

**Title of Report:** The RDS Action Plan and Budget 2012-2013  
**Paper No:** 204/12  
**Date:** 29<sup>th</sup> of August 2012  
**Report of:** Rural Development Strategy Coordinator

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## **1.0 Purpose**

1.1 This report presents the Rural Development Strategy (RDS) Action Plan 2012-2013 and recommends its adoption by Government. The Action Plan is attached as Appendix A.

## **2.0 Recommendations**

2.1 This paper seeks Executive Council approval of:

- (a) The RDS Action Plan and budget attached in Appendix A.
- (b) The addition of the RDS Coordinator and two Camp representatives to the RDS Steering Group.
- (c) The modification to the RDS Steering Group's Terms of Reference noted in 4.3 of the RDS Action Plan.
- (d) The designation of Fox Bay East as the location of the first Rural Enterprise Zone.
- (e) The tasking of the RDS Steering Group to prepare a 4 year RDS Action Plan for subsequent consideration by Executive Council.

## **3.0 Summary of Financial Implications**

3.1 None

## **4.0 Background**

4.1 The Rural Development Strategy was approved by Executive Council in February 2012 (paper number 45/12). At that meeting, Executive Council requested that the Rural Development Strategy Steering Group submit a detailed and costed RDS Action Plan for approval. This Action Plan is attached as Appendix A.

4.2 The Action Plan provides the detail of the projects which will be delivered in this financial year. These projects have been identified through consultation within the community and the private sector and have subsequently been developed and shaped by the Rural Development Strategy Steering Group.

4.3 RDS meetings held in Fox Bay and Goose Green in May 2012 were well attended and provided an opportunity for Camp residents to comment on proposals. These comments have been fed into the development and production of the Action Plan.

## **5.0 The Action Plan**

5.1 The Action Plan reflects the Strategy and its Key Priority areas on which action needs to be focussed to achieve the overarching goal of maintaining Camp in order to encourage a well-populated, economically and socially sustainable community integrated within the national economy.

5.2 Projects contained within the RDS Action Plan meet the following eligibility criteria:

- Projects outcomes contribute to one or more of the RDS Objectives and fall within one or more of the 5 Key Priority Areas
- Projects deliver clear benefit to the Camp economy, quality of life or environment
- The beneficiaries of the project live in Camp
- Projects would not proceed without the assistance of RDS funding
- Projects are able to demonstrate links with other Government strategies and departmental business plans
- Projects deliver benefits to a group of individuals, a community, a group of businesses or a sector. Projects which benefit an individual will not normally be eligible unless the project relates to the creation of a new job or a new business
- Projects are supported by the people they aim to benefit

5.3 Projects that fall within the existing and main responsibilities and budgets of Government Departments will be considered ineligible.

5.4 The main thrust of this first RDS Action Plan is the establishment of Rural Enterprise Zones. It is recommended that the first location designated as an REZ is Fox Bay East on West Falkland. This makes sense given Fox Bay's central position geographically and given its role as a service centre but also as one of the largest population centres on West Falkland.

5.5 Whilst the establishment of the Fox Bay REZ and its associated projects are a dominant feature in this first Action Plan, care has been taken to include a range of other projects that are not geographically focused and will have broader positive impacts across Camp.

5.6 The RDS Steering Group proposes that an additional four year plan is submitted to Executive Council for consideration in the next budget round. This Action plan will consider the possibility of establishing an East Falkland REZ and the implementation of longer term projects required to achieve strategic objectives of the RDS.

## **6.0 Decision making**

6.1 The Terms of Reference and the proposed mechanisms for delivering the RDS Action Plan are covered in section 4 of the Action Plan (pages 3 and 4). The Terms of Reference of the Steering Group have been slightly modified to include reference to the RDS Strategy, the RDS Action Plan and the Steering Group's role in its delivery.

6.2 The membership of the RDS Steering Group currently includes the two Members of Legislative Assembly with the RDS portfolio, the Chief Executive of FIG, the General Manager of FIDC, the Head of Policy, the Senior Agricultural Advisor, the RDS Coordinator and two Camp representatives.

6.3 The RDS Coordinator and the two Camp representatives have joined the Group latterly. These three new members help to ensure that the Steering Group has the active

engagement of those living and working in Camp in line with the guiding principles of the Rural Development Strategy. Executive Council is asked to approve these additional members.

- 6.4 Should the Action Plan be approved by Government, projects will be further developed and fully costed project plans will be submitted for approval, prior to funds being drawn down, to either:
- a) Chief Executive/Head of Policy - for projects less than £20,000
  - b) Standing Finance Committee - for projects over £20,000
- 6.5 Once approved, funds for projects to be led by FIDC/RDS Coordinator will be released to FIDC for management in line with their standard operating procedures. Projects to be led by a Government Department or staff will be released to the relevant FIG "lead".
- 6.6 Approval for individual projects detailed in the Action Plan will be delegated to the Rural Development Strategy Steering Group subject to the financial delegations set out in 6.4.

