Welsh Government Rural Communities
- Rural Development Programme
  2014 - 2020

Rural Community Development Fund

Guidance Notes
# Rural Community Development Fund – Guidance Notes

## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Paragraph</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Sub-Measures covered by the Rural Community Development Fund</td>
<td>14</td>
</tr>
<tr>
<td>Priority and Focus Area alignment</td>
<td>22</td>
</tr>
<tr>
<td>Geographical Coverage</td>
<td>24</td>
</tr>
<tr>
<td>Who can apply</td>
<td>25</td>
</tr>
<tr>
<td>Eligible Activities</td>
<td>27</td>
</tr>
<tr>
<td>Ineligible Activities</td>
<td>46</td>
</tr>
<tr>
<td>Eligible Costs</td>
<td>47</td>
</tr>
<tr>
<td>Ineligible Costs</td>
<td>50</td>
</tr>
<tr>
<td>Grant rate and Grant threshold</td>
<td>53</td>
</tr>
<tr>
<td>Match Funding</td>
<td>59</td>
</tr>
<tr>
<td>Additional guidance on in kind match funding</td>
<td>65</td>
</tr>
<tr>
<td>State Aid</td>
<td>72</td>
</tr>
<tr>
<td>Cross-cutting themes</td>
<td>73</td>
</tr>
<tr>
<td>Selecting successful projects</td>
<td>77</td>
</tr>
<tr>
<td>How to apply</td>
<td>82</td>
</tr>
<tr>
<td>Contact details</td>
<td>98</td>
</tr>
<tr>
<td>Conditions of Grant</td>
<td>99</td>
</tr>
<tr>
<td>Payment of Grant</td>
<td>104</td>
</tr>
<tr>
<td>Monitoring of Projects</td>
<td>112</td>
</tr>
<tr>
<td>End of Rural Community Development Fund</td>
<td>116</td>
</tr>
<tr>
<td>Appeals Procedure</td>
<td>117</td>
</tr>
<tr>
<td>Complaints Procedure</td>
<td>121</td>
</tr>
<tr>
<td>Annex A: List of eligible wards</td>
<td>Page 27</td>
</tr>
<tr>
<td>Annex B: Contact details for administrative bodies of the LEADER Local Action Groups (LAGs)</td>
<td>Page 36</td>
</tr>
<tr>
<td>Annex C: LEADER, LAGs and Local Development Strategies – background</td>
<td>Page 41</td>
</tr>
</tbody>
</table>

Version: 11  
Issue Date: Apr 2018  
Issued By: Welsh Government
Annex D: Definition of an SME……………………………………………………Page 42
Annex E: Purpose and Objectives of RCDF – further guidance ..........Page 43
Annex F Tackling Poverty – further guidance………………………………..Page 45
Annex G: Priority and Focus Area description………………………………Page 47
INTRODUCTION

1. These Guidance Notes explain the Rural Community Development Fund (RCDF) and the kind of projects that may qualify for grant aid. RCDF is an important element of the Welsh Government Rural Communities - Rural Development Programme 2014-2020 delivering under Measure 7 (Article 20 of Regulation (EU) 1305/2013).

2. Please note that this guidance document presents an outline of the RCDF and the way it is to be operated, the detailed rules for the eligibility of activities and/or expenditure may be subject to change throughout the Programme period.

3. Under RCDF the Welsh Government will offer grants, primarily aimed at LEADER Local Action Groups (LAGs) and other community-based organisations for investment funding across a wide range of interventions designed to prevent poverty and mitigate the impact of poverty in rural communities, improving conditions which can lead to future jobs and growth.

4. RCDF has three main objectives:
   1. Promote social inclusion, poverty reduction, and economic development in rural areas
   2. Help those most deprived in rural Wales and those that have limited scope to change their circumstances
   3. Develop the resilience and capability of rural communities so that they are better able to cope with and adapt to change.

   Please see Annex E for further details on the purpose and objectives of RCDF and examples of key interventions that may be supported.

5. Applications to RCDF must come in against one and only one of the sub-Measures. Applicants may submit applications under as many sub-Measures as they choose and may submit as multiple applications under any sub-Measure, even within the same Expressions of Interest (EOI) window.

6. Each sub-measure has specific rules on who is eligible to apply and what is eligible for funding.

7. Please check the eligibility rules carefully to ensure that your proposed project fits within the scheme rules for the sub-measure under which you are applying.

8. Please note that RCDF primarily offers funding for capital items but this does include fees directly related to the capital item installation/refurbishment (not more than 12% of the capital item cost). Revenue funding is limited to costs associated with feasibility studies and community consultations under Measures 7.1 and 7.6.
9. RCDF can support the construction, renovation or adaptation of buildings; other types of building works or habitat improvement activities such as new footpaths, stiles, gates and similar improvements.

10. It is possible to use volunteer time (based on a set of fixed hourly rates – see Additional Guidance on In Kind Match Funding section below) but only if those volunteers are carrying out supervision of the works, building work, putting up fences, building stiles, creating /repairing footpaths or other activities that will result in capital improvements.

11. RCDF does not cover the applicants own staff costs such as the generic project manager or administrator roles. However internal staff costs can be eligible provided they are either for project management i.e. supervision of the project implementation, or for actual direct work on the project as detailed in paragraph 10. These should be no more than 12% of the total investment and claimed on a simplified cost basis but flat rate costs are not applicable.

12. Other general volunteer activities such as delivering courses or doing general administrative work are not eligible. RCDF cannot be used for other organisational cost such as promotion and marketing (this includes promotion of the project itself).

13. All applicants at community level must discuss their ideas and proposals with the Local Action Group (LAG) for their area before submitting their application to the Welsh Government. Please see Annex B for a list of LAG contacts.

14. LAGs will assess the fit with the priorities of their approved Local Development Strategy (LDS) for their area and help to develop the proposals if required. Please see Annex C for further information on LAGs the LEADER approach and Local Development strategies.

**SUB-MEASURES COVERED BY RURAL COMMUNITY DEVELOPMENT FUND**

15. RCDF covers activity relating to all 7 of the sub-Measures under Measure 7 which are listed below. Please note other sections of this Guidance set out who is eligible to apply under each sub-measure and what activity and what costs are likely to be eligible, and activity and costs that are ineligible.

16. **7.1**- support for drawing up development plans and protection and management plans

17. **7.2** - support for investments in the creation, improvement or expansion of all types of small scale infrastructure, including investments in renewable energy and energy saving

18. **7.3** - support for broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government
19. **7.4 - support for investments in the setting-up, improvement or expansion of local basic services** for the rural population including leisure and culture, and the related infrastructure

20. **7.5 - support for investments for public use in recreational infrastructure, tourist information and small scale tourism infrastructure**

21. **7.6 - support for studies and investments for maintenance, restoration and upgrading of cultural and natural heritage**

22. **7.7 - support for investments targeting the relocation of activities and conversion of buildings** or other facilities located inside or close to rural settlements, with a view to improving the quality of life or increasing the environmental performance of the settlement

**PRIORITY AND FOCUS AREA ALIGNMENT**

23. Activities under RCDF must address at least one of the following Focus Areas:

   **Sub-Measure 7.2 will contribute towards:**  
   **Priority 5.** Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

   **Focus Area 5(c) facilitating the supply and use of renewable sources of energy, of by-products, wastes and residues and of other non-food raw material, for the purposes of the bio-economy**

   **Sub-Measures 7.1, 7.4, 7.5, 7.6 & 7.7 will contribute towards:**  
   **Priority 6.** Promoting social inclusion poverty reduction and economic development in rural areas

   **Focus Area 6(b) fostering local development in rural areas**

   **Sub Measure 7.3 will contribute towards:**  
   **Priority 6.** Promoting social inclusion poverty reduction and economic development in rural areas

   **Focus Area 6(c) enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas**

24. Please see **Annex G** of this guidance for further information on Focus Area and Priority Descriptions.

**GEOGRAPHICAL COVERAGE**

25. The geographical coverage for RCDF is consistent with the coverage for LEADER. See **Annex A** for details. Contact details for the LAGs in each area are provided at **Annex B**.
WHO CAN APPLY

26. **Sub Measure 7.7 only** – Commercial businesses which include sole traders, partnerships and private companies which are an SME are also eligible under this Sub Measure but not under any other Sub Measure.

27. **All other Sub Measures** -
Applicants must be a legal entity which are not commercial businesses which include (but is not limited to) the following:

- Local Action Groups (if they are incorporated)
- Registered Charities and Trusts
- Companies limited by guarantee
- Community interest companies (CIC)
- Community Amateur Sports Clubs (CASC)
- Industrial and Provident Society Mutuals and other registered co-operatives
- Local Authorities and other public bodies
- Town and Community Councils
- the Welsh Government

Unincorporated associations, groups of associations or any other form of community group that does not have a formal legal status is not eligible under any Sub Measure.

ELIGIBLE ACTIVITIES

28. It is not possible to give a definitive list of activities that are, or may be, eligible under RCDF because the potential scope of the fund is very broad and designed to respond to local need.

29. The following section is a guide to the kinds of activities that are likely to be eligible.

30. There are some kinds of activity that would definitely not be supported under RCDF (see the section on ineligible activities).

**7.1 Support for drawing up development plans and protection and management plans**

31. All community-led applications for investment under 7.2-7.7 must be supported by detailed development plans. Where there are already appropriate, recent (not more than 3 years old) and detailed local development plans for the project in existence for the activity proposed they must be submitted (at full application stage).

32. 7.1 offers support to communities who do not already have detailed development plans in place. Eligible activities include:
• developing or updating local planning documentation, developing management plans for Natura 2000 and other High Nature Value areas
• associated non-statutory consultation activities to effectively engage communities and other stakeholders who are affected by or who could affect the proposed activity in the development / elaboration of the plans
• associated awareness raising activities and public consultations to ensure that all of the stakeholders affecting are aware of the plans once they are produced.

N.B. All community / village development plans which contain land-use elements must include a thorough assessment of the environmental considerations. These plans must be developed in accordance with regional spatial planning controls to respect the environment and control urban pressure. Plans must include the environmental aspect of land use planning and demarcate the local bio-corridors and bio-centres that would then represent the limits for investments in the area.

