



**Southern
Dorset**
LOCAL ACTION GROUP

Call for Projects 2016

Innovative Competitive Exemplary

Call 1: Local Food and Drink Innovation:
up to £40,000 for one project

Deadline for Outline Applications 6 January 2017

To discuss this call and for an Outline Application Form contact the Dorset LEADER Programme Team 01305 225525 or email dorsetleader@dorsetcc.gov.uk and state which call you are applying for: Call 1, 2 or 3



The European
Agricultural Fund for
Rural Development:
Europe investing in
rural areas

Supported by


Dorset County Council

Southern Dorset Local Action Group

The Local Action Group (LAG) is open to receive at any time, applications for grants within the scope of its Local Development Strategy. The LAG decides which projects should receive grant funding by assessing each application.

The Local Action Group has also identified several areas for specific support in its strategy and launched a **competitive** 'challenge' for **innovative** and exemplary projects which will help it meet three of these objectives.

1. Local Food & Drink Innovation
2. Community Places, Community Hubs
3. Celebrate Rural Dorset

This Call for Projects focuses on the first of these objectives and provides an outline of why we are launching it and what we expect from potential proposers. The LAG will use these criteria to assess each application.

We warmly hope that this Call will stimulate communities, voluntary organisations and enterprises – acting alone or together with others – to bring forward an imaginative proposal to strengthen the local food and drink supply chain, offering opportunities for collaboration between producers to offer solutions to some of the challenges faced by producers within the rural areas of southern Dorset.

Applications are considered within two stages:

- Outline Application; this is not a grant application but will be used to assess your project proposal and invite you to
- Full Application

Timescale

The deadline for Outline Applications is: 6 January 2017. The decision making meeting will be held on 9 February 2017. This is a competitive process and applications will be considered by the LAG against each other.

The project doesn't have to be fully worked up at this stage. If invited to make a full application you will be allocated a project sponsor to help you develop the project further, with a deadline for submission of 20 April 2017.

If that application is complete then it could be approved at a decision making meeting on the 8 June 2017. Your project could start in late June 2017 and should be completed by 30 September 2018.

Check the area covered by the Local Action Group at: [Map of the LAG Area](#)

The Project : Local Food and Drink Innovation;

We are calling for an innovative project to work with local food and drink producers to strengthen / shorten supply chains locally and further afield.

The local food and drink sector in Dorset is vibrant and dynamic, with enormous potential to drive growth and create employment. Some locations within the LAG are already well served with food and drink events and festivals but the wider ability of the sector to raise its profile in and out of the county and for producers to deliver cost-effective, consistency for buyers, requires further development.

Outputs and Outcomes

The proposal should show how the project will contribute to the LDS objective to create 36 jobs in micro and small businesses and benefit at least 21 businesses in the Local Action Group Area.

The proposal should also:

- lead to greater co-operation between local food and drink producers in the LAG area;
- increase efficiency and therefore productivity in local businesses across the sector;
- increase the visibility and exposure for Dorset food and drink products.

In your application you should demonstrate how you will measure and show this.

Information for Applicants

NB. The following information should be read in conjunction with the Applicants Handbook.

Who can apply?

Applications can be made by farmers, growers, foresters, other local rural businesses and rural community organisations who are in the Southern Dorset LAG area. They could be:

- private businesses;
- public organisations;
- voluntary organisations;
- groups of businesses
- charities or
- someone who wants to start a business.

Funding Available and grant limits

Up to £40,000 is available for this project.

The maximum grant rate and amounts will depend on whether or not the project is a commercial project. Grants limits are:

Grant awarded under this priority to projects making an economic gain are awarded under de minimis state aid rules* or capped at 40% of the project's eligible costs, whichever is the lesser. In this case the total project's eligible costs would be £100,000. Match funding must come from private sources.

A higher grant rate may be available for projects which are not commercial and that will not generate an economic gain. Please contact the Programme Team if this is the case.

State aid rules

* [De minimis state aid regulations](#) mean that a maximum of €200,000 (currently around £145,000) of Public Funds is available to any one undertaking in any rolling period of 3 financial years. If an applicant has had other public funding this may count towards the de minimis aid amount and reduce the amount of money they can apply for from LEADER. Please note that Basic Payment Scheme and Countryside Stewardship payments do NOT count towards the de minimis limit. Please also note that any de minimis state aid received by linked businesses may also count towards the de minimis amount.

Costs could include:

- construction, acquisition (including leasing) or improvement to buildings;
- the purchase or hire purchase of new and second hand machinery and equipment (please see further guidance on hire purchase and second-hand equipment in the Applicants Handbook);
- general costs such as architect, engineer and consultation fees (restricted to a maximum of 15% of total project costs);
- marketing and promotion (excluding printing) where these are part of a larger project;
- capital costs involved in supporting events and festivals (for example equipment hire, marquee hire, marketing development costs);
- intangible investments including, acquisition or development of computer software and acquisition of patents, licences, copyrights, trademarks;

This project could also include short term salaries associated with project development and associated indirect staff costs. If you wish to include staff costs please speak to us.

Restrictions apply to staff costs as follows:

- *Salary costs will be restricted to the minimum time necessary in order to establish the project or until the activity can be self-sustaining. This will be determined through the LAG Appraisal process and also through discussion with the Rural Payments Agency*
- *Associated indirect staff costs such as rent, overheads would be eligible and could use the simplified costs option of up to 15% flat rate applied to “direct”¹ salary costs to calculate the “indirect”² staff costs*
- *Revenue funded projects must still contribute to the LDS and the LEADER priority of rural jobs and growth*
- *Revenue funding as part of a project proposal should seek to address market failure in rural economies. This is part of the full application appraisal in the ‘need for public funds section’.*
- *Revenue funded posts in LEADER projects are not recorded as outputs themselves, even if the post continues after the funded period. Outputs can only be generated from a successfully delivered project.*
- *Revenue funding should be used to support multiple beneficiaries such as enabling collaborative action on a thematic basis in a given geographical area*
- *Revenue funding should only be used for a time-limited period until the initiatives it supports are either complete or self-sufficient.*
- *Revenue funding must not displace existing activity / work such as funding salaries for the provision of a service which is already commercially available.*

What isn't covered

See SDLAG Applicants Handbook for more information.

¹ Direct costs are those costs which are directly related to an individual activity of the entity, where the link with this individual activity can be demonstrated (for instance through direct time registration).

² Indirect costs are usually costs which are not or cannot be connected directly to an individual activity of the entity in question. Such costs would include administrative expenses, for which it is difficult to determine precisely the amount attributable to a specific activity (typical administrative/staff expenditure, such as: management costs, recruitment expenses, costs for the accountant or the cleaner, etc.; telephone, water or electricity expenses.)