

## **RURAL DEVELOPMENT FUND – VISITOR TRAILS AND WAYFINDER PROJECT UPDATE**

**Head of Service:** Mark Shephard, Head of Property and Regeneration

**Wards affected:** College Ward; Town Ward; Woodcote and Langley Vale Ward;

**Appendices (attached):**

### **Summary**

This report is to update Conservators on the completion of the visitor trails and wayfinder project and final grant claim submission.

### **Recommendation (s)**

**The Conservators are asked to:**

**(1) Note the completion of the project.**

### **1 Reason for Recommendation**

1.1 To update Conservators on completion of the visitor trails and wayfinder project.

### **2 Background**

2.1 In August 2021, formal confirmation was received that a bid to the European Agricultural Fund for Rural Development (EAFRD) had been successful, and that a project to install visitor trails and wayfinder signage on the Downs could commence.

2.2 To secure the external funding, Conservators had to commit £20,000 match funding from the working balance reserve, which was subsequently increased to £21,216 (agreed at Conservators' November 2021 meeting) to fund additional waymarking discs.

### **3 Project Completion**

3.1 The majority of the project work has now been completed, within the revised March 2023 project deadline. The new infrastructure on the Downs will deliver lasting benefits and improve the visitor experience.

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- 3.2 The final draft of artwork for the information boards is in the process of being agreed and is programmed to be signed off and installed by the end of June 2023.
- 3.3 Following completion of the work, the final grant claim with the EAFRD has been settled. However, in determining the final grant claim, a funding shortfall of £11,422 relating to VAT has been identified.
- 3.4 The original June 2019 report to Conservators, which set-out to the project, confirmed that VAT would be irrecoverable from HMRC (paragraph 3.1) – this is because EWDC is not a VAT registered body.
- 3.5 However, the funding agreement with EAFRD states at section 6 “You declared in the Application that you are registered for Value Added Tax (“VAT”) and will not be including VAT in your grant claims”.
- 3.6 As EWDC is not registered for VAT, the VAT elements of any expenditure will therefore have to be met from Conservators’ own reserves, as they cannot be reclaimed from HMRC, nor from EAFRD.
- 3.7 Whilst the project plan included a planned revenue contribution by Conservators of £21,216, the unrecoverable VAT and expenditure on the project totals £32,638. This means that there is a final funding shortfall of £11,422, which has been reported as a cost pressure within the final 2022/23 revenue account (see separate agenda item 3) and will be funded from the Conservators’ working balance reserve.
- 3.8 As the project was principally funded by the European Agricultural Fund, which closed in 2022, officers are unable to approach the EAFRD for additional funding to cover the VAT liability.

## 4 Risk Assessment

### Legal or other duties

- 4.1 Equality Impact Assessment
  - 4.1.1 None arising from the contents of this report.
- 4.2 Crime & Disorder
  - 4.2.1 None arising from the contents of this report.
- 4.3 Safeguarding
  - 4.3.1 None arising from the contents of this report.
- 4.4 Dependencies
  - 4.4.1 None arising from the contents of this report.
- 4.5 Other

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4.5.1 None arising from the contents of this report.

### 5 Financial Implications

- 5.1 The working balance reserve will stand at £41,142 as at 31 March 2023, as reported in the separate 22/23 final accounts report (agenda item 3).
- 5.2 The 2023/24 budget includes provision for an annual contribution of £6,000 back to the working balance, to replenish this reserve over time.
- 5.3 **Section 151 Officer's comments:** Financial implications are included in the body of the report.

### 6 Legal Implications

- 6.1 None.
- 6.2 **Legal Officer's comments:** None arising directly from this report

### 7 Policies, Plans & Partnerships

- 7.1 **Council's Key Priorities:** Not relevant to this report.
- 7.2 **Service Plans:** The matter is/is not included within the current Service Delivery Plan. Not relevant to this report.
- 7.3 **Climate & Environmental Impact of recommendations:** None.
- 7.4 **Sustainability Policy & Community Safety Implications:** None.
- 7.5 **Partnerships:** None.

### 8 Background papers

- 8.1 The documents referred to in compiling this report are as follows:

#### **Previous reports:**

- Rural Development Growth Programme for England Application for Funding, June 2019
- Rural Development Fund – Visitor Trails and Wayfinder Project Progress, November 2021

#### **Other papers:**

- Final Accounts 2022-23, June 2023