7.2 Support for investments in the creation, improvement or expansion of all types of small scale infrastructure, including investments in renewable energy and energy saving

33. 7.2 focuses on the construction of additional facilities to produce and use renewable energy in rural communities and for the setting-up of distribution networks for heat / electricity / gas / power from biomass and other renewable sources. Small-scale investment in the construction or reconstruction of centres for social services and/or care and educational facilities is also an eligible activity.

34. Renewable energy investment can include, but is not restricted to:

Generation of electricity from:

• hydropower
• wind power
• photovoltaics
• Combined Heat and Power
• biomass and biogas, including from anaerobic digestion.

Generation of heat from:

• biomass and biogas, including from anaerobic digestion
• geothermal
• Combined Heat and Power
• district heating
• solar thermal
• heat pumps.
7.3 Support for broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government

35. 7.3 will only be used in situations where there is a proven need for public intervention because the market does not provide desired effects. With regard to broadband infrastructure the following will be considered to be eligible activities:

- creation of and enabling access to broadband infrastructure including backhaul facilities and ground equipment (e.g. fixed, terrestrial wireless, satellite-based or combination of technologies)
- upgrading existing broadband infrastructure (e.g. increased reliability, speed, capacity, reach, better quality of service, etc.)
- laying down passive broadband infrastructure (e.g. civil engineering works such as ducts, and other network elements such as dark fibre etc), also in synergy with other infrastructures (energy, transport, water, sewerage networks, etc).

36. It is intended to use European Structural & Investment (ESI) Funds in a complementary manner to support the completion, as far as possible, of ICT networks in Wales. We expect European Regional Development Fund (ERDF) to be used to add value to significant private and domestic investments aiming to address the remaining white areas and complete the networks across Wales.

7.4 Support for investments in the setting-up, improvement or expansion of local basic services for the rural population including leisure and culture, and the related infrastructure

37. 7.4 can provide support for investment associated with local transport solutions to serve the specific needs of rural communities such as Community transport initiatives, dial-a-ride and / or car-share schemes (not an exhaustive list). 7.4 can also provide investment where economies of scale can require regional intervention in rural transport initiatives, supported by community based leadership and to help address specific local issues.

38. 7.4 can support investment to assist other services to offer “outreach” to rural areas, for example, the provision of advice and information regarding financial services (e.g. via credit unions). For the sake of clarity the RCDF will not be used to support operational costs for the provision of financial services. Village halls/community centres could offer these and also, for example, medical services (not themselves to be directly funded via the Welsh Government Rural Communities – Rural Development Programme 2014-2020) such as chiropodists’ clinics.

39. 7.4 can support investment for the establishment, extension and modernisation of local markets, leisure and cultural activities aimed at reducing social isolation, improving people’s health and / or quality of life.
40. 7.4 can support investment to help increase non-statutory services such as childcare, and dependent care and to develop options for service delivery through locally-led social enterprise models.

7.5 Support for investments for public use in recreational infrastructure, tourist information and small scale tourism infrastructure

41. 7.5 can provide support for investment in recreational and tourism infrastructure which demonstrates clear links to health, education or employment prospects for people living in the most sparsely populated areas in Wales. This activity is intended particularly to contribute to tackling rural poverty and to improving the quality of life for households on low-incomes.

42. 7.5 can be used to offer small-scale investment to improve the signposting of touristic sites, to construct and modernise tourism information centres, to provide visitor information and guidance.

43. Investment can be given for the construction of shelters and safety facilities linked to soft-tourism and the establishment of e-booking systems for tourist services. Investments will be supported for the development of soft tourism with its basic strong features (small scale, locally specific product, local ownership and labour, local business linkages, strong social-cultural affinities, limited negative environmental impact).

7.6 Support for studies and investments for maintenance, restoration and upgrading of cultural and natural heritage

44. 7.6 can provide support for studies and investments associated with the maintenance, restoration and upgrading of the cultural and natural heritage of villages, rural landscapes and high nature value sites, including related socio-economic aspects, as well as environmental awareness actions.

45. Possible interventions can include:

- restoration of natural ecosystems including high nature value areas
- restoration or creation of wilderness areas
- creation of regional networks regarding Natura 2000
- territorial studies for the design of local agri-environmental measures and information actions on agri-environmental measures
- information and awareness raising activities, e.g. visitors centres in protected areas, publicity actions, interpretation and thematic trails
- conservation of small scale built heritage (chapels, bridges, public amenities, etc.)
- inventory actions to list cultural/natural heritage sites
- preservation of immaterial heritage like music, folklore, ethnology.

7.7 Support for investments targeting the relocation of activities and conversion of buildings or other facilities located inside or close to rural settlements, with a
view to improving the quality of life or increasing the environmental performance of the settlement

46. 7.7 can support investment to convert buildings or other facilities and to enable the relocation of activities in order to contribute to tackling poverty and to improve the quality of life or increase the environmental performance of the settlement. It is hoped that these actions will improve the attractiveness of the rural areas and eventually lead to job creation.

N.B. The Welsh Government will examine each application for relocation support to exclude cases concerning businesses that have previously received support for setting up in a low performing urban region.

INELIGIBLE ACTIVITIES

47. RCDF is an investment fund. No revenue funding is available for staff costs or other similar operating costs.

ELIGIBLE COSTS

48. Under 7.1 only eligible costs include those associated with:

- the development or updating of local planning documentation and for the elaboration of management plans for Natura 2000 and other High Nature Value areas
- associated community engagement and consultation activities during the development/elaboration of the plans
- associated awareness raising activities and public consultations to establish the plans once they are produced.

49. Under 7.6 only eligible costs include those associated with:

- studies associated with the maintenance, restoration and upgrading of the cultural and natural heritage of villages, rural landscapes and high nature value sites, including related socio-economic aspects, as well as environmental awareness actions.

50. For 7.2-7.7 eligible costs can include:

- the construction, acquisition including leasing or improvement of immovable property (improvement of property includes refurbishment of existing premises including conversion costs incurred when bringing a property into a new use)
- the purchase of new machinery and equipment, including computer software up to the market value of the asset, for all beneficiaries
- the purchase of second hand equipment. Second hand equipment eligibility criteria:
  a. that it is fit for purpose for the proposed project activity
b. that it is of good enough quality and with enough working life to be able to meet at least a five year asset retention criteria
c. that it represents a sufficient advantage in terms of value for money when compared with new equipment.

In some circumstances we may ask for an independent report, for example from a suitably qualified engineer or supplier, to say that the equipment will fulfil these criteria if there are any doubts or the difference in value between second hand and new are marginal.

- General costs to a maximum of 12% of the total capital expenditure are also eligible and are costs that are either one-off or time-limited and assist the enterprise overcome a pre-defined and achievable developmental hurdle and are directly related to the capital project implementation and are not internal staff costs. These costs can include feasibility studies and the acquisition of patent rights and licences; consultant’s and architect’s fees, other technical design costs, site survey costs, professional fees, planning costs and other costs associated with any necessary licences and/or consents are also eligible, even if they have been completed and paid for prior to approval, provided they are essential for the delivery of the project.

INELIGIBLE COSTS

51. The following items are examples of expenditure which are **not eligible** for grant aid. This is **not a definitive list** and all items of expenditure will be considered on a case by case basis.

- purchase of land, including associated expenses, where the costs exceed 10% of the total investment
- purchase of buildings which have previously been used for the same purpose
- any physical works on site carried out before the authorised start of work date *(if any such works have been done the application may be rejected)*
- temporary works not **directly** related to the execution of the project
- purchase of trading stock
- working capital
- reclaimable VAT
- maintenance and/or any other type of operational costs
- Staff costs for general project administration, for example preparation and submission of claims or project monitoring
- like for like replacement of existing machinery and equipment
- consumables (items which are normally written off within a year)
- general office equipment and furniture except desks, chairs, telephone equipment, computer and other IT equipment, software and teleprinters, laboratory and lecture-room equipment essential for the delivery of the project
- revenue costs such as salaries for key staff; training for directors and key staff, attendance at trade fairs, expenses of outside directors
• costs connected with a leasing contract such as the lessors margin, interest
  financing cost, overheads and insurance charges
• costs of arranging overdraft facilities, loans or other financial support
  instruments including any associated fees or other charges
• overheads allocated or apportioned at rates materially in excess of those
  used for any similar work carried out by the applicant
• notional expenditure
• payments for activity of a religious and/or political nature
• depreciation, amortisation and impairment of assets purchased with the help
  of a grant
• contingent liabilities
• contingencies / provisions
• profit made by the applicant
• dividends
• interest charges (unless under an approved State Aid scheme)
• service charges arising on finance leases, hire purchase and credit
  arrangements
• costs resulting from the deferral of payments to creditors
• costs involved in winding up a company
• payments for unfair dismissal
• payments into private pension schemes
• payments for unfunded pensions
• compensation for loss of office
• compensation paid to third parties for expropriation, un-harvested crops, etc
• bad debts arising from loans to employees, proprietors, partners directors,
  guarantors, shareholders or a person connected with any of these
• payments for gifts and donations
• entertainments
• statutory fines and penalties
• costs arising from statutory enforcement action
• statutory taxes (excluding irrecoverable VAT)
• criminal fines and damages
• legal expenses in respect of litigation.

52. Costs related to the purchase and / or refurbishment and / or adaptation of any
building must be appropriate to the scale, nature and intention of the project.
Grant cannot be used for the purpose of the acquisition of capital assets that
are not essential for the delivery of the proposed activity.

53. Costs related to the purchase of equipment (either new and / or second hand)
are only eligible for grant aid when the cost has been correctly defrayed by the
claimant. Therefore the full costs of any equipment secured under a hire
purchase or lease hire agreement or any other form of financial arrangement is
not eligible for grant aid. In certain circumstances the capital element monthly
payments may be eligible for a limited period but separate rules will apply.

GRANT RATE AND GRANT THRESHOLD
54. The grant amount is made up from the total public sector contribution to the investment project which includes; monies from the EU; co-finance to the EU funds from Welsh Government; monies from other government departments and agencies, non-departmental public bodies and local authorities; monies from governmental controlled bodies such as the Small Business Service and the National Lottery; and monies from parafiscal taxes (levies).

