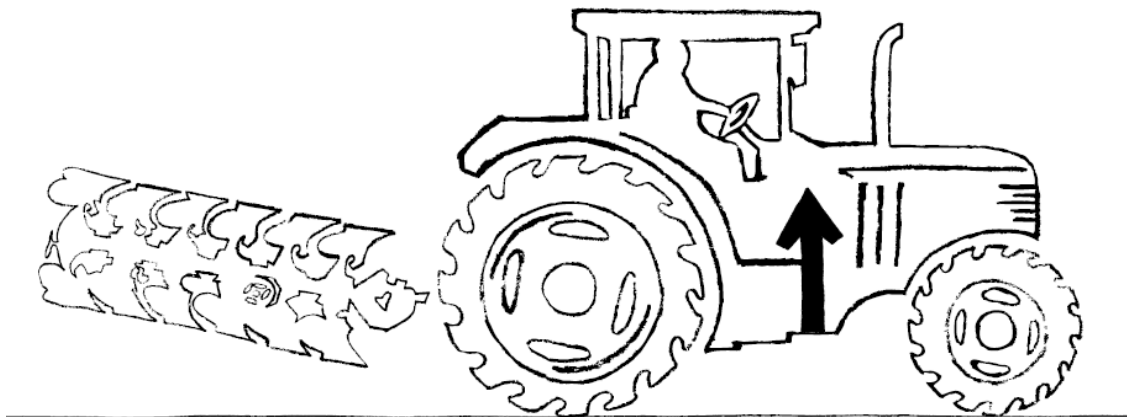


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# Rural Development Programme for England (RDPE) Business Support

## FARM RESOURCE IMPROVEMENT PROGRAMME (FRIP)



## FARMERS HANDBOOK Round Three

**SEDA** SOUTH EAST  
ENGLAND  
DEVELOPMENT  
AGENCY  
*Working for England's World Class Region*



The European Agricultural  
Fund for Rural Development:  
Europe investing in rural areas

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## Rural Development Programme for England (RDPE)

The RDPE consists of elements referred to as Axes;

### Axis 1

Improving the competitiveness of the agricultural and forestry sector

### Axis 2

Improving the environment and the countryside

### Axis 3

Quality of life in rural areas and diversification of the rural economy

The South East England Development Agency (SEEDA) is responsible for the delivery of Axes 1 and 3 across the South East and London. The Rural Development Programme for England (RDPE) is jointly funded by the EU, through the European Agricultural Fund for Rural Development and the UK Government.

## Introduction to Farm Resource Improvement Programme (FRIP)

FRIP is a programme of support, which sits within RDPE. It has been developed to help farmers and horticultural businesses in South East of England and London to **improve competitiveness through resource efficiency and animal health and welfare practices**. FRIP is a sub-programme under RDPE which aims to simplify the application process and will provide grants up to £25,000 per farm business throughout the lifetime of FRIP. Grants above £25,000 may be available through other RDPE application routes. You should speak to a member of the SEEDA RDPE team to discuss the most appropriate route for your project.

The overall aim of FRIP will be to achieve the following objectives:

- Reduce energy usage
- Improve the management of manures/farm nutrients
- Improve animal health and welfare
- Water resource management

This handbook has been designed to help applicants get the most from FRIP. Whilst we have tried to explain and cover the majority of eligible items it is not possible to cover everything, and if you have a project which you think fits into one of the above objectives and is not covered in this handbook then you should contact the RDPE Team before making an application (Please see page 14 for contact details).

## How much funding is available?

The **maximum** grant rate available from FRIP is 40% for animal health and welfare projects and 50% for all other projects. The maximum grant allowable for each farm business (as identified by a farms SBI) is £25,000 during the lifetime of FRIP.

## Application Process

FRIP will be open for applications from 15<sup>th</sup> February 2010 to 31<sup>st</sup> December 2011 and will operate in rounds. The dates of the application rounds are available on the SEEDA website - [www.seeda.co.uk/rdpe](http://www.seeda.co.uk/rdpe).

### The closing date for applications under Round 3 is 6<sup>th</sup> August 2010

Please note that this is a prior approval process and **you must not commit to buying or ordering any equipment which is specifically related to this grant application until an Offer Letter has been received and you have been provided with an official start date by SEEDA**. Failure to adhere to this requirement will invalidate your grant award.

FRIP cannot be used to fund:

- **direct replacements,**
- any equipment which is regarded as being **standard agricultural equipment,**
- a **legislative requirement,** or
- an **industry obligation** (e.g. Standard Management Requirement for Single Farm Payment).