## **7.0 Financial Implications**

- 7.1 The details of the RDS budget are listed in Appendix A on pages 5-8 of the RDS Action Plan.
- 7.2 The Action Plan contains a broad range of projects. Five projects meet the **Business** Key Priority, four are related to the **Workforce** Priority, three come under the **Services** Priority, four **Infrastructure** and finally two are associated with the **Environment** Key Priority. In addition,
- 4 projects have no current financial requirement from the RDS budget
  - 9 projects have costs of less than £10,000
  - 2 projects have costs between £10,000 - £25,000
  - 2 project has costs between £25,000 -£100,000
  - 1 project has costs of more than £100,000
- 7.3 FIG has a budget provision of £250,000 for the delivery of the RDS Action Plan. FIDC has a budget of £30,000 for the delivery of the Action Plan in addition to a budget of £50,000 for administration costs of the RDS.
- 7.4 The combined project budget of £280,000 will be applied to the delivery of the 18 projects contained within the Action Plan. The total cost of delivery of the projects is £280,000.

## **8.0 Legal Implications**

- 8.1 None

## **9.0 Human Resources Implications**

- 9.1 All potential HR implications for FIDC are outlined in the attached RDS Action plan.

***CHECKLIST FOR FINAL SUBMISSION OF PAPERS TO GO TO EXECUTIVE COUNCIL***

Tick for **YES** Cross for **NO**

Submitted By:

Paper Number: \_\_\_\_\_

1. Is this really an Executive Council Matter?
2. Is this an Information Paper?
3. Is this a paper for decision? If so, does it have clear recommendations or options?
4. Have the following implications been fully considered:
- a) **Financial** – Have the financial implications been agreed with Treasury (in the event there are none this must also be stated in the paper)?
- b) **Legal** – Has the advice of the Attorney General been sought (in the event there are none this must also be stated in the paper)?
- c) **Human Resources** – Have these implications been discussed with HR (in the event there are none this must also be stated in the paper)
- d) **Environmental** – any environmental implication – has the advice of the Environmental Planning Officer been sought?
- e) **Planning** – has the advice of the Environmental Planning Officer been sought?
- f) **Roads and Services/Building and Construction** – has the advice of the Director of Public Works been sought?
- g) **Land** – is the development of Crown Land involved – have you referred the matter to the Lands Committee?
- h) The impact upon staffing and employment?
- i) The availability of housing?
5. Has this paper been before GMT or the relevant Committee/s?

**Appendix A**

May 13

Rural Development Strategy

**Action Plan 2012**

# Contents

<b>Section</b>	<b>Page</b>
<b>1. INTRODUCTION</b>	1-4
<b>2. RDS ACTION PLAN activities and budget 2012-2013</b>	5-7
<b>3. APPENDIX 1: RDS Action Plan - Project Plans</b>	8-26
Project Plan 1: Key Worker Scheme - Mechanic	
Project Plan 2: Adding value to wool products	
Project Plan 3: Rural Enterprise Zones (REZ) fiscal incentives	
Project Plan 4: Camp interpretation Boards	
Project Plan 5: Farmers Market	
Project Plan 6: Lifelong Learning Centres	
Project Plan 7: Community empowerment training	
Project Plan 8: Agricultural Apprentice Assessor Verifier Training	
Project Plan 9: Rural Enterprise Zone Training Grant Scheme	
Project Plan 10: Identification of Rural Enterprise Zones	
Project Plan 11: FB Community Development Group	
Project Plan 12: Improvement of Camp Health Services	
Project Plan 13: Rural Enterprise Zone housing development	
Project Plan 14: Rural Enterprise Zone improvements	
Project Plan 15: Rural Enterprise Zone water system	
Project Plan 16: Improvements in access to water	
Project Plan 17: Power/renewable energy	
Project Plan 18: Environmental Stewardship Scheme	

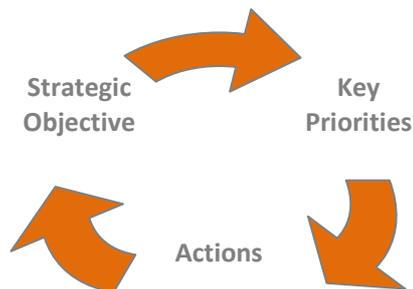
## INTRODUCTION

### 1. The Rural Development Strategy

- 1.1 The Rural Development Strategy (RDS) was approved by Executive Council in February 2012. This Action Plan has been produced in response to that approval on request from Executive Council.
- 1.2 The RDS contains four clear strategic objectives which will help achieve Government's Vision for Camp. The Strategic Objectives are:
- To increase the value of economic activity in Camp by 20% by 2017 (measured in terms of Gross Value Added (GVA)) generated in Camp
  - To increase the economically active population of Camp by 5% by 2017
  - To broaden the range of services available in Camp and increase accessibility of both public and private services for Camp residents, so as to lead to an overall improvement in the quality of life in Camp.
  - To manage, protect and conserve the natural environment.