55. If other EU or UK public funds are obtained to support the costs of a project they may be included in addition to the grant awarded.

56. The maximum grant rate for all sub measures is up to 100%

57. Sub Measure 7.1 the grant contribution from RCDF is 50% of eligible costs.

A minimum limit of grant of £400 will apply.

58. Sub Measure 7.6 – studies only – the grant contribution from RCDF is 50% of eligible costs.

A minimum limit of grant of £400 will apply.

59. Sub Measures 7.2 to 7.7 – investments – the grant contribution from RCDF is 80% of eligible costs.

A minimum limit of grant of £2,400 will apply.

The maximum grant contribution per project from RCDF is £128,000

MATCH FUNDING

60. Applicants must secure 50% of the total eligible project costs (for 7.1 and studies under 7.6) and 20% of the total eligible project costs (for investments under 7.2 – 7.7). This additional funding is defined as match funding within the context of RCDF.

61. Match funding may be provided in the form of either cash or in kind contributions from the public, private or third sectors.

62. In kind contributions are services, items or products donated to the project by a third party individual or organisation where no cash transaction took place. The project sponsor cannot make an In Kind contribution of staff time or other resources.

63. All in kind contributions provided as match funding must relate to the delivery of the project and must be an eligible cost (e.g. if contributions in kind in the form of unpaid work are used as match-funding the time must be contributed to the project for an eligible cost e.g. Architect’s fees not, for example, time to write the project application).

64. In RCDF applicants cannot use general volunteer time used for delivery of activities or other type of revenue costs as match funding.
65. The total public sector contribution to the investment project may also include; monies from other public sector sources as defined below.

For administrative purposes, public, private and third sectors are defined as follows:

**Public sector**

These include any organisations which are part of, or under the control of, central or local government. This includes:

- the Welsh Government
- Welsh Government Sponsored Bodies
- UK Government Departments and their Agencies
- non-departmental public bodies
- Local Authorities
- the public education sector (including higher and further education)
- any not-for-profit companies set up by a part of local or central government for the purposes of delivering a part of their services or exercising their powers
- companies which involve partnership between the public sector (e.g. Local Authorities) and the private sector, where the private sector share-holding is less than 50%.

The following are also classed as monies from public sector sources:

- monies from governmental controlled bodies such as the Small Business Service and the National Lottery
- monies from para-fiscal taxes (levies).

**Private sector**

- companies which have the intention of making profits and where those profits could be distributed
- companies which are partnerships between a private (i.e. profit-distributing company as set out above) and a public sector body, and where the share-holding of the private sector is 50% or more).

**Third sector**

- non-governmental organisations which are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. It includes voluntary and community organisations, charities and trusts, social enterprises, co-operatives and mutuals.

**ADDITIONAL GUIDANCE ON IN KIND MATCH FUNDING**

66. **Discounted sales of equipment and the discounted provision of services or advice are not eligible as in kind match funding.**
Specific eligibility rules for grants and repayable assistance

67. Contributions in kind in the form of provision of works, goods, services, land and real estate for which no cash payment supported by invoices, or documents of equivalent probative value, has been made, may be eligible on condition that the eligibility rules of the ESI Funds and the programme so provide and that all the following criteria are fulfilled:

a. the public support paid to the operation which includes contributions in kind does not exceed the total eligible expenditure, excluding contributions in kind, at the end of the operation
b. the value attributed to contributions in kind does not exceed the costs generally accepted on the market in question
c. the value and the delivery of the contribution can be independently assessed and verified
d. in the case of provision of land or real estate, a cash payment, for the purposes of a lease agreement of a nominal amount per annum not exceeding a single unit of the currency of the Member State, may be made
e. in the case of contributions in kind in the form of unpaid work, the value of that work is determined by taking into account the verified time spent and the rate of remuneration for equivalent work.

Equipment and Raw Materials

68. Equipment and raw materials may be provided to a project as a form of in kind match funding but the applicant must ensure that evidence is maintained about the value of the amount that has been committed. This may be in the form of a published price list or catalogue showing the equipment or materials or, for more bespoke items, valuation from an independent qualified valuer.

Research or Professional Work

69. Research or other professional work may be provided to a project as a form of in kind match funding but the applicant must ensure that evidence is maintained about the value of the services that have been provided. This should include the following information as a minimum:

- a published tariff or rate list for the service provided should be available
- evidence should be available to prove that these figures are competitive with competitor prices
- timesheets or other records of the time contributed need to be maintained if the cost uses this basis.

Unpaid Voluntary Work

70. In the case of unpaid voluntary work essential for the delivery of the project, the value of the work is determined taking into account the amount of time spent and the normal hourly or daily rate for the work carried out. The grant
contribution to a project will not exceed the total eligible expenditure minus the in kind contribution. Additionally:

- amounts claimed for this activity must be claimed at a rate commensurate with the nature of the work undertaken and not based on the usual salary or wage rate of the volunteer. If a volunteer does the same or similar duties as paid staff, the rate allowed for the volunteer will be the salary rate of the paid employee. In the absence of a comparative salary rate, acceptable rates are included under paragraph 69. The rates outlined below for the use of unpaid work as in kind levered funding should not be exceeded for any project
- the inclusion of costs of more specialist and technical roles as in-kind match-funding would need to be agreed before the activity commenced. The project would be expected to keep clearly documented justification for the specialist and for the agreed salary rate used for the purposes of in-kind match-funding
- time sheets should be maintained to support the hours claimed towards the project and should be signed by the volunteer and employer
- only persons acting in a wholly voluntary capacity will be eligible. Where an employee of the project performs additional ‘voluntary’ duties these will not be eligible as in-kind match-funding.

Agreed notional costs to be used as acceptable rates for voluntary work

71. The rates below have been provided and confirmed by Welsh Government statisticians and are based on analyses using the ‘Annual Survey of Hours and Earnings’, (ASHE), which includes the latest data published November 2016 (please note that the rates are for the UK but exclude London and South East regions).

<table>
<thead>
<tr>
<th>Job Title</th>
<th>SOC Code</th>
<th>Hourly Rate (£)</th>
<th>Annual Rate (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>2424</td>
<td>21.86</td>
<td>41,851</td>
</tr>
<tr>
<td>Project Researcher</td>
<td>2426</td>
<td>16.83</td>
<td>31,759</td>
</tr>
<tr>
<td>Project Coordinator</td>
<td>3539</td>
<td>12.54</td>
<td>24,590</td>
</tr>
<tr>
<td>Trainer</td>
<td>3563</td>
<td>13.81</td>
<td>26,688</td>
</tr>
<tr>
<td>Project Administrator</td>
<td>4159</td>
<td>10.00</td>
<td>19,461</td>
</tr>
<tr>
<td>General Labour</td>
<td>91 and 92</td>
<td>8.50</td>
<td>18,193</td>
</tr>
</tbody>
</table>

Project Assessment and Risk

72. Projects where there are significant amounts of in kind match funding may be vulnerable to cash-flow difficulties should the amount or timing of the in kind activity or contribution vary or is not received in time. Applicants must ensure that they provide a full audit trail for all in kind match funding and any organisation or person who is providing such a contribution must also provide and keep the necessary records.
STATE AID

73. The following routes will be used to obtain State Aid cover for grants issued under the RCDF:

- 7.1 GL – section 3.2 – Aid for basic services and village renewal in rural areas - paragraph 644 (a)
- 7.2 GL – section 3.2 – Aid for basic services and village renewal in rural areas – paragraph 644 (b) – investments in the creation, improvement or expansion of all types of small-scale infrastructures, excluding investments in renewable energy and energy savings and broadband infrastructure
- 7.2 – GBER - SA.40460 – ‘Welsh Government Aid for Environmental Protection Scheme’ or Industrial De Minimis – for investments in Small scale infrastructure, renewable energy and energy savings
- 7.3 GBER Article 52 – SA.40720 - ‘National Broadband Scheme for the UK for 2016-2020’ or Industrial De Minimis - for Aid for broadband infrastructure
- 7.4 GL – section 3.2 – Aid for basic services and village renewal in rural areas – paragraph 644 (c)
- 7.5 GL – section 3.2 – Aid for basic services and village renewal in rural areas – paragraph 644 (d)
- 7.6 GL – section 3.2 – Aid for basic services and village renewal in rural areas – paragraph 644 (e)
- 7.7 GL – section 3.2 – Aid for basic services and village renewal in rural areas – paragraph 644 (f)
- Industrial De Minimis for any activity that falls within the scope of the RDP but outside GL3.2 paragraph 644 (a-f) or outside General Block Exemption Regulation (GBER).

CROSS-CUTTING THEMES

74. The Regulations governing the European Programmes stipulate that all projects funded through the Common Strategic Framework must integrate the Cross-Cutting Themes (CCTs) of Equal Opportunities and Gender Mainstreaming and Sustainable Development. These mandatory CCTs need to be integrated into the design and development of the ESI Funds and the activity supported through the funds. This includes the Welsh Government Rural Communities – Rural Development Programme 2014-2020.

75. In addition to the two CCTs mandated by the European Commission, Tackling Poverty and Social Exclusion will also be a mandatory CCT for the Welsh programmes.

76. The CCTs are intended to add value, raise awareness and understanding while ensuring maximum participation and mitigating adverse impacts. This should help operations move beyond compliance and develop systems which support best practice.

77. Further guidance is available at:
SELECTING SUCCESSFUL PROJECTS

78. To be selected a project must, as necessary, demonstrate how the ESI core criteria are met:

- core criteria include: Strategic fit, Delivery, and Financial and Compliance
- other Key criteria include: Indicators and Outcomes, Value for Money, Management of Operation, CCTs, Suitability of Investment, Long Term sustainability.