The selection process for FRIP is **competitive**. This means that there is **no guarantee of success** and not all projects which are eligible will be awarded grant, or at the amount of grant requested. Please note that incomplete applications will not be appraised until all the required information has been submitted.

Applicants need to bear in mind that it is a requirement to provide evidence in your application that you have the funds available to bank roll the project prior to claiming the grant. This is because the grant is paid in arrears on the submission of **original invoices** and **proof of payment** (e.g. bank statements).

## Who can apply?

Farmers in the South East of England and London can apply. This includes dairy, suckler beef, beef finishing, sheep, pigs, poultry and arable.

The program is designed specifically to provide support to the livestock sector and as such priority for funding will be to livestock farmers. However in the case of water resource management applications will be accepted from horticultural businesses.

In the case of nutrient management, applications will be accepted from arable farmers and farm contractors for specific eligible equipment i.e. for slurry application, which will aid nutrient management on livestock farms.

Applicants should be registered with the Rural Payments Agency (RPA), or be willing to register to be able to receive the grant payment. To demonstrate that you are operating an agricultural business you will be asked to provide your business accounts for the last 2 years.

## Types of projects covered by FRIP

Funding is available under the following headings:

- Nutrient management (50% grant rate)

**OBJECTIVE: Improve farm profitability through sustainable farming practices by encouraging farmers to invest in and adopt practices that improve the nutrient management of the slurries and manures leading to an increase in the quality of crops and decreasing the cost of production. Projects should also reduce the reliance on artificial fertiliser, decreasing the likelihood of diffuse pollution.**

Under Nutrient Management, whilst non-livestock farmers are eligible to apply they need to be aware that SEEDA's priority will be to support livestock farmers.

Eligible items must achieve the above objective, be over and above standard farm practice, not be a legislative requirement or an industry obligation and fit with your current farm nutrient management plan.

Examples of eligible items include the following; however this list is not exhaustive:

- Slurry distribution kit by way of dribble bars/bandspreader, trailing shoe, open slot shallow injection and deep injection for use with existing tankers or umbilical systems
- Mechanical slurry separator systems and nutrient testing kits

- Supplementary pieces of equipment to the above slurry application kit by way of macerators and application rate monitors
- Global Positioning System (GPS) as part of a nutrient management programme
- Roofing for the following **existing** areas on the farm where it is in accordance with a current nutrient management plan:
  - Slurry stores
  - Slurry lagoons
  - Silage clamps

If you are considering an item that achieves the given objective but which is not listed above, please contact the RDPE Team to clarify the eligibility of the item prior to making an application to FRIP.

The following items are **not** eligible for funding under FRIP:

- Slurry/manure stores
- Additional rings on existing slurry stores
- Slurry tankers
- Muck spreaders
- GPS equipment specifically for sprayers and combines or for the application of purely artificial fertiliser

If you would like to apply for nutrient management equipment, you will need to complete the FRIP Application Form Part 1 and the FRIP Application Form Part 2 – Nutrient Management.

You will also need to provide a copy of the farm's nutrient management plan and a copy of the farm's soil protection review 2010 (PB13311). If you do not have a specific nutrient management plan you can provide a completed copy of leaflets 4, 5 and 8 of the Guidance for Farmers in Nitrogen Vulnerable Zones.

If you are a contractor applying to FRIP you will need to provide letters from your customers stating the volume of manures to be spread and the size of the area that they will be applied to.

- **Energy efficiency (50% grant rate)**

**OBJECTIVE: Improve farm profitability through sustainable farming practices achieved by the recovery or reduction of energy on farm resulting in a reduction of farm energy bills and carbon dioxide emissions.**

Eligible items must achieve the above objective, be over and above standard farm practice and not be a legislative requirement.

Examples of items might include the following; however this list is not exhaustive:

- Heat recovery systems such as heat exchangers, gel coolers, plate coolers ice builders (where separate from the standard bulk milk tank) and similar resource/energy saving equipment. *Please note that preference will be given to systems that capture and RE-USE heat elsewhere on the holding.*
- Energy efficiency projects such as variable speed drives associated with dairy vacuum pumps.

If you are considering an item that achieves the given objective but which is not listed above, please contact the RDPE Team to clarify the eligibility of the proposal for FRIP prior to making an application to FRIP.

The following items are **not** eligible for funding under FRIP, nor are they eligible under RDPE:

- Bulk tank upgrades except in cases where you can prove considerable resource efficiency. However please note that only the costs associated with the increased resource efficiency element will be eligible for grant aid.
- Dairy Vacuum pumps which are not associated with a variable speed drive

If you would like to apply for energy efficiency equipment, you will need to complete the FRIP Application Form Part 1 and the FRIP Application Form Part 2 – Energy Efficiency.

