ABSTRACT:
This report notes the success of the Angus Rural Grant scheme (AREGs) 2009 - 2010

1. RECOMMENDATIONS
1.1 It is recommended that the Committee:
   i) Note the success of the Angus Rural Enterprise Grant scheme 2009-2010; and
   ii) Note that this scheme has been discontinued for the reasons given in this report.

2. INTRODUCTION
2.1 Reference is made to Article 5 of the minute of meeting of the Infrastructure Services Committee of 2 June 2009, which records that the Committee agreed:-
   (i) to note the past success of the Angus Rural Enterprise Grant scheme;
   (ii) to note the recent changes in financial support to the Scottish rural economy;
   (iii) to approve a further contribution of £10,000 from the Council to rural projects not otherwise supported by other funding schemes;
   (iv) to authorise the Head of Economic Development to review the eligibility criteria of the Angus Rural Enterprise Grant scheme and to implement the changes, as detailed in the Report;
   (v) to approve the reduction in the upper grant limit to £2,500 and to grant authority to the Head of Economic Development to approve grants of up to £2,500 without further reference to this Committee; and
   (vi) to note that a further Report with recommendations to proceed with Angus Rural Enterprise Grant schemes may be submitted to a future Committee cycle for the following financial year.

3. BACKGROUND
3.1 The Angus Rural Enterprise Grant scheme 2009-2010 opened in June 2009. Essentially, the scheme remained unchanged but there were minor modifications.

3.2 The review of the eligibility criteria excluded community groups from the grant recipients, capped the grant award at £2,500.

3.3 The criteria was amended to specify additional types of project that could be funded (i.e. organisation and holding of conferences, identification and implementation of feasibility studies and the development of new initiatives) and to highlight the ability to seek match funding from appropriate grant schemes, such as the Rural Tayside LEADER programme.
4. OUTCOMES FROM THE 2009-2010 SCHEME

4.1 The scheme was successful in that a total of 6 grants (totalling £7,867) were awarded to five Angus small business groups throughout the year. These are listed in the attached table (see Appendix 1). A sum of £2,133 remained unspent partly because an additional application by Angus Potato Ware Group for £1,500 was subsequently withdrawn after putting their project on hold for some time.

4.2 Despite receiving state-aid authorisation to proceed from the Scottish Government, the Angus Potato Ware Group withdrew their application as the Group decided that the Industrial Alcohol route for unsold ware (potatoes) was a complete non-starter due to pricing and complications of Excise problems. The alternative of forming a localised marketing unit for seed potatoes was rejected due to possible duplication and the impact of weather on the crop.

4.3 Grants varied from between £403 and £2,500. The awards of £7,867 levered an additional £20,329 investment. Rates of grant ranged from 12% to 50%. The estimated outcomes from this scheme are that the one-year grant assisted 79 businesses, safeguarded 9 jobs and attracted 1,056 visitors to Angus.

4.4 The AREGs closed as scheduled on 31 March 2010.

5. CURRENT FUNDING POSITION

5.1 More recently, more Angus rural business groups became have formally constituted themselves enabling them to attract a wider range of funding opportunities e.g. Leader Funding.

5.2 The Committee will be aware from the previous report in June 2009 that there is now a single instrument for rural development policy, the Scottish Rural Development Programme (SRDP) 2007-2013. The SRDP aims to improve the quality of life and diversification of the rural economy and provides funding for new approaches to rural development including through the LEADER Programme, which was mainstreamed into the SRDP for 2007-2013. Since the 2009 report, the intervention rate for LEADER projects has been extended from 50% up to a maximum of 90%, where deemed appropriate, for the remainder of the Programme.

5.3 The committee will also be aware that local tourism businesses receive support for collaborative product development and marketing through Angus Council’s participation in an ERDF (European Regional Development Fund) rural tourism project. Rural community projects are also eligible for support through a range of community grant schemes, the most relevant of which is the Angus Council Community Grant Scheme (ACCGS).

5.4 For the reasons outlined above it is the view of the Head of Economic Development and Environmental & Consumer Protection that because there are sufficient alternative funding sources available and there is insufficient justification for this funding scheme to be continued. Demand for such funding will however continue to be monitored.

