

## **RURAL DEVELOPMENT GROWTH PROGRAMME FOR ENGLAND APPLICATION FOR FUNDING**

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**Annexes/Appendices (attached):** Annex 1: Full Application Status Report, dated 7 June 2019  
**Other available papers (not attached):**

### **Report summary**

Following a successful Expression of Interest for EU rural funding to support the development of visitor signage and appropriate infrastructure on Epsom & Walton Downs, the Conservators in October 2018 agreed to support the development of a full EAFRD application bid based on the project identified within the Expression of Interest and a budget of £6,300 was approved to develop the full application.

This report seeks authority to submit the full application for funding.

### **Recommendation (s)**

**That the Conservators agree:**

- (1) to note progress of the European Agricultural Fund for Rural Development (EAFRD) bid based on the Expression of Interest;**
- (2) to the submission of the full EAFRD application bid;**
- (3) to maximise the proportion of the grant which can be used to fund new signage by asking Epsom and Ewell Borough Council to arrange for the installation of all new signage and the removal of any redundant signs;**
- (4) that in the event that a bid is successful, to delegate to the Clerk to the Conservators, in consultation with Chair and the Vice Chair, the approval of and completion of any contract or funding agreement with the Rural Payment agency for an award of funding.**

# Epsom and Walton Downs Conservators

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### 1 Background

- 1.1 The Epsom and Walton Downs is recognised for its unique racing heritage, however it lacks a formal identity, sense of arrival and supporting infrastructure for both residents and visitors alike.
- 1.2 Initial scoping has been undertaken to review possible investment in carefully selected entry signage, trail signage and visitor infrastructure to help improve the identity of the Downs and to create better linkages between the town centre and the wider Downs.
- 1.3 The overarching theme of the Expression of Interest is set out in para 1.10 of Annex 1. The aim was to 'sustainably develop the 600 acre Epsom & Walton Downs as an all-year visitor destination, recognising and celebrating the areas racing heritage and adjacency to the Epsom racecourse', para 1.11, Annex 1.
- 1.4 With the use of infrastructure and signage, visitors would be able to confidently navigate over the 600 acres of open space and would serve to educate visitors on the importance and heritage of the horse race industry.
- 1.5 The EAFRD fund is a capital only fund, normally requiring 60% own funding, versus 40% grant funding. However, for public bodies with projects that do not generate income, the grant funding percentage can be increased significantly. Commercial funding applications are normally limited by State Aid De-Minimus rules, notionally £175,000 at prevailing exchange rates. Public sector applications are not limited by De-Minimus but the Rural Payments Agency (RPA), the body which assesses bids, assess whether bids demonstrate good value for money and economic growth outputs are considered, such as an increase in visitor numbers, extension of the season, and spin-off economic growth for related sectors.
- 1.6 The Conservators submitted an Expression of Interest for a bid of £142,500 predicated on a private sector contribution of £7,500 from the Jockey Club and £20,000 revenue funding from the Conservators.

### 2 Progress Update

- 2.1 The full application status report is contained at Annex 1. The June 2019 update on the project is set out from para 2. The proposal, if agreed, is to submit the final bid by the end of June.
- 2.2 The EAFRD funding is 100% predicated around developing the visitor economy therefore all the project interventions must be viewed through this perspective, rather than the additional benefits around safety and replacement of signage, way markers etc. To have any chance of success in securing the EAFRD grant funding the project must focus on creating a leisure "product" for walkers, riders and cyclists visiting the Epsom Downs.

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- 2.3 The application proposal focusses on delivering the stated aim and the first three objectives within our Expression of Interest (and not D), which are outlined at para 1.11, Annex 1, namely:

### **Our aim**

To sustainably develop the 600 acre Epsom and Walton Downs as an all-year visitor destination, recognising and celebrating the areas racing heritage and adjacency to the Epsom Racecourse.

### **Our objectives**

- A: using infrastructure, signage and interpretation create a strong visual identity and branding for Epsom & Walton Downs with clear connections to the racing industry.
- B: provide clear directional aids across the Downs to help visitors explore, including routes from the town centre to the Downs, with routes suitable for walking and cycling.
- C: use interpretation and innovative signage to provide historical information, points of interest, and links to accommodation, restaurants, local attractions (such as the Woodland Trust's Centenary Wood) and other local businesses.
- 2.4 This will be delivered via the introduction of an extensive package of new interpretation and information signage, way markers, simple seating and leisure route development across the Downs intervention area. These will be in keeping with the rural context of the Downs and primarily manufactured from quality hardwoods and natural materials. Further details are outlined in Annex 1 to this report.
- 2.5 The case will be made to the RPA for the deletion of objective D: *provide three iconic gateways to the Downs included within the Expression of Interest for the following reasons:*
- (i) The obvious roundabout location outside the main stands presents significant civil engineering challenges that would in themselves utilise most of the grant budget as well as adding a huge extra complexity in dealing with service utilities and highway authorities, thereby adversely impacting the project's deliverability
  - (ii) A selection of alternative locations for iconic statues or structures was considered although indicative costs of commissioning such works again appear prohibitively expensive in relation to the total budget and wider stated project delivery requirements.