Other key requirements

79. The maximum period of an investment project will not usually exceed three years.

80. That the project would not proceed without grant assistance.

81. That the amount of grant being asked for is the minimum gap funding necessary for the project to go ahead.

82. Applications must also demonstrate that the following have been addressed:

- outline planning permission has been obtained, where required
- all other consents, licences and permissions have been granted, where required
- applicants who are existing legal entities the economic viability of the project and the business, through the provision of accounts for three consecutive years immediately proceeding the date of the application and financial forecasts for the period of the project
- newly created legal entities applying will be required to supply full details about the background and experiences of the directors along with other evidence necessary to validate the business plan and project proposals
- compliance with UK and EU (European Union) Law on equal opportunities and projects should promote and encourage equal opportunities and combat social exclusion
- compliance with minimum standards and legislative requirements regarding the environment, hygiene, animal welfare and health and safety standards (to include, where relevant, approvals the local Environmental Health Officer)
- availability within the applicant organisation (legal entity) of the necessary technical skills and competences
- attain or exceed the ‘Excellent’ rating under the BREEAM environmental assessment framework, or equivalent, for all new buildings
- aspire to zero carbon emissions for all new buildings built from 2011 onward.
HOW TO APPLY

83. It is a European Commission requirement that projects in the Welsh Government Rural Communities – Rural Development Programme 2014-2020 are not selected on a first past the post system. To meet this requirement the Welsh Government Rural Communities – Rural Development Programme 2014-2020 schemes will open and close for applications periodically through the life of the new programme, dependent upon available programme financial allocations.

84. The application process for the RCDF (as for all Welsh Government Rural Communities – Rural Development Programme 2014-2020 socio-economic schemes) will be in two stages. The first stage will be an EOI. Applicants that are successful at EOI stage will be invited to the second stage which is to submit a full application.

85. EOI applications will be submitted in direct competition with one another and it is expected that there will be significant demand for the grant available. Third Sector organisations and other bodies such as colleges or universities will be invited to submit outline proposals for projects. Businesses will be invited to submit outline proposals for new investments. Those proposals will be assessed against criteria that will demonstrate the expected value of the investment or project and the contribution that is expected to be made towards the objectives of the Welsh Government Rural Communities – Rural Development Programme 2014-2020.

86. Details of the EOI application window(s) will be published on the Welsh Government website. This will give the opening and closing dates, the indicative budget available for each window and the expected maximum number of EOIs that will be invited to submit a full application.

87. The EOI applications will be scored and ranked in order or merit according to the published selection criteria. Project proposals will be selected in ranked order until either the funds available have been allocated or the maximum number of applications has been reached. There is no guarantee that all of the funds will be allocated or that the maximum number of projects will be invited.

88. Full details of how to apply are set out in the Expressions of Interest Guidance Notes, and accompanying Scheme specific EOI criteria and application form.

89. Once a project proposal has been selected at the EOI stage the applicant will be invited to prepare and submit a full Scheme application for their proposed project, along with supporting documentation such as business development plan, previous accounts (where appropriate); financial projections and cash flows and other information as may be necessary.

90. Full applications must be submitted through the Welsh European Funding Office (WEFO) Online portal. Guidance will be provided to all applicants.
91. Second stage applications must be consistent with the proposal outlined in the approved EOI.

92. The full application will be appraised in accordance with the Scheme Guidance and eligibility rules. They will be subject to full due diligence appraisal and eligibility checks and only once these are complete will a final decision be taken whether or not to offer a grant. There is no guarantee that a project proposal will be approved for a grant. We aim to complete the appraisal of full applications within 90 working days of receipt of the application. Appraisal of complex projects, or applications with eligibility issues may take longer. If you delay in replying to requests for further information this will extend the time.

93. **You must not start any work until you have received written confirmation from the Welsh Government. Any projects which breach this rule will not be considered for a grant.**

94. Subject to the requirements of the Welsh Government’s Code of Practice on Public Access to Information, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, **all information given to the Welsh Government will be treated in strict confidence.** You should be aware that if successful, the Welsh Government and the EC reserve the right to publish the name of your organisation/company, the amount of grant you were awarded and a summary of your project.

95. You may use a consultant to prepare your application if you wish but the application form must be signed by you and not by the consultant. It is your responsibility to ensure that the application is correctly completed and that the information provided in support of your project is accurate.

96. When you submit your application form, the Welsh Government will acknowledge its receipt. If your project is ineligible, you will be told this as soon as possible. If your application is eligible, it will be subject to a detailed technical and financial appraisal. When the appraisal is complete, support for your application will then be evaluated against the extent to which it meets national and regional objectives and priorities, as described above.

97. There are three possible outcomes:

   a. Your project is not eligible for the grant. You will be told as soon as possible

   b. Your project is eligible for consideration but is not approved for an award. You will be informed of the reasons why your application was not successful. You may apply again with the same project (amending the application if you wish) **but only if you have not started work**

   c. Your project is eligible and is approved for an award. An approval letter will be issued to you setting out the terms and conditions of the award which you will be asked to sign as agreement that you accept the terms and conditions therein. The letter will also provide you with the authority to start work.
98. As the Managing Authority for the Welsh Government Rural Communities – Rural Development Programme 2014-2020, the Welsh Government may also develop and deliver strategic projects under Measure 7 outside this process.

**CONTACT DETAILS**

99. As described above all community-led proposals must be discussed with the LEADER LAG for the relevant geographical area before an EOI is submitted to the Welsh Government. Annex B provides the contact details for the LAGs.

**CONDITIONS OF GRANT**

100. The Rural Community Development Fund is subject to a range of relevant legislation (see separate guidance notes). Both the Welsh Government and the applicant/recipient must act in accordance with that legislation.

101. The offer of a grant under the Rural Community Development Fund is made subject to terms and conditions, including those set out below. **Failure to meet the terms and conditions of the award could result in the cancellation of your award and/or the recovery of sums already paid, or a reduction of the amount of grant payable.**

**Conditions:**

1. Acceptance of the grant awarded must be made within fourteen (14) working days of the date on the approval letter

2. The award is made on the basis of statements made by you or your representatives in the application form and subsequent correspondence

   **The making of false or misleading statements is an offence**

3. You must not begin any work on the project without first obtaining written authority to do so from Welsh Government

4. You must meet any legal obligations imposed under EU and UK law, including hygiene legislation

5. No alterations may be made to the project, including the location of the activity, without the written approval of Welsh Government

6. No equipment and / or buildings purchased with grant aid must be disposed of, transferred or sold without the prior written consent of Welsh Government during the project delivery and for **five years** from the project end date

7. The applicant is required to comply with the rules on eligible expenditure as detailed in the relevant Scheme Guidance Note
8. Claims must be submitted in the correct format and accompanied by all necessary documentation. If not, they will not be accepted and will be returned to the claimant.

9. Claims must be submitted in accordance with the agreed timetable. You cannot change the agreed timing and value of your claims without written agreement from Welsh Government.

10. The first claim must be submitted no later than six months from the date on the approval letter. If the first claim is not made within this period the grant offer will be automatically terminated.

11. Projects should be completed within the timetable agreed with Welsh Government. You cannot change this without written agreement from Welsh Government.

12. You must confirm that none of the items covered by the application are replacements under an insurance claim.

13. You must provide confirmation that no other public funding (whether from EU or UK sources) has been sought.

14. Any publicity given to the project must make reference to the part played by both the EU and Welsh Government in funding it.

15. Records concerning the activity of the business and the delivery of the project, including all original invoices and other related documents such as competitive tenders or quotes, must be retained for at least seven years after the project end date as stated in this grant approval letter.

16. You must allow representatives of Welsh Government, the Auditor General for Wales, Audit Commission and the European Court of Auditors to inspect the project. On request, you must provide them with information and/or access to original documentation in relation to the project.

17. The information provided in the application and any supporting documentation is subject to the requirements of the Welsh Government’s Code of Practice on Public Access to Information, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.

You should be aware that if successful, Welsh Government and the EC reserve the right to publish the name of your business or company, the amount of grant you were awarded and a summary of your project.
18. The information provided in the expression of interest application and full applications is subject to the Privacy Notice. The Privacy Notice explains the Welsh Government’s processing and use of your personal data and your rights under the General Data Protection Regulation (GDPR).

**Competitive Tendering and Public Procurement**

102. The EC Procurement Directives apply to contracts that are financed or part financed by EU Funds. The full procurement rules apply to all public bodies and commercial enterprises in the private sector who receive grant support of 50% or more of total project costs exclusive of VAT.

103. Third sector organisations that are not financed or supervised by public sector bodies and commercial enterprises in the private sector who receive grant support of less than 50% of the total project costs may not be covered by the European Community (EC) Procurement Directives but are still expected to use fair and open practices, including competitive tendering, when buying goods or services as part of project activities that are being supported through EU funded Programmes.

104. For guidance on the requirements that must be followed by all applicants please see WG Competitive Tendering and Public Procurement Technical Guidance Notes:


**PAYMENT OF GRANT**

**Claims**

105. You may make interim claims during the period of your project. Guidance notes on how to claim will be issued when the award is confirmed and subsequently the claim is invited. Claims will only be paid when the Welsh Government is satisfied the relevant expenditure has taken place and that the work has been completed according to plan. Payment will be made by electronic transfer to your bank account.

106. Final claims for payment of grant should be submitted as soon as possible after the physical work on the project has been completed. All final claims must be received no later than 30 June 2023 in order for Welsh Government to be able to meet the payment. Failure to submit claims may result in the grant paid to date being recovered.

107. During the lifetime of the grant, when claims are submitted, they may be scrutinised to ensure expenditure is eligible and in line with that approved in the original application. During the project the site will be visited and a detailed assessment of the project undertaken. The information that will be required at the visit includes original invoices, serial / plant numbers, Building Regulations...
completion certificate (where appropriate), Health & Safety system including risk analysis, Fire Risk Assessment documents in accordance with the Regulatory Reform (Fire Safety) Order 2005, Cleaning Regime records, Pest control records and Quality Control records. The release of grant will be conditional upon adequate progress having been made.

Incorrect claims and penalties

108. You have a responsibility to make sure that each claim submitted is arithmetically correct; that it is only for defrayed expenditure (the money has gone from your bank account); that all the items and costs are eligible and that the claim is on time.

109. If the claim is incorrect then your claim will be reduced to the amount that is eligible and the grant to be paid will be calculated accordingly. However, if the error is more than 10% of the total amount claimed then a financial penalty will be applied as described below.

110. The amount of eligible expenditure will be reduced by the amount of the error and so the final amount of grant to be paid will be lower than expected. You will have to make up the difference because the lost grant cannot be included in later claims.