- **Water resource management (50% grant rate)**

**OBJECTIVE: To improve farm profitability through sustainable farming practices achieved by reducing the reliance of the farm business on mains water through the harvesting, recycling and re-use of rainwater on the farm.**

Eligible items must achieve the above objective, be over and above standard farm practice and not be a legislative requirement. The following activities are examples of the type of expenditure which may be considered for grant aid.

- Project design
- Purchase and installation of rainwater harvesting equipment
- Recycling and re-use facilities – including pumps, filters etc.

If you are planning expenditure which you believe achieves the stated objective, but is not listed above, please discuss your proposal with one of the RDPE team before proceeding in order to clarify the eligibility or otherwise of your project idea.

In obtaining quotes for the work, you are advised to make your contractor aware of the possible need for compliance with the Water Supply (Water Fittings)

Regulations 1999, and the Code of Practice in respect of Rainwater harvesting systems as described in BS 8515:2009.

Please note that boreholes are **not** eligible for funding under FRIP, nor are they eligible under the RDPE:

**NB. Applicants need to be aware that there is an £8,000 minimum grant limit on water management grants under FRIP; at the maximum grant rate of 50%, this represents a minimum project cost of £16,000. This £16,000 project cost must be solely for the type of works described above; it cannot be made up from other eligible project costs under FRIP.**

If you propose to apply for a water resource management grant, you need to complete the FRIP application form Part 1 and the FRIP Form Part 2 – water Management. Wherever possible please complete the form on your computer as the form will carry out calculations on your behalf and will give an indication on the suitability or otherwise of your proposed storage capacity.

- **Animal health and welfare (40% grant rate)**

**OBJECTIVE: Improve the health and welfare of farm animals.**

Any application for equipment related to animal health and welfare must be supported by a Farm Health Plan undertaken by a vet. You can use an existing plan, as long as there is a recommendation from your vet of the need for the particular items of equipment for which you are seeking grant aid. However, you may also like to know that the National Farmers' Union have been funded by the RDPE to deliver a programme of heavily subsidised Animal Health Planning through Livestock Health South East. Your vet should already know about the Farm Health Planning project so please discuss this with them. Please note that not all items which may be recommended by vets will be eligible under FRIP.

Eligible items must achieve the above objective, be over and above standard farm practice, not be a legislative requirement or an industry obligation.

Examples of eligible items include the following; however this list is not exhaustive:

- High specification parlour improvements e.g. cluster flushing / auto-dipping systems, automatic electronic segregation gates
- Specialist equipment to significantly improve livestock performance recording and handling, e.g. turning crates, electronic weigh cells to upgrade existing handling facilities. (Please note we will only fund the uplift from a standard system which we have set at £485 (excl VAT) based on the cost of the IAE economy crush. This amount will be deducted from the eligible costs)
- Specialist grooving of **existing** concrete floors

- Specialist resurfacing of parlour flooring e.g. grooving of **existing** concrete or installation of rubber matting in the parlour
- Heat detection systems
- Specialised farm computer software and related eligible equipment with direct animal health & welfare benefits

The following items are **NOT** eligible for funding under FRIP as agreed on a national basis by all RDAs:

- Automatic (in or out of parlour) feeders and associated collars
- Livestock handling systems, including mobile handling systems. It is an industry obligation to have appropriate handling facilities for livestock where ever they are kept
- Automatic cluster removers (ACRs)
- Cow tracks
- Works intended to improve existing adequate ventilation in intensive / semi intensive livestock buildings (such as for young stock, pigs and poultry)
- Standard cubicle mats
- Livestock trailers
- Feed wagons/trailers
- Foot baths
- Feed mangers and troughs
- New buildings
- Concreting of yards or buildings

If you would like further advice on an animal health and welfare application, please contact the RDPE Team.

If you are already in receipt of your Farm Health Plan and would like to apply for equipment related to animal health and welfare which has been recommended for your farm, you will only need to complete the FRIP Application Form Part 1 and you will need to submit your Farm Health Plan to SEEDA plus the other supporting documents required as listed on page 11.

## How to apply for funding

The following information outlines the steps that you will need to take to apply for FRIP funding. Throughout the steps please feel free to contact the RDPE Team for further advice and guidance.

1. Contact the RDPE Team for the FRIP application forms and guidance or download them from the SEEDA website - [www.seeda.co.uk/rdpe](http://www.seeda.co.uk/rdpe)
2. Once you have read the FRIP guidance, decide which of the following schemes is most appropriate for your farm resource improvement project:
  - Nutrient management
  - Energy Efficiency
  - Water resource management
  - Animal health and welfare

Please note that you can apply for several items across the available headings as long as your business does not receive more than £25,000 grant over the lifetime of FRIP.