### 2. The Key Priorities

- 2.1 The purpose of the Action Plan is to achieve the objectives listed in 1.2 above. This will be achieved by acting upon the 5 Key Priorities identified in the Strategy.
- 2.2 The Key Priorities provide the framework for delivery with the Action Plan providing the detail. Both the Key Priorities and the detailed actions lead to the achievement of the Strategic Objectives.



- 2.3 The Key Priorities were identified following an intensive period of consultation held with and within the Camp community, with Government and with the rural and Stanley private sector. Importantly, the Key Priorities indicate that attention needs to be given in equal measure to the varying challenges facing Camp for example that jobs alone won't attract new businesses to Camp, that we also need to look at improving infrastructure and improving services.
- 2.4 These Key Priorities will guide the activities within the Action Plan. Whilst the Priorities are not expected to change, the Action Plan almost certainly will. The Action Plan will be dynamic, flexible and responsive to change.
- 2.5 The Key Priorities listed in the Strategy are as follows:
- Key Priority Area 1 - **Business Growth and Development**: developing a more productive and dynamic business base in Camp
  - Key Priority Area 2 - **Workforce Development**: increasing the size of the Camp labour force and improving skills and training to provide a flexible, adaptive and highly skilled workforce.

- Key Priority Area 3 – **Services:** improving access to services and expanding service provision to better serve the needs of the current population and to make Camp an attractive destination for new residents.
- Key Priority Area 4 - **Infrastructure:** providing the infrastructure required to drive growth in the economy and improve the quality of life in Camp.
- Key Priority Area 5 – **Environment:** Managing, protecting and conserving the natural environment of Camp.

### 3. The RDS Action Plan

The delivery of the Action Plan will be aligned to the 4 guiding principles contained with the Strategy. As such, joined-up working across the public sector and community engagement will be key elements in the way that the RDS is delivered. The guiding principles also require compatibility with the EDS and the adoption of “growth poles”. The former has been achieved directly through the content of Strategy and the latter is addressed in the Action Plan albeit growth poles are called Rural Enterprise Zones in the Plan.

- 3.1 Rural Enterprise Zones (REZ) will be the focus of infrastructure development and fiscal incentives which aim to build critical mass and maximise positive benefit. The development of critical mass addresses many of the RDS’s key objectives including depopulation, business development and diversification and quantity of, an access to, services. It is proposed that Fox Bay East is designated as the location of the first REZ.
- 3.2 The table on page 5 titled RDS Action Plan activities and budget lists the project that will be progressed in the 2012-2013 financial year. Project plans are included in Appendix 1. The activities include a mix of small projects which can be delivered quickly and easily and some larger projects.

### 4. Implementation

- 4.1 The RDSSG is a sub-committee of the Falkland Island’s Development Board (FIDB paper 015/11). The Action Plan will be managed by the RDS Steering Group (RDSSG) with financial administration and monitoring provided by FIDC. The RDS Coordinator will be the principle resource applied to the management and development of projects.
- 4.2 The membership of the RDSSG includes the two Members of Legislative Assembly with the RDS portfolio, the Chief Executive of FIG, the General Manager of FIDC, the Head of Policy, the Senior Agricultural Advisor, the RDS Coordinator and two Camp representatives. The Terms of Reference of the RDSSG are as follows:
- 4.3 RDSSG Terms of Reference
- A. The RDSSG will have strong commitment to the achieving the RDS Vision.
  - B. The RDSSG will be responsible for the production of an annual RDS Action Plan and will ensure alignment between the RDS strategy and the RDS Action Plan.
  - C. The RDSSG will achieve the RDS strategic objectives through the delivery of the RDS Action Plan. The delivery of the Action Plan will reflect the RDS Priorities of Business, Workforce, Services, Infrastructure and Environment.
  - D. The delivery of the RDS Action Plan will be aligned with the RDS’s 4 guiding principles
    - Community engagement and ownership
    - Joined up working across the public sector
    - Positive and effective integration with the EDS
    - Growth Poles (REZs)
  - E. The RDSSG will be responsible for recommending budgetary strategy and monitoring risks.