111. If you have any doubts about the eligibility of any expenditure you must check before you incur the costs.

Offences

112. Regulation 13 of the Rural Development Programmes (Wales) Regulations 2014 (No. 3222 (W.327)) establishes criminal offences and penalties in relation to certain aspects of rural development funding. That regulation and those offences are applicable to RCDF. Examples of offences include knowingly or recklessly providing false or misleading information in relation to rural development funding; obstructing an inspector or official; and refusing to provide information when requested to do so.

MONITORING OF PROJECTS

113. It is a European Commission requirement that the progress of your project is monitored and its success evaluated following completion. You will be asked to provide regular updates on its progress and three months following completion, a final report on its performance, when the project will be evaluated against the objectives and targets set out in the approved application. If the project should fail to meet these targets and, on the basis of progress actually made, would not have qualified for grant aid under the scheme, action may be taken to recover the grant paid.

114. It will be a requirement of the grant award that equipment purchased with the aid of a grant from RCDF and any buildings on which grant is paid, must be kept in situ, operational and in good repair, and used for the same purpose as set out in the original application, for five years from the project end date. This
is to ensure the longevity of the project and to guarantee primary producers a lasting share of the project’s benefits.

115. A further monitoring form will be required to be completed two years following completion and again five years following completion. Site visits will be made on a percentage of the projects approved within five years of the project end date to ensure the applicant still has and is still using the buildings and equipment purchased with the grant for the same purposes and that the business is performing as expected.

116. You must allow officials from Welsh Government and the European Commission, or their representatives, to inspect the project at any reasonable time within this five year period.

END OF RURAL COMMUNITY DEVELOPMENT FUND

117. All claims must be submitted to the Welsh Government by no later than 30 June 2023. All project activity must be completed in time for accounts and records to be audited and claims to be prepared and submitted by this date.

APPEALS PROCEDURE

118. There is no appeal process at the EOI stage because no formal decision to reject the proposal has been taken. The project has not been rejected permanently – it simply did not score as highly as others and did not come above the threshold this time around. Unsuccessful proposals may be re-submitted in later EOI windows where they meet the published criteria.

119. If a full application is rejected, the reasons for rejection will be spelt out clearly. We will be prepared to discuss any modifications which might be needed to make the project acceptable.

120. If an application is still rejected an appeals procedure will be established which will take the form of an oral or written submission to persons appointed by and independent of the Welsh Ministers.

121. There is no appeal mechanism for an EOI because no final decision has been made at that stage. Feedback will be provided

COMPLAINTS PROCEDURE

122. If you consider that we have failed to follow the correct procedure in the handling of your request you may wish to make a complaint in accordance with Welsh Government’s Complaints procedure which is available by post or via the website at:

http://gov.wales/contact_us/makeacomplaint/?lang=en
ANNEX A

LIST OF ELIGIBLE WARDS

Applications for RCDF may come forward from the Rural and Service Centre wards only as shown below:

- **Isle of Anglesey CBC**

  **Rural Wards**

<table>
<thead>
<tr>
<th>Area</th>
<th>Neighbourhoods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aberffraw</td>
<td>Cefni</td>
</tr>
<tr>
<td>Amlwch Port</td>
<td>Cwm Cadinant</td>
</tr>
<tr>
<td>Amlwch Rural</td>
<td>Cyngar</td>
</tr>
<tr>
<td>Beaumaris</td>
<td>Gwynyl</td>
</tr>
<tr>
<td>Bodffordd</td>
<td>Holyhead Town</td>
</tr>
<tr>
<td>Bodorgan</td>
<td>Kingsland</td>
</tr>
<tr>
<td>Braint</td>
<td>Llanbadrig</td>
</tr>
<tr>
<td>Bryngwran</td>
<td>Llanbedrugoch</td>
</tr>
<tr>
<td>Brynnteg</td>
<td>Llanddyfnan</td>
</tr>
<tr>
<td>Cadnant</td>
<td>Llaneilian</td>
</tr>
<tr>
<td>Morawelon</td>
<td>Parc a`r Mynydd</td>
</tr>
<tr>
<td>Llanfaethlu</td>
<td>Llanfair-yn-Neubwll</td>
</tr>
<tr>
<td>Llanfihangel</td>
<td>Ysgiefiog</td>
</tr>
<tr>
<td>Pentraeth</td>
<td>Llandoed</td>
</tr>
<tr>
<td>Porthyfelin</td>
<td>Llanidan</td>
</tr>
<tr>
<td>Rhosneigr</td>
<td>Llannerch-y-medd</td>
</tr>
<tr>
<td>Rhosy</td>
<td>Londre Road</td>
</tr>
<tr>
<td>Trearddur</td>
<td>Treaedur</td>
</tr>
<tr>
<td>Ysgeifiog</td>
<td>Mechell</td>
</tr>
<tr>
<td>Valley</td>
<td>Moelfre</td>
</tr>
</tbody>
</table>

- **Blaenau Gwent CBC**

  **Rural Wards**

  | Cwm                                 |

  **Service Centre**

  | Llanhilleth |

- **Bridgend CBC**

  **Rural Wards**

  | Aberkenfig               | Bryntirion, Laleston & Merthyr Mawr & Sarn         |
  | Bettws                  | Cefn Cribwr                                        |
  | Blackmill               | Coity                                              |
  | Bryncethin              | Cornelly                                           |
  | Blaengarw               |                                                   |
  | Llangeinor              | Llangynwyd                                         |
  | Ogmore Vale             | Penprysg                                           |
  | Penprysg                | Pontycymmer                                        |
  | Pontycymmer             | Ynysawdre                                          |
  | Ynysawdre               |                                                   |

  **Service Centre Wards**

  | Felindre               | Sarn                                               |
  | Bryncoch               | Hendre                                             |
- **Caerphilly CBC**

  **Rural Wards**

<table>
<thead>
<tr>
<th>Ward Type</th>
<th>Ward Name 1</th>
<th>Ward Name 2</th>
<th>Ward Name 3</th>
<th>Ward Name 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Wards</td>
<td>Aber Valley</td>
<td>Darren Valley</td>
<td>Nelson</td>
<td>Twyn Carno</td>
</tr>
<tr>
<td></td>
<td>Argoed</td>
<td>Llanbradach</td>
<td>New Tredegar</td>
<td>Ynysddu</td>
</tr>
<tr>
<td></td>
<td>Bedwas Trethomas &amp; Machen</td>
<td>Maesycwmmer</td>
<td>St. Cattwg</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Crumlin</td>
<td>Moriah</td>
<td>St. James</td>
<td></td>
</tr>
</tbody>
</table>

  **Service Centre Wards**

<table>
<thead>
<tr>
<th>Ward Name 1</th>
<th>Ward Name 2</th>
<th>Ward Name 3</th>
<th>Ward Name 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aberbargoed</td>
<td>Newbridge</td>
<td>Pontlottyn</td>
<td>Ystrad Mynach</td>
</tr>
<tr>
<td>Abercarn</td>
<td>Penyrheol</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Carmarthenshire CBC**

  **Rural Wards**

<table>
<thead>
<tr>
<th>Ward Name 1</th>
<th>Ward Name 2</th>
<th>Ward Name 3</th>
<th>Ward Name 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abergwili</td>
<td>Laugharne Township</td>
<td>Llannon</td>
<td>Llanon</td>
</tr>
<tr>
<td>Carmarthen Town North</td>
<td>Llanboidy</td>
<td>Llansteffan</td>
<td>Llanbydder</td>
</tr>
<tr>
<td>Carmarthen Town South</td>
<td>Lladdarog</td>
<td>Manordeilo &amp; Salem</td>
<td>St Ishmael</td>
</tr>
<tr>
<td>Carmarthen Town West</td>
<td>Llandeilo</td>
<td>Pembrey</td>
<td>Pontyberem</td>
</tr>
<tr>
<td>Cenarth</td>
<td>Llandovery</td>
<td>Quarter Bach</td>
<td></td>
</tr>
<tr>
<td>Cilycwm</td>
<td>Llandybie</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cynwyl Elfed</td>
<td>Llanegwad</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cynwyl Gaeo</td>
<td>Llanfihangel Aberbythych</td>
<td>St Clearas</td>
<td></td>
</tr>
<tr>
<td>Garnant</td>
<td>Llanfihangel-ar-Arth</td>
<td>Trelech</td>
<td></td>
</tr>
<tr>
<td>Glanamman</td>
<td>Llangadog</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glyn</td>
<td>Llangeler</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gorslas</td>
<td>Llangunnor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hendy</td>
<td>Llangyndeyrn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

  **Service Centre**

<table>
<thead>
<tr>
<th>Ward Name 1</th>
<th>Ward Name 2</th>
<th>Ward Name 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ammanford</td>
<td>Penygroes</td>
<td>TyCroes</td>
</tr>
<tr>
<td>Betws</td>
<td>Pontamman</td>
<td></td>
</tr>
<tr>
<td>Burry Port</td>
<td>Saron</td>
<td></td>
</tr>
</tbody>
</table>

- **Ceredigion CBC**

  **Rural Wards**

<table>
<thead>
<tr>
<th>Ward Name 1</th>
<th>Ward Name 2</th>
<th>Ward Name 3</th>
<th>Ward Name 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aberaeron</td>
<td>Beulah</td>
<td>Llandyfriog</td>
<td>Lledrod</td>
</tr>
<tr>
<td>Aberporth</td>
<td>Borth</td>
<td>Llandysiliogogo</td>
<td>Melindwr</td>
</tr>
</tbody>
</table>

Version: 11
Issue Date: Apr 2018
Issued By: Welsh Government
Page 28 of 48
### Rural Community Development Fund – Guidance Notes

Aberteifi/Cardigan - Mwldan
Aberteifi/Cardigan - Rhyd-y-Fuwch
Aberteifi/Cardigan - Teifi
Aberystwyth
Bronglais
Aberystwyth
Canol/Central
Aberystwyth
Gogledd/North
Aberystwyth
Penparcau
Aberystwyth
Rheidol
Capel Dewi
Ceulanamaesmawr
Ciliau Aeron
Faenor
Lampeter
Llanarth
Llanbadarn Fawr - Padarn
Llanbadarn Fawr - Sulien
Llandysul Town
Llanfarian
Llanfihangel Ystrad
Llangeitho
Llanybi
Llanhystyd
Llansantffraed
Llanwenog
New Quay
Penbryn
Pen-parc
Tirymynach
Trefeurig
Tregaron
Troedyraur
Ystwyth