3. If you are looking to improve animal health and welfare on your farm, please refer to the animal health and welfare section of this document for further guidance on the application process.
4. If you are looking to improve your farm's efficiency under any of the other available project types, complete the appropriate forms (available via the different tabs on the application form) and submit your application to SEEDA for consideration. Every applicant must complete the FRIP Application Form Part 1. You will then need to complete the appropriate form from the list below:

FRIP Application Form Part 2 – Nutrient Management  
FRIP Application Form Part 2 – Energy Efficiency  
FRIP Application Form Part 2 – Water Management

Please note that you can apply for several items across the available headings but you only need to complete one FRIP Application Form Part 1. However you will need to complete a separate section of the application form for each area of funding you are applying for i.e. if you are applying for a rainwater harvesting system and a slurry injector you will need to complete FRIP Application Form Part 1, FRIP Application Form Part 2 – Nutrient Management and FRIP Application Form Part 2 – Water Management.

5. Submit the FRIP application form to SEEDA which **must** include the following supporting documentation:

- The latest two year's trading accounts for the applicant business.
- Confirmation of private funding source(s) e.g. banker's letter.
- Copies of planning permissions and consents (as required).
- For second hand equipment evidence that equipment meets current Health & Safety legislation and has at least 5 years life expectancy remaining.
- For tenant farmers you must include a copy of your tenancy agreement, which must have at least 6 years remaining. If relevant you will also need to provide evidence of the landlords consent.
- Three quotes for each item of expenditure (or alternative evidence as listed in the table below).

Value of Goods or Services	Procurement Method
£500 or below	Two written quotes or a reference to a catalogue listing to show the costs are reasonable
£501 to £1,500	Three written quotes or a reference to a catalogue listing to show the costs are reasonable
£1,501 and above	Three written quotes unless the goods or works can be shown to be of a specialist nature

- For Water Management applications, you must also show on the plan the location of the proposed water storage, location of pumps and the route of any pipework.
- For Animal Health and Welfare applications, you must also submit your farm health plan.
- For Nutrient Management, you must also submit nutrient management plan and soil protection plan. If you are a contractor you will need to provide letters from your customers stating the volume of manures to be spread and the size of the area that they will be applied to.

You will need to submit a hard copy of all documents (ensuring that the FRIP Application Form Part 1 has been signed) addressed to Helen Dallas, SEEDA, Cross Lanes, Guildford, Surrey, GU1 1YA. You will also need to email a copy of your application form to [frip@seeda.co.uk](mailto:frip@seeda.co.uk).

## What happens next?

Once your application has been received, the assessment team will appraise it and agree an outcome. We aim to notify you of a decision within four weeks, although this may be extended in rounds where there are a high number of applications. A member of the RDPE Team may contact you for additional information, please be prepared to provide this information quickly.

The timetable for applications are available on the SEEDA website – [www.seeda.co.uk/rdpe](http://www.seeda.co.uk/rdpe)

Please note that due to the short amount of time between the deadline for applications and the notification of decisions, late applications cannot be accepted and will be deferred to the following round. Please also note that if we need additional information on your application then your notification of the decision may be delayed.

## Claims Process

Should your application for funding be successful, you will be issued with an Offer Letter detailing your contractual obligations and claim forms which you need to use to reclaim the grant from us. You are then free to purchase the piece of equipment for which you have been awarded funding. Once you have purchased, paid for and taken delivery of the equipment, you can then submit a claim to SEEDA for your grant. The claim forms (OM31 and OM31b) will be included with your offer letter. When submitting your claim, you will need to do the following:

1. Complete the claim declaration form (OM31)
  - Complete your personal details on the form as requested
  - Confirm how much grant you are claiming
  - Sign the form to declare that your claim is accurate
2. Complete the claims spreadsheet (OM31b)
  - List the invoices against which you are claiming grant
  - Fill in the other requested details e.g. date invoice paid, bank statement reference number
  - Attach original invoices and proof of payment
3. Submit both of the above forms along with the **original** invoices you listed on form OM31b and bank statements to show that you have fully paid for each item against which you are claiming grant. Your original invoices will be **returned** to you once your claim has been processed.

Claims should be submitted in hard copy to the following address: FAO John Heaton, SEEDA, Cross Lanes, Guildford, Surrey, GU1 1YA. SEEDA

recommends that you use recorded delivery when posting your claims due to the sensitive and important nature of the documents you must submit.