- F. The RDSSG will be responsible for submitting projects for funding approval to either the Head of Policy or the Chief Executive.
  - G. The RDSSG will be responsible for the annual review of the RDS and the delivery of an annual report.
  - H. The RDS will be proactive and dynamic. The RDSSG will help to identify threats and/or hurdles to the delivery of the RDS under the Priority areas and contribute to problem solving.
  - I. The RDSSG will provide a support structure for the RDS Coordinator in terms of problem solving and conflict resolution as and when required.
- 4.4 The RDSSG's Terms of Reference clearly set out the role and responsibility of the Steering Group but does not provide any detail on the delineation of roles between Executive Council, the Policy Unit, the Falkland Islands Development Corporation and its Board and the RDSSG.
- 4.5 The roles and responsibilities of each group are detailed below:
- a. Executive Council**
    - To ratify any changes to the RDS strategy
    - To approve the RDS Action Plan
    - To approve policy decisions arising from the RDS
    - To encourage "joined up working " across the public sector
  - b. Standing Finance Committee**
    - To approve RDS project funding over £20,000
  - c. The Policy Unit**
    - To present Policy decisions to Executive Council
    - To measure government's performance against the RDS Objectives
    - To cascade RDS policy through FIG departments
    - To apply for the annual RDS budget from FIG
    - To approve project funding up to £20,000 (with or instead of the Chief Executive)
  - d. FIDC and FIDB**
    - To apply for the annual administration budget for the RDS from FIG
    - To manage the financial administration of the administration and project budgets once they are drawn down from FIG
    - To line manage the RDS Coordinator post
    - To work with RDS Steering Group to produce an annual RDS Action Plan and present it to Executive Council for approval
    - To inform the Policy Unit on budgetary requirements prior to budgetary session
    - To monitor project risks and financial risks

**THE RDS ACTION PLAN activities and budget 2012-2013**

**Key Priority Area 1: BUSINESS GROWTH AND DEVELOPMENT - developing a more productive and dynamic business base in Camp**

	PROJECT	AIM	STRATEGIC FIT	BUDGET 2012-2013
1	Key Worker Scheme	To create 1 new sustainable business located in the Rural Enterprise Zone.	Increases the economically active population of Camp. Diversifies the economic base of Camp. Increases the range of services available in Camp.	£REDACTED
2	Adding value to wool products	To investigate the feasibility of processing wool to increase the profitability of wool production in the agricultural sector.	Provides new information and knowledge that agricultural businesses can use to grow profits thereby increasing Camp GVA.	£35,300
3	Rural Enterprise Zones (REZ) fiscal incentives	A suite of measures to attract new businesses to the Enterprise Zone.	Acts as a catalyst for business growth thereby increasing Camp GVA. Stimulates new business development increasing Camp GVA. Increases productivity of existing businesses increasing GVA.	£0
4	Camp interpretation Boards	To add value to Camp tourism by making Camp a more interesting, welcoming and user friendly place to explore.	Contributes to an increased number of visitors to Camp and influences the length of their stay increasing income from tourism and therefore Camp GVA.	£6,600
5	Farmers Market	To increase the productivity of smaller "cottage industries" in Camp.	Increases productivity, profitability and GVA of the Camp economy.	£3,500

**Key Priority Area 2: WORKFORCE DEVELOPMENT - increasing the size of the Camp labour force and improving skills and training to provide a flexible, adaptive and highly skilled labour force**

	PROJECT	AIM	STRATEGIC FIT	BUDGET 2012-2013
6	Lifelong learning Centres	To establish Learning Centres to improve individuals access to training and skills development in Camp.	Grows the skills and confidence of the workforce which contributes to a growth in GVA.	£1,500
7	Community empowerment training	A series of workshops aimed at growing confidence with rural communities which improves governance and local democracy but also helps develop "can do attitudes.	Facilitates entrepreneurial activity. Facilitates diversification of Camp's economic base. Leads to increased levels of grass roots activity and leads to the formation of community enterprises/businesses.	£5,100
8	Agricultural	To train an individual as an Assessor Verifier for Agricultural	Grows the skills and confidence of young people which contributes	£ 0

	Apprenticeship Assessor Verifier training	apprenticeships. There is no-one in the Falklands qualified to assess agricultural apprentices currently.	to a growth in GVA. Training young people helps to address current issues with succession planning in the farming sector.	
9	Rural Enterprise Zone Training Grant Scheme	An element of the REZ package aimed at new businesses or new jobs which will address labour and skills issues. Training vouchers up to 75% of the value of the training will be available to eligible businesses in eligible sectors.	Addresses labour and skills issues in Camp. Leads to improved viability of businesses. Provides an incentive for diversification of businesses. Improves personal and professional skills which are major factors in growing a more entrepreneurial environment.	£2,000

**Key Priority Area 3: SERVICES- improving access to services and expanding service provision to better serve the needs of the current population and to make Camp an attractive destination for new residents**

	PROJECT	AIM	STRATEGIC FIT	BUDGET 2012-2013
10	Identification of Rural Enterprise Zones (REZs)	To focus effort and resources in selected areas in order to achieve maximum impact and maximum return on investment. The first REZ will be Fox Bay East.	The identification of REZs is a significant part of the approved Rural Development Strategy.	£0
11	Fox Bay Community Development Group	To establish a grass roots community group to help shape and design the FB housing development and the infrastructure development of the REZ.	Facilitates community engagement – a guiding principle of the RDS. Grows skills and confidence of the workforce.	£500
12	Improvement to Camp Health services	To improve the quality and delivery of health services in Camp. This might be through the “Moodle” system; by maximising the use of FIG accommodation in the REZ or by other means. Work is on-going on the detail of this project.	Improves access to services and improves quality of life in line with RDS Objective 3. Contributes to making Camp an attractive destination for new residents.	£0