- **Conwy CBC**

### Rural Wards

<table>
<thead>
<tr>
<th>Betws-y-Coed</th>
<th>Crwst</th>
<th>Llangernyw</th>
<th>Uwch Conwy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Betws yn Rhos</td>
<td>Eglwysbach</td>
<td>Llansanffraid</td>
<td>Uwch Aled</td>
</tr>
<tr>
<td>Caerhun</td>
<td>Gele</td>
<td>Llansannan</td>
<td></td>
</tr>
<tr>
<td>Capelulo</td>
<td>Gower</td>
<td>Llanwenog</td>
<td></td>
</tr>
<tr>
<td>Bryn</td>
<td></td>
<td>Trefriw</td>
<td></td>
</tr>
<tr>
<td>Pandy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pant yr-afon/</td>
<td>Pensarn</td>
<td>Deganwy</td>
<td>Uwch Aled</td>
</tr>
<tr>
<td>Penmaenan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conwy</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Service Centre Wards

<table>
<thead>
<tr>
<th>Pensarn</th>
<th>Deganwy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penrhyn</td>
<td>Llanddulas</td>
</tr>
<tr>
<td>Craig-y-Don</td>
<td>Marl</td>
</tr>
</tbody>
</table>

- **Denbighshire CBC**

### Rural Wards

<table>
<thead>
<tr>
<th>Bodelwyddan</th>
<th>Efenechtyd</th>
<th>Llanfair Dyffryn Clwyd/Gwyddelwer n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conwen</td>
<td>Llanarmon-yn-lal/Llandegla</td>
<td>Llangollen</td>
</tr>
<tr>
<td>Denbigh Central</td>
<td>Llanbedr Dyffryn Clwyd/Llangynhafal</td>
<td>Llanrhaeadr-yng-Nghinmeirch</td>
</tr>
<tr>
<td></td>
<td>St. Asaph East</td>
<td>St. Asaph West</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trefnant</td>
</tr>
</tbody>
</table>

---

Version: 11  
Issue Date: Apr 2018  
Issued By: Welsh Government  
Page 29 of 48
Denbigh Lower  Llandrillo  Rhuddlan  Tremeirchion
Denbigh Upper/Henllan  Llandyrnog  Ruthin

### Service Centre

Dyserth

- **Flintshire CBC**

### Rural Wards

<table>
<thead>
<tr>
<th>Ward</th>
<th>Wards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brynford</td>
<td>Gronant</td>
</tr>
<tr>
<td>Buckley Mountain</td>
<td>Gwernaffield</td>
</tr>
<tr>
<td>Caergwrl</td>
<td>Gwernymynydd</td>
</tr>
<tr>
<td>Caerwys</td>
<td>Halkyn</td>
</tr>
<tr>
<td>Cilcaín</td>
<td>Higher Kinnerton</td>
</tr>
<tr>
<td>Flinnongroyw</td>
<td>Hope</td>
</tr>
<tr>
<td>Flint Oakenholt</td>
<td>Leeswood</td>
</tr>
<tr>
<td>Flint Trelawny</td>
<td>Llanfynydd</td>
</tr>
</tbody>
</table>

- **Gwynedd CBC**

### Rural Wards

<table>
<thead>
<tr>
<th>Ward</th>
<th>Wards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aberdaron</td>
<td>Criccieth</td>
</tr>
<tr>
<td>Aberdovey</td>
<td>Cwm-y-Glo</td>
</tr>
<tr>
<td>Abererch</td>
<td>Deiniolen</td>
</tr>
<tr>
<td>Abermaw</td>
<td>Diffwys and Maenofferen</td>
</tr>
<tr>
<td>Abersoch</td>
<td>Dolbermaen</td>
</tr>
<tr>
<td>Arllechwedd</td>
<td>Dolgelau North</td>
</tr>
<tr>
<td>Bala</td>
<td>Dolgelau South</td>
</tr>
<tr>
<td>Bethel</td>
<td>Dyffryn Ardudwy</td>
</tr>
<tr>
<td>Bontnewydd</td>
<td>Efail-newydd/Buan</td>
</tr>
<tr>
<td>Botwnnog</td>
<td>Gerlan</td>
</tr>
<tr>
<td>Bowydd and Rhiw</td>
<td>Groeslon</td>
</tr>
<tr>
<td>Brithdir and Llanfachreth/Ganll wyd/</td>
<td>Harlech</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Version: 11
Issue Date: Apr 2018
Issued By: Welsh Government  Page 30 of 48
Rural Community Development Fund – Guidance Notes

Llanelltyd
Bryn-crug/Llanfihangel  Llanaelhaearn  Peblig (Caernarfon)  Tywyn
Clynnog  Llanbedr  Peniarwaun  Waunfawr
Corris/Mawddwy  Llanbedrog  Penrhyndeudraeth  Y Felinheli

Service Centre Wards

Deiniol  Garth  Hendre  Marchog
Dewi  Glyder  Hirael  Menai (Bangor)

- Merthyr Tydfil CBC

Rural Wards

Bedlinog  Cyfarthfa  Merthyr Vale  Vaynor

Service Centres

Plymouth

- Monmouthshire CBC

Rural Wards

Caerwent  Llanelly Hill  Mill  Shirenewton
Crucorney  Llanfoist Fawr  Mitchel Troy  The Elms
Devauden  Llangybi Fawr  Overmonnow  Trellech United
Dixton with Osbaston  Llanover  Portskewett  Usk
Drybridge  Llantilio Crossenny  Raglan  Wyesham
Goetre Fawr  Llanwenarth Ultra  Rogiet
Llanbadoc  Mardy  St. Arvans

Service Centre Wards

Caldicot Castle  Dewstow  Larkfield  St. Mary’s
Cantref  Green Lane  Priory  Severn
Castle  Grofield  St. Christopher’s  Thornwell
Croesonen  Lansdown  St. Kingsmark  West End
- **Neath Port Talbot CBC**

**Rural Wards**

Aberdulais  
Cwmllynfell  
Gwaun-Cae-Gurwen  
Pontardawe  

Blaengwrach  
Cymmer  
Gwynfi  
Resolven  

Bryn and Cwmavon  
Dyffryn  
Lower Brynamman  
Rhos  

Bryn-coch North  
Glyncorwg  
Margam  
Seven Sisters  

Coedffranc West  
Glynneath  
Onllwyn  
Tai-bach  

Crynant  
Godre´r graig  
Pelenna  
Ystalyfera  

**Service Centre Wards**

Trebanos  
Allt-wen  

- **Newport**

**Rural Wards**

Llanwern  
Marshfield  

**Service centre**

Graig  
Caeerleon  
Langstone  

- **Pembrokeshire CBC**

**Rural Wards**

Amroth  
Haverfordwest: Prendergast  
Milford: East  
Pembroke: St. Mary North  

Burton  
Haverfordwest: Priory  
Milford: Hakin  
Pembroke: St. Mary South  
Pembroke: St. Michael Penally  

Camrose  
Hundleton  
Milford: Hubberston  
Pembroke: St. David’s Rudbaxton  

Carew  
Johnston  
Milford: North  
Pembroke: St. David’s Saundersfoot  

Cilgerran  
Kilgetty/Begelly  
Milford: West  
St. Ishmael’s  

Clydau  
Lampeter Velfrey  
Narberth  
St. Dogmaels  

Crymych  
Lamphey  
Narberth Rural  
St. Ishmael’s Scleddau  

Dinas Cross  
Letterston  
Newport  

East Williamson  
Llangwm  
Neyland: East  

Fishguard North  
Llanrhian  
Neyland: West  

---

Version: 11  
Issue Date: Apr 2018  
Issued By: Welsh Government  
Page 32 of 48
Rural Community Development Fund – Guidance Notes

<table>
<thead>
<tr>
<th>East</th>
<th>Maenclochog</th>
<th>Pembroke Dock: Central</th>
<th>Solva</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fishguard North West</td>
<td>Goodwick</td>
<td>Manorbier</td>
<td>Pembroke Dock: Llanion</td>
</tr>
<tr>
<td>Haverfordwest: Castle</td>
<td>Pembroke Dock: Market</td>
<td>Pembroke Dock: Pennar</td>
<td>The Havens</td>
</tr>
<tr>
<td>Haverfordwest: Garth</td>
<td>Pembroke Dock: Pennar</td>
<td>Pembroke: Monkton</td>
<td>Wiston</td>
</tr>
<tr>
<td>Haverfordwest: Portfield</td>
<td>Pembroke Dock: Central</td>
<td>Pembroke: Monkton</td>
<td>Wiston</td>
</tr>
</tbody>
</table>

