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**To: Regeneration and Economic Development Policy Overview
and Scrutiny Committee - 19 January 2012**

Subject: Feedback report from REDPOSC Rural visits

Classification: Unrestricted.

Summary: The report provides an overview of the recent rural visits to projects, funded through the **Kent Downs and Marshes LEADER Programme** (*The Rural Development Programme for England (RDPE) is funded by Defra and the EU. The European Agricultural Fund for Rural Development (EAFRD): Europe investing in rural areas*), by REDPOSC and outlines the key issues identified.

1. Introduction

- 1.1 At their meeting on 24th June, REDPOSC identified that 'rural' would be a priority focus for the forthcoming year. Following on from visits to rural projects in September, a further visit was arranged to Kent Downs and Marshes Leader funded projects on 25th November.
- 1.2 The purpose of this report is to provide an overview of this visit, set out any issues raised and identify areas for possible future consideration.

2. Visits to Projects

- 2.1 Members were taken on a tour by Kent Downs and Marshes Leader (KDM) programme staff. Members were also accompanied by representatives of the KDM Local Area Group Executive.
- 2.2 The Kent Downs and Marshes Leader is part of the Rural Development Programme for England (RDPE) funded by Defra and the EU. KDM Leader was awarded a total programme budget of £2.25 million in 2008 to support projects within a specific geographical area. Of this, £1.8 million was allocated to project costs, the remaining £450,000 being allocated to facilitation and administration of the programme.
- 2.3 The total programme budget was reduced in the 2010 Comprehensive Spending Review down to £1,651,933.
- 2.4 To date a total of approximately £1,100,000 has been awarded to projects, of which approximately £795,000 is in capital grants to small and micro enterprises. The total cost of these capital projects is

approximately £2,400,000 which means that the KDM Leader programme has levered in a further £1,600,000 of investment into the rural economy of the KDM Leader area – a leverage of 1:2. This investment has helped to create more than 25 FTE positions, whilst helping to sustain a further 150 jobs in the KDM Leader area. The programme will run until December 2013.

2.5 Members visited the following projects supported by KDM Leader:

(i) **CWP Fencing – Square Timber Production, Egerton**

CWP is a sole trader manufacturing chestnut pale fencing and posts from locally sourced sweet chestnut coppice. Approximately 50% is felled by CWP and the remainder is sourced from local companies, 90% of which harvest their timber from within the KD&M Leader area. The company has been running for three years and employs four full time workers and three self employed workers. Grant support was provided to CWP Fencing to aid the purchase of the equipment required to transport and process oversized, large chestnut timber into field and entrance gates, picket fencing and gate posts – developing a new market for a currently under utilised resource/product.

Funding was provided to support the purchase of the following items; timber trailer, horizontal band-saw, planer moulder, spindle moulder, dust extraction system and also towards the cost of installing the electrics.

Key Findings;

- The project provides a new use for sweet chestnut and is helping satisfy a demand for the product in France and Belgium. The company is growing and expanding in an area where there is little competition. The main beneficiary of KDM Leader support is CWP Fencing along with local woodland owners through the sale of timber and better management of under utilised woodland.
- KDM Leader support has helped the company expand at a quicker pace taking advantage of a gap in the market to potentially become a market leader. The support has helped cover the set up costs to develop this new market.
- Support has helped create 1 new FTE, support for a further 6.5 FTEs and is bringing neglected woodland into better management and economic use.

(ii) **Mersham Game, Smeeth.**

J. Wanstall and Sons is a family owned partnership established in 1918 and is engaged in a number of land based activities including arable and poultry farming, small horticultural crop rotation and a commercial shoot. The applicant also has additional interests including a Directorship at Foodari Ltd. Grant aid was provided to support the development of a game butchering/processing facility that would add significant value to the game shot on the applicant's farm and during the commercial shoots

held by the applicant and others across Kent.

Funding was provided to support the purchase of the following items of equipment; Sausage filler, burger maker, slicer, mincer, mixer, smoker, vacuum packer, over-wrapper, label printing scales, butchers block, refrigerated van, PA system, Portable BBQ and pop-up gazebo (x2. For use at farmers markets and events).

Key Findings;

- The project is adding value to game shot on the farm and other shoots in the vicinity. The game products are helping develop the market and are being introduced into the mainstream food market.
- The project has provided a diversified source of income while adding value to local produce and improving the traceability and provenance of that produce. Food miles have been reduced and local produce is being kept local instead of being exported to European markets which has previously been the primary outlet.
- 3 FTEs have been created and disused farm buildings have been brought back into commercial use.

(iii) **Cheesemakers of Canterbury – Soft Cheese, Hastingleigh.**

Cheesemakers of Canterbury is a small, ambitious company established in 2006. Within the first year of production Cheesemakers of Canterbury won both British and International Cheese Awards and have since gone from strength to strength. The company employs 4.5 FTE people and has a strong brand identity and product range. Grant aid was provided to support an expansion of the business that would allow the applicant to diversify into the production of soft cheese. An opportunity arose to purchase the necessary equipment for the planned expansion, in situ at separate premises. This meant that the new venture was able to establish itself quickly and could save on installation, set up and licensing costs. Furthermore, this enabled the relocation and expansion of existing semi-soft cheese production which in turn increased capacity to produce more hard cheese at the existing premises, satisfying the increasing demand.