**Key Priority Area 4: INFRASTRUCTURE- providing the infrastructure required to drive growth in the economy and improve the quality of life in Camp**

	PROJECT	AIM	STRATEGIC FIT	BUDGET 2012-2013
13	Rural Enterprise Zone housing development	The valuation and purchase of an existing property OR the construction of a new property in which to house a Key Worker.	Increases the economically active population. Is a precursor to increasing the number of new businesses and therefore increasing the GVA of Camp.	£REDACTED

14	Rural Enterprise Zone improvements	To make the selected REZ appealing and attractive to new residents and businesses.	Contributes to the establishment of REZ, a key element of the RDS. This community project helps galvanise the community into action, improves community cohesion and provides an opportunity for the community to take ownership.	£2,500
15	Rural Enterprise Zone Water system	The improvement of the water supply in the Fox Bay REZ.	The establishment of REZs is a key component of the Rural Development Strategy. The current capacity of the Fox Bay water system cannot support a growth in the population and therefore needs to be addressed.	£25,000
16	Access to water in Camp	The improvement of basic water supplies in Camp addressing both business and domestic requirements.	Improving water systems improves the quality of services and quality of life in Camp- a strategic objective. Improving water systems also facilitates the growth of businesses increasing GVA- also a strategic objective.	£15,000

**Key Priority Area 5: ENVIRONMENT- managing, protecting and conserving the natural environment of Camp.**

	PROJECT	AIM	STRATEGIC FIT	BUDGET 2012-2013
17	Power/Renewable energy	The improvement of basic utilities in Camp. The outline plan is to review the various type of renewable energy equipment used in the Falklands, their costs, application and effectiveness. Recommendations will be made on the basis of this information.	The production of power is an economic enabler-allowing business to grow. Improving basic utilities improves the quality of life. The protection, maintenance and enhancement of the natural environment are cross-cutting themes in the RDS.	£5,000
18	Environmental stewardship scheme	To promote and encourage good stewardship of our environment by landowners through the establishment of agri-environment and eco-tourism initiatives.	Many of the sectors of the economy such as fisheries, agriculture, tourism and minerals are based on the use of natural resources. Good stewardship of the environment is therefore a fundamental requirement in the development of the economy and the Camp community as the principle custodians of our land environment have an important role to play in this. Eco tourism initiatives add value to tourism, which makes people stay longer and spend more, increasing GVA. Eco tourism improves environmental education within FI and with visitors.	£2,000
	<b>TOTAL BUDGET REQUIRED</b>			<b>£280,000</b>

## APPENDIX 1: RDS Action Plan - Project Plans

Contents	
Project Plan 1: Key Worker Scheme - Mechanic	9
Project Plan 2: Adding value to wool products	10
Project Plan 3: Rural Enterprise Zones (REZ) fiscal incentives	11
Project Plan 4: Camp interpretation Boards	12
Project Plan 5: Farmers Market	13
Project Plan 6: Lifelong Learning Centres	14
Project Plan 7: Community empowerment training	15
Project Plan 8: Agricultural Apprentice Assessor Verifier Training	16
Project Plan 9: Rural Enterprise Zone Training Grant Scheme	17
Project Plan 10: Identification of Rural Enterprise Zones	18
Project Plan 11: FB Community Development Group	19
Project Plan 12: Improvement of Camp Health Services	20
Project Plan 13: Rural Enterprise housing development	21
Project Plan 14: Rural Enterprise Zone improvements	22
Project Plan 15: Rural Enterprise Zone water system	23
Project Plan 16: Improvements in access to water	24
Project Plan 17: Power/renewable energy	25
Project Plan 18: Environmental stewardship scheme	26

**Project Plan 1: Key worker- Mechanic’s post**

**1. Summary**

- 1.1 The aim of this project is to create a new permanent full-time job in Camp in line with the objectives of the Rural Development Strategy (RDS). The new post will be based in Fox Bay’s Rural Enterprise Zone, in line with the proposals of the RDS. This scheme will address the risks facing new start-up businesses in Camp by providing security of income for a period of 2 years.
- 1.2 The estimated cost of this is **£REDACTED**.

**2. Background**

- 2.1 A review of the labour gap in Camp identified various key services for which there is a reasonable demand but no existing service delivery. A qualified mechanic’s service was one of the business opportunities identified. These new posts are called “key workers”.
- 2.2 The new mechanic would be based in Fox Bay and would be accommodated in one of the new houses currently proposed in the RDS Action Plan. The post holder would be employed by FIDC full time on a fixed term contract of two years. In the first year a salary of £18,000 would be offered. This salary is in line with the salary currently paid for a fully qualified mechanic by Government. In the third year the contract with FIDC would end and the mechanic would become self-employed.

**3. Employer responsibilities**

- 3.1 Over the period of the key worker contract, FIDC will provide line management of the mechanic and would be responsible FOR payroll and the payment of necessary insurances.
- 3.2 FIG’s redundant PWD garage located in the Stud Paddock in Fox Bay could be made available to the mechanic at a peppercorn rent for the duration of the contract. The garage also includes an office area. However, a shared office space could be made available in Fox Bay for the key worker should it be required. Office costs would be met by FIDC through the RDS budget for the first two years.