If you have any queries regarding the claims process, please contact John Heaton on 01483 500 769 or at [johnheaton@seeda.co.uk](mailto:johnheaton@seeda.co.uk)

## Frequently Asked Questions

- **What should I do if I don't have access to a computer or excel to be able to complete the application forms?**

If you do not have the IT equipment to enable you to complete the Microsoft Excel spreadsheet-based forms, please contact the RDPE Team and we will arrange an alternative way for you to apply for FRIP funding.

- **Is there any assistance available to help me complete the forms?**

If you require assistance with the process of completing the forms, please do not hesitate to contact the RDPE Team who are always on hand to help. If however, you are seeking more generic advice regarding the development of your business and the impact of resource efficiency measures please contact the Business Link helpline on 0845 600 9 006 or via their website: [www.businesslink.gov.uk](http://www.businesslink.gov.uk). Business Link is a free business support service which is available both online and through local advisors.

- **The forms are not allowing me to enter the data I need to. What should I do?**

If the forms do not seem to be working properly, please contact the RDPE Team who will help to resolve the issue. Please note that some boxes on the application are intended to fill automatically using the information entered elsewhere.

- **Are tenant farmers eligible to apply?**

Yes, as long as your tenancy agreement has more than 6 years to run. You will need to submit a copy of your tenancy agreement with your application. Where relevant you will also need to provide confirmation of the landlords consent.

- **Why do you need to see my accounts?**

Under RDPE rules, we have to ensure that you are a bona-fide agricultural business, and that your business is not at risk if the project goes ahead, as this would jeopardise our public funds.

- **Can I get funding if I have already bought my equipment?**

No, as this is a prior approval scheme. We cannot fund anything under RDPE retrospectively. You cannot order your equipment until we have issued you with a start date. You cannot reclaim your grant until we have received a signed contract offer letter from you.

- **Can I purchase second hand equipment?**

Yes providing you can prove that it complies with current health and safety legislation, it has not been previously grant aided and has at least 5 years life expectancy remaining.

- **What if I have an existing health plan?**

You do not need to get another health plan if you already have one, as long as the vet has made recommendations for the type of equipment you are seeking FRIP grant for. Please submit the plan you have, although we may need to ask you further questions if we need further information on the vet's justification for the need for the equipment.

- **Are renewable energy projects allowable under FRIP?**

We are intending to include renewable energy projects in later rounds. We are awaiting clarification from Defra and the Department for Energy and Climate Change (DECC) as to the issues regarding Feed-in-tariffs and RDPE grants. Once we have this, we will issue a notice on our website. If you require more information about Feed-in-tariffs then please see the DECC website [www.decc.gov.uk](http://www.decc.gov.uk)

## **FRIP Contact Details**

If you would like to discuss a potential application, or are seeking further advice on the application process, please contact the RDPE team on:

Tel: 01483 470123  
Email: [frip@seeda.co.uk](mailto:frip@seeda.co.uk)  
Website: [www.seeda.co.uk/rdpe](http://www.seeda.co.uk/rdpe)

## **Solutions for Business**

Solutions for Business (SfB) is a package of publicly funded business support products and services designed to help businesses start, grow and succeed. The right advice, loan or grant – at the right time - can make the world of difference to your business. Solutions for Business products are simple to understand and access, good value for money and directed to where they will have most impact to help businesses grow. They are designed to equip you with the necessary knowledge and skills you need to tackle issues your business might be facing.

Eligible businesses can gain support in areas such as starting up, understanding finance, training and skill development, resource efficiency, exploiting ideas, accessing international opportunities and growing your business. More information on Solutions for Business can be found at:

[www.businesslink.gov.uk/solutions](http://www.businesslink.gov.uk/solutions).

## **Useful links**

The following are some links to websites which may provide you with useful information when you are planning your project. We will be looking to expand this section so please email us if you have any other links which you think may be useful to others.

### **Renewable Energy**

<http://www.r-e-a.net/REA/website/landowners>

### **Farm Waste**

<http://farmwasteen.netregs.gov.uk/>

### **Environment Agency – Nitrate Vulnerable Zones**

<http://www.environment-agency.gov.uk/business/sectors/54714.aspx>

### **Environment Agency – Rainwater harvesting**

<http://publications.environment-agency.gov.uk/pdf/GEMI1109BRGU-e-e.pdf>

### **British Grassland Society facts sheets**

<http://www.britishgrassland.com/page/fact-sheets>

### **Dairy Co**

<http://www.dairyco.org.uk/>

### **Nutrient Management Planning**

<http://www.nutrientmanagement.org/>