- **Powys CBC**

**Rural Wards**

<table>
<thead>
<tr>
<th>Aber-craf</th>
<th>Guilsfield</th>
<th>Llangattock</th>
<th>Newtown</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Llanllwchaiarn West</td>
</tr>
<tr>
<td>Banwy</td>
<td>Gwernyfed</td>
<td>Llangors</td>
<td>Newtown South</td>
</tr>
<tr>
<td>Beguildy</td>
<td>Hay</td>
<td>Llangunllo</td>
<td>Old Radnor</td>
</tr>
<tr>
<td>Berriew</td>
<td>Kerry</td>
<td>Llanidloes</td>
<td>Presteigne</td>
</tr>
<tr>
<td>Blaen Hafren</td>
<td>Knighton</td>
<td>Llanwddyn</td>
<td>Rhayader</td>
</tr>
<tr>
<td>Bronllys</td>
<td>Llanafanfawr</td>
<td>Llanrhaeadr-ym-Mochnant/Llansilin</td>
<td>St. David Within</td>
</tr>
<tr>
<td>Builth</td>
<td>Llanbadarn Fawr</td>
<td>Llanrhaeadr-ym-Mochnant/Llansilin</td>
<td>St. David Within</td>
</tr>
<tr>
<td>Bwlch</td>
<td>Llanbrynmaef</td>
<td>Llansantffraid</td>
<td>St. John</td>
</tr>
<tr>
<td>Caersws</td>
<td>Llandinam</td>
<td>Llanwrtyd Wells</td>
<td>St. Mary</td>
</tr>
<tr>
<td>Churchstoke</td>
<td>Llandrindod East/Llandrindod West</td>
<td>Llanyre</td>
<td>Talgarth</td>
</tr>
<tr>
<td>Crickhowell</td>
<td>Llandrindod North</td>
<td>Machynlleth</td>
<td>Talybont-on-Usk</td>
</tr>
<tr>
<td>Cwm-twrch</td>
<td>Llandrindod South</td>
<td>Maesca/Llywel</td>
<td>Tawe-Uchaf</td>
</tr>
<tr>
<td>Disserth and Trecoed</td>
<td>Llandrinio</td>
<td>Meifod</td>
<td>Trewern</td>
</tr>
<tr>
<td>Dolforwyn</td>
<td>Llandysilio</td>
<td>Montgomery</td>
<td>Welshpool Castle</td>
</tr>
<tr>
<td>Felin-fâch</td>
<td>Llanelwed</td>
<td>Nantmel</td>
<td>Welshpool Gunlog</td>
</tr>
<tr>
<td>Forden</td>
<td>Llanfair Caereinion</td>
<td>Newtown Central</td>
<td>Welshpool Llanerchyd dol Yscir</td>
</tr>
<tr>
<td>Glantwymyn</td>
<td>Llanfihangel</td>
<td>Newtown East</td>
<td>Yscir</td>
</tr>
<tr>
<td>Glasbury</td>
<td>Llanfyllin</td>
<td>Newtown</td>
<td>Yscir</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Llanllwchaiarn North</td>
<td>Yscir</td>
</tr>
</tbody>
</table>

**Service Centre Wards**

<table>
<thead>
<tr>
<th>Ynyscedwyn</th>
<th>Ystradgynlais</th>
</tr>
</thead>
</table>

Version: 11
Issue Date: Apr 2018
Issued By: Welsh Government  Page 33 of 48
- **Rhondda Cynon Taff CBC**

  **Rural**
  
  Maerdy         Rhigos         Ynysybwyll

- **Swansea CBC**

  **Rural Wards**
  
  Bishopston       Gower       Mawr       Pennard
  Fairwood         Llangyfelach Penclawdd  Pontarddulais

  **Service Centres**
  
  Gorseinon       Gowerton     Clydach

- **Torfaen CBC**

  **Rural Wards**
  
  Llanyrafon South Blaenavon  Two Locks

  **Service Centre Wards**
  
  Abersychan       Cwmyniscoy  Llantarnam  Wainfelin
  Upper Cwmbran

- **Vale of Glamorgan CBC**

  **Rural Wards**
  
  Cowbridge       Llantwit Major St. Athan  Wenvoe
  Dinas Powys     Ely          St. Bride`s Major
  Llandow/Ewenny  Rhoose       Sully
- **Wrexham CBC**

### Rural Wards

<table>
<thead>
<tr>
<th>Rural Wards</th>
<th>Coedpoeth</th>
<th>Llangollen Rural</th>
<th>Penycae &amp; Ruabon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bronington</td>
<td>Esclusham</td>
<td>Llay</td>
<td>South</td>
</tr>
<tr>
<td>Brymbo</td>
<td>Gresford East &amp;</td>
<td></td>
<td>Ponciau</td>
</tr>
<tr>
<td>Bryn Cefn</td>
<td>West</td>
<td>Marchwiel</td>
<td>Rossett</td>
</tr>
<tr>
<td>Dyffryn</td>
<td>Gwenfro</td>
<td>Marford &amp; Hoseley</td>
<td>Ruabon</td>
</tr>
<tr>
<td>Ceiriog/Ceiriog Valley</td>
<td>Gwersyllt North</td>
<td>Minera</td>
<td></td>
</tr>
<tr>
<td>Chirk North</td>
<td>Holt</td>
<td>Overton</td>
<td></td>
</tr>
</tbody>
</table>

### Service Wards

<table>
<thead>
<tr>
<th>Service Wards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cefn</td>
</tr>
</tbody>
</table>
ANNEX B

CONTACT DETAILS FOR ADMINISTRATIVE BODIES of the LEADER LOCAL ACTION GROUPS (LAGs)

Mr Dafydd Gruffydd
dafydd@mentermon.com
Anglesey
Partneriaeth Gwledig Ynys Mon Rural Partnership
Menter Mon Cyf
Neuadd y Dref
Sgwar Bulkeley
Llangefni
Ynys Mon
LL77 7LR

Ms Rhiannon Hardiman
Rhiannon.Hardiman@bridgend.gov.uk
Bridgend
Bridgend Local Action Group (Reach)
Bridgend County Borough Council
Countryside &RDP
BCBC Civic Offices
Angel Street
Bridgend
CF31 4WB

Mr Gavin Jones
Jonesgm2@caerphilly.gov.uk
Caerphilly
Caerphilly and Blaenau Gwent Local Action Group
Caerphilly County Borough Council
C/O Pontllanfraith House
Pontllanfraith
Blackwood
NP12 2YW

Ms Rhian Phillips
mrphillips@carmarthenshire.gov.uk
Carmarthen
Carmarthenshire Local Action Group-Grwp Cefn Gwlod
Carmarthenshire County Council
West Wales European Centre
Dewi Building
University of Wales Trinity St David
Carmarthen
SA31 3EP
Ms Meleri Richards  
Meleri.Richards@ceredigion.gov.uk  
Ceredigion  
Cynnal y Cardi  
Ceredigion County Council  
Neuadd Cyngor Ceredigion  
Penmorfa  
Aberaeron  
Ceredigion  
SA46 0PA

Ms Elen Edwards  
Elen.Edwards@conwy.gov.uk  
Conwy  
Conwy Local Action Group  
Conwy RDP  
Conwy County Borough Council  
Glasdir  
Plas Yn Dre  
Llanrwst  
Conwy  
LL32 0DF

Ms Lowri Owain  
Lowri.Owain@Cadwynclwyd.co.uk  
Denbighshire  
Cadwyn Clwyd Cyfyngedig  
Llys Clwyd  
Lon Parcwr Business Park  
Ruthin  
Denbighshire  
LL15 1NJ

Ms Lowri Owain  
Lowri.Owain@Cadwynclwyd.co.uk  
Flintshire  
Cadwyn Clwyd Cyfyngedig  
Llys Clwyd  
Lon Parcwr Business Park  
Ruthin  
Denbighshire  
LL15 1NJ
Dafydd Gruffydd  
Dafydd@Mentermon.com  
Gwynedd  
Gwynedd Local Action Group  
Menter Môn Cyf.  
Swyddfa Annog  
146 Stryd Fawr  
Porthmadog  
Gwynedd  
LL49 9NU

Ms Joanne Nicholas  
Joanne.nicholas@Merthyr.gov.uk  
Merthyr and Rhondda Cynon Taf  
Rural Action Cwm Taf Local Action Group  
Merthyr Tydfil County Borough Council  
Unit 5  
Triangle Business Park  
Pentrebach  
Merthyr Tudfil  
CF48 4TQ

Mr Michael Powell  
Michael.Powell@monmouthshire.gov.uk  
Monmouthshire and Newport  
Vale of Usk  
Monmouthshire County Council  
@Innovation House  
Wales 1 Business Park  
Magor  
NP26 3DG

Mr Ben Riseborough  
b.riseborough@npt.gov.uk  
Neath Port Talbot  
Regenerate Neath Port Talbot  
Neath Port Talbot County Borough Council  
Partnership & Community Development  
The Quays  
Brunel Way  
Baglan Energy Park  
Britton Ferry  
Neath  
SA11 2GG
Mr Cris Tomos
leader@planed.org.uk
Pembrokeshire
Arwain Sir Benfro
Pembrokeshire Local Action Network for Enterprise & Development Ltd
The Old School
Station Road
Narberth
Pembrokeshire
SA67 7DU

Mrs Louise Nicholson
rdp@powys.gov.uk
Powys
One Powys Local Action Group
Powys County Council
The Gwalia
Ithon Road
Llandrindod Wells
Powys
LD1 6AA

Mr Elliot Williams
Elliot.Williams@Swansea.gov.uk
Swansea
Swansea Rural Development Partnership
City and County of Swansea Council
Oystermouth Road
Swansea
SA1 3SN

Ms Nikki Williams
nikki.williams@Torfaen.gov.uk
Torfaen
Torfaen Local Action Group – Create
Torfaen County Borough Council
Civic Centre
Pontypool
Torfaen
NP4 6YB
Mr Phil Chappell
Prchappell@valeofglamorgan.gov.uk
Vale of Glamorgan
Creative Rural Communities
Vale of Glamorgan Local Action Group
Vale of Glamorgan Council
The Old Hall
High Street
Cowbridge
Vale of Glamorgan
CF71 7AH

Ms Lowri Owain
Lowri.Owain@Cadwynclwyd.co.uk
Wrexham
Cadwyn Clwyd Cyfyngedig
Llys Clwyd
Lon Parcwr Business Park
Ruthin
Denbighshire
LL15 1NJ
ANNEX C

LEADER, LOCAL ACTION GROUPS AND LOCAL DEVELOPMENT STRATEGIES

123. LEADER funding from the Welsh Government Rural Communities – Rural Development Programme 2014-2020 is used by LAGs to engage with their communities, identify the barriers they face to development and the opportunities available, build capacity, pilot potential solutions and disseminate the results of the pilot. Through their work community-led proposals may emerge which the LAG can then signpost to RCDF.

124. All applicants at community level must discuss their ideas and proposals with the Local Action Group (LAG) for their area before submitting their application to the Welsh Government.

125. LAGs will assess the fit with the priorities of their approved Local Development Strategy (LDS) for their area and help to develop the proposals if required.

126. The LDS is the key document for each LEADER LAG area. It sets out, in a consistent format, a detailed explanation of the area; an analysis of that area through a SWOT assessment; a series of aims and objectives for the area and proposals for activities or initiatives that would achieve those aims and objectives.

127. The LDS will be reviewed at least annually throughout the Welsh Government Rural Communities – Rural Development Programme 2014-2020 programme period. The LDS must complement and not duplicate national, regional and local strategic policy objectives and must make a contribution to European and Welsh Government priorities.
ANNEX D

DEFINITION OF AN SME

An SME is an undertaking that employs less than 250 employees (based on full-time equivalents) and has an annual turnover not exceeding 50 million euros and/or an annual balance sheet total not exceeding 43 million euros. Part-time staff and seasonal workers should be treated as a fraction of a full time equivalent.