**4. Employee responsibilities**

- 4.1 The mechanic will provide mechanical services to the community of West Falkland. These services will be provided at a market rate. The financials are based on a rate of £11 an hour.
- 4.2 The mechanic will endeavour to establish contracts of service and build up the volume of the business within the first 2 years. The purchase of any tools or equipment will be funded by the mechanic. Investment in the business will be encouraged over the period of the contract.
- 4.3 The mechanic will provide their own transport for business use and cover their own business related travel costs. The salary offered includes a contribution of £500 towards anticipated travel costs.

**5. Financial implications**

- 5.1 Whilst under contract, any income streams generated by the mechanic will accrue to FIDC and will be offset against the costs of operating the “Key Worker Scheme”.
- 5.2 The estimated annual income and expenditure of the scheme are as follows:

Costs of managing project (wages, office costs, insurance, pension contributions etc.)	<b>£REDACTED</b>
Income generate from mechanics services per annum:	£13,300
Total Cost to RDS	<b>£ REDACTED</b>
Allocated budget	<b>£REDACTED per annum</b>

- 5.3 It is recognised that it will take some time for the mechanic to become established, to build up contracts and to build business volume. There is a risk that the mechanic will not earn £13,300 in the first year and the project costs will be higher than expected. A provision has been included in the budget to allow for increased costs to the RDS in the event of a slow build-up of business.

## Project Plan 2: Adding value to wool products

### 1. SUMMARY

- 1.1 The aim of this proposal is to add value to Falkland Islands wool by investigating the benefits of processing FI wool either locally or abroad. The costs of this project are **£35,300**.

### 2. BACKGROUND

- 2.1 Wool production remains the largest sector in terms of volume and value of products in Camp. Finding ways in which to add value to wool has the potential to make a significant impact on incomes and therefore Camp GVA.
- 2.2 Scouring cleans wool decreasing freight costs (if undertaken in the Falklands). Scouring wool generally attracts higher prices than greasy wool. However, the market for scoured wool seems to be smaller than the market for greasy wool.
- 2.3 Local trials, where scoured wool was put to market showed that the a) product was difficult to sell b) the price received covered the costs of scouring but the time lag in sales was felt to be a greater negative than the small positive in price received.
- 2.4 Scouring plants often concentrate on a selected micron range. This selective process might limit the number of farms which could be involved in the scheme which might be an issue. Scouring plants also often have minimum quantities which they'll accept which might limit the number of farms that can be involved which could be an issue.
- 2.5 Scouring plants often blend wool. Whilst blending can add value it makes the product more specialised and therefore more of a niche product with smaller markets.

### 3. PROJECT PROPOSAL

- 3.1 To appoint a local or overseas consultant to undertake a feasibility study to assess the technical and financial viability of scouring Falklands wool to add value. A brief, approved by the RDS Steering Group will be issued to invite expressions of interest. The brief will be as explicit as possible to ensure the required outcome is delivered i.e. sufficient information is collated on which to make a definitive decision on the benefits of wool scouring. The brief will ask the following:
- Is scouring technically and financially feasible in the Falklands?
  - How much wool would need to be processed to return a profit?
  - What would it cost a) to set up and b) to run?
  - If scouring is not possible in the Falklands, is it technically and financially beneficial to have processing undertaken elsewhere?
  - What value would scouring add to the product?
  - Are there proven and accessible markets for scoured Falkland's wool?

### 4. FINANCIAL IMPLICATIONS

- 4.1 The estimated project cost of this project is £35,340. The costs of appointing an overseas consultant will be higher than recruiting a local consultant. The estimated costs take this into consideration.
- 4.2 The delivery costs of this project are **£35,300**.
- 4.3 Costs are based on day rates of £350, accommodation at £120 per night and subsistence at £100 per day for overseas consultants.

### Project Plan 3: Rural Enterprise Zones (REZs) fiscal incentives

#### 1. SUMMARY

- 1.1 The establishment of Rural Enterprise Zones is one of the aims of the RDS. There are no direct costs associated with this project at this time.

#### 2. BACKGROUND

- 2.1 The EDS identifies the creation of Special Economic Zones (SEZ) and/or Rural Enterprise Zones (REZ) as a priority action to encourage growth and investment in new economic activities. The creation of Rural Enterprise Zones “to stimulate and reinvigorate the economy of Camp” is a key theme of the RDS.
- 2.2 The precise nature of such Zones is not fully defined within the Strategy. The Head of Policy has produced a discussion paper entitled “Special Economic Zones of Camp” which aims to propose how the Rural Enterprise Zone(s) should be defined and established, and to consider the implications of such an approach. This work is on-going.

