  
British Waterways

Howard Sutcliffe  
AONB Officer (Clwydian Range)  
Denbighshire County Council

Jon Young  
Recreation & Access Officer  
Brecon Beacons National Park

James Swabey  
Regional Environment Manager  
Forest Enterprise

## Appendix 1

### LOTTERY PROVIDERS

Address:	Telephone Number:
Lottery Department Arts Council of England 14 Great Peter Street London SW1P 3NQ	0171 312 0123
The Millenium Commission 2 Little Smith Street London SW1P 3DH	0171 340 2030
(Not now providing funds)	
National Lottery Charities Board Head Office 3rd Floor St. Vincent House 30 Orange Street London WC2H 7HH	0171 747 5300
Heritage Lottery Fund 7 Holbein Place London SW1W 8NR	0171 591 6000
Lottery Sports Fund Unit Sports Council for England PO Box 649 London WC1H 0QP	0345 649 649
Lottery Sports Fund Unit Scottish Sports Council Caledonia House South Gyle Edinburgh EH12 9DQ	0131 339 9000
Lottery Sports Fund Unit Sports Council for Wales Sophia Gardens Cardiff CF1 9SW	01222 397 571
Lottery Sports Fund Unit Sports Council for Northern Ireland House of Sport Upper Malone Road Belfast BT9 5LA	01232 382 222



## Countryside Commission

A Living Countryside  
-our strategy for the next ten years.

- Theme 1            ENCOURAGING LOCAL PRIDE
  
- Theme 2            PROMOTING SUSTAINABLE LEISURE ACTIVITIES
  
- Theme 3            LONG TERM BENEFITS FROM FARMS AND  
WOODLANDS
  
- Theme 4            PLANNING FOR SUSTAINABLE DEVELOPMENT
  
- Theme 5            PROVIDING BETTER INFORMATION
  
- Theme 6            PROTECTING AND PROMOTING THE AREAS OF  
FINEST LANDSCAPE
  
- Theme 7            IMPROVING THE COUNTRYSIDE AROUND  
TOWNS