- SMEs consist of 3 sub-categories of enterprises: micro, small and medium
- Micro enterprises employ less than 10 employees, Small enterprises less than 50 employees, Medium enterprises less than 250 employees
- The size of the enterprise also refers to the annual turnover and annual balance sheet total in certain situations.

For a full definition please refer to the European Commission user guide and model declaration, ‘The new SME definition’.
ANNEX E

PURPOSE AND OBJECTIVES OF RCDF AND POSSIBLE INTERVENTIONS:

1. It is a priority of the Welsh Government to help develop the resilience and capability of our communities so they hold up under the strain of welfare reform and continue to grow and thrive. We recognise that the challenges facing people living in poverty in rural communities will be different from the challenges in the more populated areas of Wales and are committed to tailoring our response and solutions to local needs.

2. This approach will enable local leadership on assessing need and delivery but will provide a national framework to ensure that the same types of interventions are available across Wales.

3. We recognise the need for a mix of programmes which are both geographically based and targeted at individuals, regardless of where they live. To help improve the lives of people living in poverty we know there are a number of interventions which can have the greatest impact. These include:
   
   - helping people into work
   - supporting people to earn more once in work (through increased hours worked and increasing skills)
   - focusing on improving the early years of people’s lives.

4. In addition there are specific aspects of rural poverty which require attention:
   
   - access to services
   - fuel poverty
   - in-work poverty
   - digital exclusion.

5. Some families across Wales face difficulties in accessing childcare related to inflexible opening times, a lack of holiday and wrap around care, and gaps in Welsh medium and bilingual provision. These issues are often exacerbated for families living in rural areas where there are specific issues related to traveling long distances to access provision. These include the number of places, choice and type of childcare available as well as specific rural economic issues affecting the sustainability of childcare settings. This can make it more difficult for families (and particularly women as second earners) to work, and increases the likelihood of families being in poverty.

6. Access to advice and financial services can be more difficult for people living in rural areas due to issues such as travel and fuel costs. The Welsh Government’s Advice Services Review in May 2013 highlighted the importance of flexibility in service responses. Use of telephone and video link services are particularly beneficial for those in rural areas and these can be complemented by outreach services into rural areas to bring the advice to market towns and villages.
7. Digital exclusion can be a particular issue in rural communities, particularly amongst those with low incomes. Low-income households across Wales are less likely to have internet access in their home. This is exacerbated in rural areas by poor access to good quality broadband. Furthermore, being digitally excluded can often lead to social isolation from local communities. Free public internet provision in places such as libraries is also harder for people from deprived communities in rural areas to access, due to fewer venues compared to more urban areas and less accessible public transport links and further travel distances.

8. The three objectives for RCDF are as follows:

4. Promote social inclusion, poverty reduction, and economic development in rural areas

5. Help those most deprived in rural Wales and those that have limited scope to change their circumstances

6. Develop the resilience and capability of rural communities so that they are better able to cope with and adapt to change.

9. Key areas for intervention will include:

- drawing up of community / village development plans to build in resilience and sustainability and address key, locally identified needs and poverty in its widest form
- investments in small scale infrastructure including renewable energy
- investment in ICT provision including next generation broadband and digital inclusion
- investments in local basic services to improve access, increase the non-statutory services such as childcare, and help develop options for service delivery through locally-led social enterprise models
- access to advice services and information about financial services
- rural transport where economies of scale can require regional intervention in rural transport initiatives, supported by community based leadership and to help address specific local issues
- investments in recreational / tourist infrastructure which clearly link to health, education or employment prospects for households on low incomes
- studies or investments in cultural and natural heritage which clearly linked to health, education or employment prospects for households on low income
- investments in relocation of activities for environmental / quality of life reasons.
ANNEX F

TACKLING POVERTY – FURTHER GUIDANCE

1. All projects supported through RCDF must make a contribution to the overarching Tackling Poverty Action Plan, published in July 2013, which includes targets and milestones aimed at reducing poverty in Wales. The key priorities within the Action Plan are as follows:

   - Early years – experiences in early life are profoundly influential on a person’s future. Early development of language and cognitive skills are vital, as is access to high quality childcare which allows parents to work
   - Educational attainment – children who receive free school meals tend to do less well at school than other children. This is unacceptable and we are seeking to reduce the gap in attainment
   - Young people not in employment, education or training (NEETs) – young people are more likely to do well and fulfil their potential if they remain in education, training or employment. We want to ensure that all young people have access to opportunities and are willing and able to take them up
   - Reducing the number of workless households – work is the best means out of poverty. We want to support people to find sustainable employment and have committed to providing 5,000 opportunities for people from workless households
   - Ensuring equal access to high quality healthcare – people in poverty are less likely to have access to high quality healthcare, despite the fact that they are more likely to have health issues. We want to reduce the inequality of healthcare provision
   - Housing and regeneration – good quality housing and the environment in which you live are hugely important to the lived experience of poverty and bring many benefits. We want to improve the quality of housing in poorer communities and make places more pleasant for people to live.

2. The main tool used in assessing deprivation is the Wales Index of Multiple Deprivation (WIMD) which is a measure of concentrations of deprivation. In rural areas, people living in poverty tend to be more geographically dispersed than in urban areas and so these areas do not appear in the top quartiles of the Index. This often masks the true situation and although there are few areas of high multiple deprivation in our definition of Rural Wales, there are still significant numbers of people living in poverty dispersed through the region.

3. Over a wider range of measures, rural Wales tends to be better off than the rest of Wales. These include average incomes, rates of benefit claimants, educational standards, health standards and crime rates. However, it must also be recognised that while the rural areas are generally better than the Wales average on these measures, this does not mean that there are no problems or that the level of problems is acceptable. The evidence shows that there are people living in poverty in rural areas who need the same sort of assistance as people living in poverty everywhere else.
4. We also need to consider ways in which deprivation – and the experience of deprivation – might be different in rural areas. Some issues, such as fuel poverty, are thought to occur more in rural areas. There is also evidence that the cost of living can be higher in rural areas. Most obviously there is the issue of accessability. In rural areas it will usually be more difficult to get access to the range of services that support the disadvantaged.

5. It is a priority of the Welsh Government to help develop the resilience and capability of our communities so they hold up under the strain of welfare reform and continue to grow and thrive. Welsh Government recognises that the challenges facing people living in poverty in rural communities will be different from the challenges in the more populated areas of Wales and are committed to tailoring the responses and solutions to local needs.

6. Some families across Wales face difficulties in accessing childcare related to inflexible opening times, a lack of holiday and wrap around care, and gaps in Welsh medium and bilingual provision. These issues are often exacerbated for families living in rural areas where there are specific issues related to travelling long distances to access provision. These include the number of places, choice and type of childcare available as well as specific rural economic issues affecting the sustainability of childcare settings. This can make it more difficult for families (and particularly women as second earners) to work, and increases the likelihood of families being in poverty.

7. Access to advice services can be more difficult for people living in rural areas due to issues such as travel and fuel costs. The Welsh Government’s Advice Services Review in May 2013 highlighted the importance of flexibility in service responses. Use of telephone and video link services are particularly beneficial for those in rural areas. The Welsh Government is working closely with the Independent Advice Providers Forum to identify ways in which this can be achieved. This includes consideration of our approach to the funding of advice services in the future, including consideration of the needs of people living in the more rural parts of Wales.

8. Maintaining access to mainstream financial services to tackle the problem of financial and social exclusion in rural Wales is important. The Access to Financial Products through Credit Unions project is designed to help meet this demand by providing access to financial products that are simple, transparent and affordable.

9. Digital exclusion can be a particular issue in rural communities, particularly amongst those with low incomes. Poorer households across Wales are less likely to have internet access in their home. This is exacerbated in rural areas by poor access to good quality broadband. Furthermore, being digitally excluded can often lead to social isolation from local communities. Free public internet provision in places such as libraries is also harder for people from deprived communities in rural areas to access, due to fewer venues compared to more urban areas and less accessible public transport links and further travel distances.
ANNEX G

PRIORITY AND FOCUS AREA DESCRIPTION

Regulation (EC) 1305/2013 presents the following Objectives:
- Fostering the competitiveness of agriculture
- Ensuring the sustainable management of natural resources and climate action
- Achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment.

There are 6 EC Rural Development Priorities which set the context for the EAFRD:
1) Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas
2) Enhancing competitiveness of all types of agriculture and enhancing farm viability
3) Promoting food chain organisation and risk management in agriculture
4) Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry
5) Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors
6) Promoting social inclusion, poverty reduction and economic development in rural areas.

These Priorities are broken down into 18 Focus Areas:

<table>
<thead>
<tr>
<th>Priority 1: Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Fostering innovation and the knowledge base in rural areas</td>
</tr>
<tr>
<td>(b) Strengthening the links between agriculture and forestry and research and innovation</td>
</tr>
<tr>
<td>(c) Fostering lifelong learning and vocational training in the agricultural and forestry sectors</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 2: Enhancing competitiveness of all types of agriculture and enhancing farm viability</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification</td>
</tr>
<tr>
<td>(b) Facilitating generational renewal in the agricultural sector</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 3: Promoting food chain organisation and risk management in agriculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations</td>
</tr>
<tr>
<td>(b) Supporting farm risk management</td>
</tr>
</tbody>
</table>

| Priority 4: Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry |
(a) Restoring and preserving biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes
(b) Improving water management
(c) Improving soil management

**Priority 5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors**

(a) Increasing efficiency in water use by agriculture
(b) Increasing efficiency in energy use in agriculture and food processing
(c) Facilitating the supply and use of renewable sources of energy, of by products, wastes, residues and other non-food raw material for purposes of the bio-economy
(d) Reducing nitrous oxide and methane emissions from agriculture
(e) Fostering carbon sequestration in agriculture and forestry

**Priority 6: Promoting social inclusion poverty reduction and economic development in rural areas**

(a) Facilitating diversification, creation of new small enterprises and job creation
(b) Fostering local development in rural areas
(c) Enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas