



# Rural Initiative Scheme

## GUIDELINES

NB: Revised guidelines (Jan 2021)

The Rural Initiative Scheme (RIS) aims to support business development initiatives which are in line with the priorities outlined in the Rural Economy Strategy (RES) 2017-2021. The RIS provides assistance to Jersey's rural sector to become more economically sustainable, improve efficiency and productivity and adapt to future challenges. The Scheme is managed by Economy (the 'Department'), which is part of the Office of the Chief Executive.

### Aims and Objectives

The primary aim of the RIS is to promote and accelerate growth in the rural economy by supporting businesses which manage their activities on a sustainable basis and which contribute to the delivery of public goods to the benefit of the people of Jersey. This will be achieved by supporting appropriate diversification, enterprise and innovation whilst aiming to avoid the displacement of existing businesses.

The RIS is looking to support projects that meet the following criteria as assessed by an independent panel:

- increase the penetration of niche markets
- develop new 'Value Added' processes and markets
- improve productivity, sales and reduce costs
- raise the profit share rural business receives within the supply chain
- improve skilled employment opportunities, through job creation, education and training
- assist rural businesses to adapt to climate change
- develop and implement new waste management procedures
- implement 'better than best' practice

### Support Available

Assistance is available under (but not limited to) three broad categories:

- **Research Grant** - To explore options before deciding on a course of action, for example; carrying out preliminary trials, investigating new markets, engaging consultants, identifying opportunities and training needs related to your rural business.
- **Enterprise Grant** - To add value to or diversify your business, to help offset the costs of a start-up, improve production facilities or efficiency, reduce energy consumption, assist with development of new crops, access skills training or implement 'better than best' practice.
- **Industry-Wide Grant** - To gain shared infrastructure or knowledge to benefit a sector rather than the applicant. For example, fertiliser reduction research, shared processing facilities, efficiency improvement or climate change mitigation process to benefit a number of producers.

RIS Grant Categories	Funding	Total Project Spend
Research	Up to 45% (maximum grant £10,000).	Minimum of £1,500.
Enterprise	Up to 45% (maximum grant £50,000). <i>Cooperative grant applications may strengthen any case for funding.</i>	Minimum of £2,500.
Industry-Wide	Variable depending on project.	Each application will be assessed on its own merits.

## Eligible Projects

These grants are available for all rural businesses who are:

1. Agricultural/horticultural businesses who **qualify** for support under the Rural Support Scheme i.e. in 2021 are accredited under the LEAF Marque Standard or have Organic Certification;  
*Or*
2. Businesses providing facilities, services and resources to agricultural and/or horticultural holdings or those engaged in activity which will benefit the rural economy in accordance with policies outlined in the RES 2017-2021.  
*Or*
3. Businesses or individuals operating in the marine or aquaculture sector, subject to compliance with all legal and licence obligations relating to their marine based trading activity.

Projects must add value, increase economic productivity, minimise production costs or reduce energy use. Such outcomes will support a greater range of sustainable rural economic activity, improve profitability, encourage entrepreneurial businesses and develop new ideas and technologies.

**Funds will not normally be allocated if the proposed project has received funding from other government sources - you must provide details if you have requested or obtained other funding.**

It must be noted that grants are **not** available for building construction, to meet planning obligations or any legal requirements.

For all capital expenditure a minimum of 2 written quotes must be provided with your application whenever possible.

Applicants must provide a minimum of 20% of the overall investment. The total public sector contribution is limited to 45%, except where the panel considers there is a wider Industry application or when increased funding may be made available; if other public funds are obtained to support the costs of a project, these must be declared and will be taken into account when the RIS application is considered.

## Monitoring and Reporting

The Department will conduct economic, environmental and other monitoring in order to evaluate the RIS, such as report submission, completing postal surveys, personal interviews and monitoring visits to the business, including a detailed review on the three year anniversary of the award. If you are successful in securing a RIS grant you agree to take part in these studies.