6. FINANCIAL IMPLICATIONS

6.1 The grants of £7,867 in total issued in 2009/10 were met from the Economic Development revenue budget for that year.

7. HUMAN RIGHTS IMPLICATIONS

7.1 There are no Human Rights implications arising from this report.
8. EQUALITIES IMPLICATIONS

8.1 The issues dealt with in this report have been the subject of consideration from an equalities perspective (as required by legislation). An inequalities impact assessment is not required.

9. SINGLE OUTCOME AGREEMENT

9.1 This report contributes to three of the fifteen local outcome(s) contained within the Single Outcome Agreement for Angus:

- We live in a Scotland that is the most attractive place for doing business in Europe (sustainable business growth is achieved);
- We value and enjoy our built and natural environment and protect it and enhance it for future generations (the importance and benefits to society of the environment is recognised);
- We take pride in a strong, fair and inclusive national identity (growth in tourism in Angus is achieved; a good quality of life is enjoyed by all in Angus);

9.2 It could also contribute to a fourth local outcome "We are better educated, more skilled and more successful, renowned for our research and innovation". Research is carried out elsewhere but as the findings show is a direct benefit to the Angus economy.

10. CONSULTATION

10.1 The Directors of Law & Administration and the Head of Finance have been consulted in the preparation of this report.

11. CONCLUSION

11.1 The Angus Rural Enterprise Grant scheme has made a small but significant contribution to the development of small business projects and the communities in rural Angus over the past three years, 2007-2010.

ERIC LOWSON
DIRECTOR OF INFRASTRUCTURE SERVICES

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:
### Angus Rural Enterprise Grant scheme 2009-2010

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Date Requested</th>
<th>Total Project Cost (£)</th>
<th>Purpose</th>
<th>Grant Requested (£)</th>
<th>Amount Awarded (£)</th>
<th>% of Project costs</th>
<th>Balance of Available budget (10k)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moray Firth Partnership*</td>
<td>04/08/2009</td>
<td>12,430.00</td>
<td>Survey: Participation in research project into bottlenose dolphins on the East coast of Scotland</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>12%</td>
<td>8,500.00</td>
</tr>
<tr>
<td>The Courtyard Peel Farm</td>
<td>12/10/2009</td>
<td>1,000.00</td>
<td>Christmas Promotion for group of local businesses</td>
<td>500.00</td>
<td>500.00</td>
<td>50%</td>
<td>8,000.00</td>
</tr>
<tr>
<td>Angus Council (The Great ESCape)</td>
<td>26/01/2010</td>
<td>3,033.00</td>
<td>Tourism Project in Glen Esk</td>
<td>500.00</td>
<td>500.00</td>
<td>15%</td>
<td>7,500.00</td>
</tr>
<tr>
<td>Outdoor Angus Group (Chairman)</td>
<td>15/03/2010</td>
<td>6,000.00</td>
<td>Business Plan (match funding for LEADER)</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>42%</td>
<td>5,000.00</td>
</tr>
<tr>
<td>Angus Council (BIG Idea Group)</td>
<td>22/03/2010</td>
<td>4,928.00</td>
<td>Open Events in Glen Esk</td>
<td>2,464.00</td>
<td>2,464.00</td>
<td>50%</td>
<td>2,536.00</td>
</tr>
<tr>
<td>The Courtyard, Peel Farm</td>
<td>26/03/2010</td>
<td>805.00</td>
<td>Joint Leaflet/Postcards for Peel Farm businesses</td>
<td>403.00</td>
<td>403.00</td>
<td>50%</td>
<td>2,133.00</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td><strong>28,196.00</strong></td>
<td></td>
<td></td>
<td><strong>7,867.00</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* The funding given to the Moray Firth Partnership enabled the production of a report entitled “The Value of Tourism Expenditure related to the East of Scotland Bottlenose Dolphin Population”. This was undertaken by the Aberdeen Centre for Environmental Sustainability and the Moray Firth Partnership. This study estimated that the total direct tourism expenditure resulting from the presence of the east coast bottlenose dolphin population is around £4m annually providing 202 full time equivalent jobs. This is based on spending by an estimated 52,200 overnight visitors of which around 17,100 (33%) consider seeing dolphins to be the main reason for their visit. Whilst the Angus and Dundee area share of this is only around 4%, the study will influence future strategies aimed at highlighting the potential for this activity.