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- (iii) Feedback from other EAFRD projects indicates that commissioning creative artwork is an extremely difficult process in which to adhere to the RPA's strict procurement rules. The requirement to have three like-for-like quotations is virtually impossible when procuring something that is a creative object.
- 2.6 Our experienced Economic Development Advisors advise that the key parts for a successful outcome at this stage of the process are:
- 2.6.1 meeting all the EFRD fund criteria including a robust business case, the strength of the applicant,
  - 2.6.2 the ability to deliver within the contract period and
  - 2.6.3 to have a legacy plan in place for ongoing maintenance and
  - 2.6.4 show a wide range of evidenced partner and stakeholder support for the project.
- 2.7 It should be noted that the invitation to full application is not a guarantee of funding. The full application process is still highly competitive and the full application pipeline of EAFRD projects is larger than the total fund available. However, the Expression of Interest attrition rate is high for well-developed and well-supported projects with the ability to deliver the agreed outputs.

### **3 Financial and Manpower Implications**

- 3.1 Current indicative costings which are being finalised for the whole of the area including all the main access points onto the Downs but excluding signage removal, delivery, installation and VAT (which would be irrecoverable), are coming in at circa £160,000-£170,000.
- 3.2 The draft specification has included all crossover points and conflict areas, plus a number of viewpoints within the Downs in terms of additional seating, but any additional requirement for combinations of finger post arms and wayfinder icons may add to the indicative costing.
- 3.3 The indicative costings are expected to exceed the provisional capital budget of £150,000 specified in the EoI, which provisionally consists of £142,500 from EAFRD and £7,500 from the Jockey Club.
- 3.4 Experience with the RPA in other applications is that if a compelling case is made to increase the stated EoI budget based on more accurate costings and evidenced justification, such an increase in budget can sometimes be achieved.

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- 3.5 Should such justification not be achieved, the scope and specification of the packages could be proportionally reduced to the original EoI level by focusing on visual identity, interpretation and trails, and priority multi-user intersection areas.
- 3.6 The indicative prices received so far exclude the removal of old signage and costs of installing the new signage. This could amount to 30-40% of the total indicative costs. Discussions are taking place with EEBC whether the hours to do this could be supplied as an in-kind contribution to the project. This in-kind contribution would be 'below the line' from the intervention rate calculation but would maximise the capital grant element. Further discussions are needed, but initial feedback has been supportive.
- 3.7 The design fees for the graphic artwork and mapping, artwork and set-up costs for the racing heritage etched or engraved branding, project management of final siting and installation have yet to be finalised and included.
- 3.8 **Chief Finance Officer's comments:** Should the final costings exceed the budget, in the first instance it is envisaged that additional funding would be requested from the RPA. Were this request unsuccessful, the project team would need to consider either scaling back the specification to within budget, or seek an alternative funding source (none currently identified) to make up any deficit.
- 3.9 At 31 March 2019, the Conservators' working balance reserve stands at £66,224. The Conservators also hold a Repairs and Renewals fund with a balance of £36k, which can be used for unforeseen maintenance works.

#### **4 Legal Implications (including implications for matters relating to equality)**

- 4.1 If the Conservators proceed with the submission and are successful, the Rural Payments Agency will require the parties to enter into a funding agreement to ensure that the project is delivered in accordance with their standard terms and conditions.

#### **5 Sustainability Policy and Community Safety Implications**

- 5.1 If successful, this project will ensure that the Downs contributes to the borough's economic sustainability and will promote the site as a year round visitor destination.
- 5.2 Improved signs will help visitors to navigate the area confidently and safely and will ease conflict between the various user groups.

#### **6 Partnerships**

- 6.1 We will be required to consult with the appropriate partners and stakeholders such as Surrey CC, Visit Surrey CIC, adjacent authorities

#### **7 Risk Assessment**

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7.1 Potential risks include:

7.1.1 Not receiving the required planning consents

7.1.2 Not receiving the required private sector match funding

7.1.3 Our full application is unsuccessful

7.1.4 The EAFRD fund is oversubscribed

## **8 Conclusion and Recommendations**

8.1 Progressing the Expression of Interest to a second stage application presents a rare opportunity to inject significant capital investment in to this unique and historically important landmark.

8.2 It is recommended that the EAFRD Epsom & Walton Downs EAFRD application is supported and submitted.

**Ward(s) Affected:** College Ward; Woodcote Ward;