## Grant Conditions

**The following objectives *must* be met in order to qualify for funding and will be set out in the offer letter sent to you following a successful application.**

- a) Project outcomes must be related to the rural or marine economy.
- b) Agricultural/horticultural businesses must be enrolled in and sufficiently progressing through the Rural Support Scheme.
- c) Expenditure on projects incurred prior to accepting the conditions of your Offer Letter will be ineligible for grant funding. Acceptance of conditions will be notified by the return of the Offer Letter, duly signed and dated, to Economy, Office of the Chief Executive.
- d) You must meet any legal obligations, including hygiene, animal welfare and public health legislation.
- e) No alternative funding arrangements or alterations to your project can be made without the written approval of the Department.
- f) Any other applications for Government or alternative funding must be declared.
- g) Claims must be submitted in the correct format and accompanied by all necessary documentation. Incomplete applications will be returned to the claimant.
- h) Claims must be submitted in accordance with the timetable set out in the offer letter. You must not deviate from the agreed timing and value of your claims without written agreement from the Department.
- i) You must confirm that none of the items covered by the application are replacements under an insurance claim.
- j) Publicity can be given to the project and credit given to the Government of Jersey.
- k) You agree that your project can be used in promotional literature for the Scheme or the Government.
- l) You will submit a final report at the end of your 3 year project business plan on the impact the funding has had on your business.
- m) Any item funded through the RIS cannot be sold separately or as part of the sale of the complete business within 3 years (effective from the date of the final payment). The Department must be informed in writing and reserves the right to recover all or part of the grant awarded.
- n) You agree to allow access to all financial records and documents by the Department, Comptroller and Auditor General and the Government internal audit in order to determine that the grant was used for the purpose it was awarded.

## Penalties for Non-Compliance

- a) You should be aware that failure to meet the terms and conditions of your RIS award could result in its cancellation and/or the recovery of monies *already paid*, or a reduction in the amount of grant payable.
- b) *Additional Penalties*: Fraudulent claims can lead to criminal prosecution. If you have failed to comply with any of the RIS conditions due to either negligence or fraud, you may also be excluded from further financial support from the Department and/or Government of Jersey.

## Frequently Asked Questions (FAQ)

**a) *Can I apply for funding from more than one category?***

Yes

**b) *What happens if the project fails to meet the terms and conditions set out in the offer letter?***

If the impact on the overall objective is minimal and can be easily adjusted, an amended offer letter may be issued containing revised terms. Payment for the unfulfilled part will be withheld at least until revised terms are agreed between the applicant and the Department. There may be a reduction in grant for any missing items or changes in cost. If the problem cannot be rectified, a pro-rata reduction in grant may be made for the proportion of the agreement set out in the offer letter that has not been met.

**c) *What would happen if any breach was discovered after my final claim had been paid?***

If an irregularity came to light subsequent to the final claim having been paid, part or all of the RIS funding could be recovered and interest may be applied to this sum.

**d) *What would happen if I were unable to comply with the RIS rules due to circumstances beyond my control?***

Such circumstances are termed a *force majeure*. The Department recognises that instances can occur which may affect an agreement and that are beyond an individual's control. Where such a *force majeure* is accepted, no penalties will be imposed. Please contact Rural Economy for further information, should any such circumstances arise.

**e) *Are funds from the RIS taxable?***

This will depend on the specific purpose for which the funds are obtained however the RIS funds provided must be included in the tax accounts of the business they were intended to help. The Income Tax Office will confirm the liability or otherwise on receipt of a written request, including the full details of the grant awarded, from the applicant.

**f) *GST should not be included in any claim for grant aid?***

Unless the claimant (you or your business) is not registered for GST. If you are GST registered you will be in a position to claim back input GST, and therefore GST incurred as part of the project is not eligible for grant aid.

**g) *Are funds available to build an agricultural building?***

No, funding is not available for built infrastructure.

## Deadlines / Time Constraints

**2021 - Round 1 - RIS application deadline** Your application must be submitted to Economy, Office of the Chief Executive by **Friday 16<sup>th</sup> April 2021**.

The RIS Panel will consider applications for funding within four weeks of the application deadline.

**Offer Letter** - Awards for a RIS Grant: within six weeks of application deadline. This may vary depending on the application and whether further information and clarification is needed from applicant.

**Payment** will be made within 28 days of verification of claim.

Please send all applications to Rural Economy, Howard Davis Farm, Trinity, Jersey, JE3 5JP  
Tel: +44(0)1534 441600