Funding was provided to support the purchase of equipment, training, consultancy and professional fees.

Key Findings;

- Support has enabled a small, ambitious and respected company to expand its product range and satisfy growing demand for its distinctive, local added value produce.
- The business was at near capacity preventing further growth and expansion. Support has enabled development of new product lines. The business has been able to develop, grow and expand. It now produces one of the top 50 cheeses in Europe and is on the shortlist

to supply produce for the 2012 Olympics.

- Support has helped create 1.5 FTE, supported 3.5 FTEs, enabled 2 adults to gain new skills and supported two businesses.

(iv) **Brabourne Allotments**

Grant aid was provided to support the creation and development of a new community allotment site in the village of Brabourne Lees. The Parish Council leased a field from Shepherd Neame on renewable 10 year tenure and used the land to provide 40 allotment plots.

Funding was provided to support the purchase of sheds/communal shed, gates, reinforcing blocks for vehicle access, water butts, standpipes & associated pipe work and 'green' lavatory.

Although there were no real economic outputs from the project, it was an excellent example of a Village Renewal project demonstrating two communities working together, fitting well with the Localism and Big Society approach.

Key Findings;

- The project defined a community need on a piece of land that had become the target for anti-social activities. It has helped develop social cohesion and interaction by drawing together a number of organisations together with a common aim.

(v) **The Farriers Arms – Micro Brewery Project**

The Farriers Arms is a freehold village pub owned by 120 shareholders and employs between 8-10 FTE staff. The pub was purchased in April 2009 by 94 shareholders who are variously retired or in employment and come from a wide variety of trades. Trading commenced in November 2009 and at the time of this application approximately £850,000 had been invested in the pub. Grant support was provided to aid the purchase and installation of a micro brewery; to allow for the production of beers for sale at the pub. The pub is also acting as a community hub – putting on community events, a depository for deliveries for people in the village (parcels, letters etc), notice board and generally trying to put itself at the centre of community life. The pub has also developed a fine restaurant and function room.

Funding was provided to support the purchase of the following equipment and services; building works & ground works, second hand micro brewery equipment, brewery training and professional fees.

Key Findings;

- The project is delivering economic benefits to the business and is supporting local employment and local produce. It has become a hub for community activity bringing local people together. The use of local produce has benefitted other local suppliers and reduced food miles.

Contacts have been made with other Leader supported projects e.g. Cheesemakers of Canterbury and Mersham Game. Leader investment has supported 10 FTE and has enabled 1 person to gain new skills. The pub is now producing four beers and is looking to now sell to other pubs and develop a small bottling plant.

(vi) **Doughty Family Butchers – Refurbishment & Extension of Meat Processing and Packing Facilities.**

S.W. Doughty Family Butcher is a traditional family butcher located in the small rural village of Doddington. The business is a partnership between Brother and Sister Stuart and Alison, whose great grandfather founded the business back in 1919. The business provides high quality meat and poultry products including processed meats, supplied to both private and commercial customers within the Kent area. The butcher's also has its own slaughterhouse, as well as processing and packaging facilities which helps to ensure the provenance of locally sourced and supplied meat. The slaughterhouse also provides private kill and processing facilities for farmers and other rural enterprises. Grant aid was provided to support the replacement of two existing wooden processing sheds (dating back to Georgian times) with a larger, purpose built building. The new facility provided a much needed increase in capacity and a complete upgrade of the cutting, preparation, processing and packaging area. The business also plays a big role in the local community acting as a depository for parcels and prescriptions for villagers. It supports a number of community events and is an integral part of village life.

Funding was provided to supplement the costs of the building works & ground works, equipment, security system and the installation of utilities.

Key Findings;

- Modernisation of the processing area was essential for the business to expand and survive. Leader support ensured ongoing sustainability of a rural micro-business that has been at the heart of the local community for almost 100 years. Apart from the butcher's the shop and staff play central role in community life acting as a meeting point and service hub. The shop runs a free delivery service twice a week to schools, restaurants, the elderly and sick. The local secondary school is supplied with eyes and plucks for science lessons.
- The business has also been able to increase its output of processed meat products (to meet demand) which has enabled it to become financially sustainable. Support has helped create 1 FTE and sustain 5.5 FTEs.
- By helping this business modernize and upgrade its facilities, Leader has also been able to support the additional community aspects provided by the business.

3. Conclusion

- 3.1 The above visits provided a helpful insight into how Leader support is addressing some key issues in rural areas – small and micro business support and expansion, local employment creation, community integration, support and encouragement for local produce, and sustainable use and protection of the environment.
- 3.2 Leader is continuing to support projects across the Kent Downs and Marshes area and will continue to do so until December 2013. There is close liaison with local authority partners to identify and develop projects that fit with local plans and strategies, and address some of the key issues affecting the countryside.
- 3.3 Members have requested another tour in early 2012 and this is being organised.
- 3.4 As with the district visits of last year, it may be timely for REDPOSC Members to consider the key issues emerging from the rural visits and to identify potential priorities for KCC and Regeneration and Economy in particular in championing and supporting the rural community.

4. Recommendation

- 4.1 The committee is asked to note the report, discuss any issues that arise from the key findings and provide any suggestions for the future work of the Kent Downs and Marshes Leader Programme.

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Background Documents:

Map of Kent Downs and Marshes Leader area and identification of project supported.