#### 3. PROJECT PROPOSAL

- 3.1 The primary mission of the Falkland Islands Rural Enterprise Zone is “**to encourage and benefit the creation of new economic activities and new businesses in Camp**”. The secondary goal is to encourage growth and diversification within existing sectors.
- 3.2 Measures should be put in place to avoid large scale displacement of existing activities from Stanley simply to another to take advantage of tax and other incentives offered within the REZ. There needs to be a clear focus on only assisting those pre-existing businesses that can demonstrate the benefits to their business in terms of increased growth or employment, or that can directly contribute to the repopulation of Camp by virtue of relocating their activities to the REZ.
- 3.3 The aim of the Rural Enterprise Zone(s) is:  
“To encourage and reward business creation, job creation and investment in Camp through the provision of tax, finance, and other business incentives to encourage businesses to be established and grow in Camp, and to facilitate the re-location of some activities from Stanley to Camp within the confines of the designated REZ area.”

#### 4. FINANCIAL IMPLICATIONS

- 4.1 The proposed Corporation Tax exemptions associated with the introduction of Rural Economic Zone(s) in Camp will not result in any substantial loss in revenue to the Treasury. Whilst there will be an opportunity cost in terms of the tax income that could have been derived from businesses operating within the REZ, it is questionable whether such revenues could actually be realised as new businesses are unlikely to form without the incentive package, and being small, new businesses the primary focus will be on actually seeking to generate a profit in the first place.
- 4.2 However, there are revenue implications associated with the additional tax incentives suggested:
- Job Tax Allowance – allowances of £1,000-1,500 offset against Corporation Tax for every new job created
  - Credit for Loss scheme
  - Investment Tax Allowance – 5% of value of investment
  - Community Contribution Tax Allowance – Allowing a business a 50% allowance on corporation tax for donations made to local community development projects.
- 4.3 Subject to approval of the broad principles of the REZ, we can seek to quantify such effects. Treasury have not raised significant concerns regarding the proposals as currently set out in this paper.
- 4.4 There are no direct project costs.

**Project Plan 4: Camp interpretation boards**

**1. SUMMARY**

- 1.1 This project aims to facilitate an increase in the GVA of Camp tourism by improving the visitor experience thereby increasing the number of people visiting Camp and lengthening the average stay.
- 1.2 The estimated costs of producing 10 signs are **£6,600**.

**2. BACKGROUND**

- 2.1 FITB designed and installed a series of interpretative boards around Stanley to improve the visitor experience. This project is an extension of that project and will provide continuity in tourism provision.
- 2.2 The material will be researched, written and collated by the RDS Coordinator; the signs will be designed by Studio 52, Sonia Felton will provide the artwork and the signs will be installed by a local contractor.

**3. PROJECT PROPOSAL**

- 3.1 To design and implement 10 interpretation Boards, five on the East and five on the West at accessible sites in “gateways”, places of historic interest, sites of natural beauty, sites with wildlife etc. Sites will include Port Howard, Newhaven, and Goose Green, Port Sussex Mountain/San Carlos and Hell’s Kitchen at Hill Cove.

**4. FINANCIAL IMPLICATIONS**

4.1	Cost of production (based on quote):	£4,000
	Estimated freight on signs:	£1,000
	Cost of installation:	£1,000
	Cost increase since quote created (10%)	£ 600 <sup>1</sup>
	<b>Total costs</b>	<b>£6,600</b>

<sup>1</sup> As the quote is now nearly two years old an increase in costs of 10% has been added to the costs.

## Project Plan 5: Farmers Market

### 1. SUMMARY

This proposal aims to establish a regular Farmers market which will generate more income for Camp based businesses and individuals and a commercial outlet venue for Camp's "cottage industries". The estimated project costs for this project are **£3,500**.

### 2. BACKGROUND

Two successful markets have been held to date. A few observations have been made from these markets:

- a) Generally the number of suppliers is very small
- b) Generally the quantity of products produced per supplier has been fairly small
- c) Customer demand for products far outweighs supply, particularly fresh products
- d) Fresh products are by nature hard to produce in large quantities (particularly as suppliers are small operators) and cannot be stored or made in advance.
- e) The production of goods for the Farmers market fit around other higher work priorities and is not therefore the main focus of producers; this also causes problems in terms of scale of production.
- f) Some products are seasonal and would not be available regularly throughout the year
- g) There is tremendous support for the concept amongst Camp producers and customers
- h) There is no mechanism for storing products sent to town in advance of markets
- i) The Farmers market doesn't have a "face", has no assets, no fixed venue and is not a formal enterprise

### 3. PROJECT PROPOSAL

- 3.1 To establish a regular market held in Stanley which offers products supplied by Camp businesses.
- 3.2 To establish a new business enterprise to manage the operation of the Farmers Markets and to address some of the problems outlined above.
- 3.3 To use the finance available to put the farmers market on a more formal footing with adequate signage, storage and "market stalls".

### 4. FINANCIAL IMPLICATIONS

- 4.1 The estimated project costs are **£3,500**.

## Project Plan 6: Lifelong Learning Centres

### 1. SUMMARY

- 1.1 This project aims to improve the provision of training and skills delivery in Camp meeting the requirements of the RDS's Key Priority on workforce. The estimated project costs are **£1,500**.

### 2. BACKGROUND

- 2.1 The Department of Education has been working in partnership with the Training Centre to extend the delivery of adult learning programmes to Camp. The plan is to use existing Camp Education resources to deliver courses currently available through the Training Centre, in Camp.

### 3. PROJECT PROPOSAL

- 3.1 The proposal is to establish a mechanism for delivering training courses in Camp.
- 3.2 Existing Camp schools would be used as the venue for delivering a series of courses. School computers and modems would be made available outside school hours e.g. an hour after school closes. Camp teachers would be trained to become invigilators for the final exam. A trainer from the Training Centre would provide an introductory session for new students at each of the schools.
- 3.3 Three courses have been identified. The first is Computer Basics, the second is the European Computer Driver's License (ECDL) and the third is Advanced ECDL. The ECDL is estimated to take 6 months to complete based on a session per week. The estimated cost to the users is £117 per person but there is a 50% grant available from the training centre for FI status holders.

### 4. FINANCIAL IMPLICATIONS

- 4.1 The estimated project costs for this project are **£1,500**.
- 4.2 The funding will be used to cover the costs of the introductory training session and a further session by a registered trainer once a month as well as travel and subsistence costs. The funding will also provide a 50% training award for those people living and working in Camp not eligible for Training Centre funding.

**Project Plan 7: Community empowerment training**

**1. SUMMARY**

1.1 The RDS Steering Group approved and went on to secure OTPF funding for this project in August 2011. However, due to the absence of anyone in the role of “RDS Coordinator” during the delivery period of the project, the funding was never drawn down and the project was not started. The RDS Steering Group took advantage of a new opportunity to apply for this funding and was successful in securing £5,000 of FCO funding last month. The costs of this project are £5,100.

**2. BACKGROUND**

2.1 Rural development aims to be a dynamic process which responds quickly to changing local priorities and addresses hurdles (within the limits of resources). A weakness of the RDS is that there isn’t a mechanism for maintaining on-going engagement with the broader community.

2.2 Secondly, the RDS relies on the ideas, innovation and creativity of the broader community to help resolve problems and address hurdles. There is no mechanism in place to engage the broader community in problem solving.

2.3 Thirdly, whilst the new Steering Group and the formal adoption of the strategy has raised the profile of the RDS, there is still a low level of confidence from the broader Camp community that their participation and contributions will be valued and will be acted upon.

**3. AIMS OF TRAINING**

3.1 To identify existing forums or mechanisms for the community to engage with decision makers and MLAs so that Camp community has a “voice” i.e. a say in setting priorities, methods of delivery, funding allocations.

3.2 To increase the skills and confidence needed to harness the opportunities created by the above. Skills might include

- The Camp community understanding how to participate positively and constructively
- Identification of ways in which the broader community can access information on matters relevant to them
- More empowerment which helps to create more solutions, more activity which leads to faster development; increased local involvement creates more energy amongst the community which in turn creates a greater appetite for getting involved.
- For MLAs - how to foster more local level interaction, how to react to participation and the public opinion which engagement generates. These aspects are linked to democracy, governance, accountability- all of which the government advocates.

**4. PROJECT PROPOSAL**

4.1 To appoint a consultant development worker to lead a range of workshops across a variety of stakeholder groups with the aim of developing a planned approach to the engagement of Camp in decision making and project planning which ensures on-going active participation.

**5. FINANCIAL IMPLICATIONS**

**PROJECT COSTS**

£350 a day for 15 working days (3 weeks):	£5,250
Return flights for consultant:	£2,500
Accommodation and subsistence Stanley:	£1,700
Local travel, consultant + RDS PC:	£ 650

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**Total** **£10,100**

**PROJECT FUNDING**

Overseas Territories Project Fund:	£5,000
Rural Development Strategy Budget:	£5,100

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**Total funding** **£10,100**

## Project Plan 8: Agricultural Apprentice Assessor Verifier Training

### 1. SUMMARY

1.1 To facilitate the appointment of an Assessor Verifier to test and approve Agricultural Apprenticeships in the Falklands.

1.2 There are no direct costs to the RDS associated with this project.

### 2. BACKGROUND

2.1 The agricultural apprenticeship scheme was re-established in 2010. There is currently no-one qualified locally to assess these apprenticeships.

2.2 The absence of local Assessors means that apprentices are required to study overseas in order to gain a formal qualification.

### 3. PROJECT PROPOSAL

3.1 The proposal is to work with the Training Centre to identify suitable candidates to become qualified as an Assessor Verifier so that apprentices can qualify in the Falklands.

3.2 This project does not intend to displace the opportunities presented by studying at overseas colleges but rather to ensure that the experience gained in the Falklands is formally recognised and credited and, to widen apprenticeships to those individuals perhaps not interested in studying overseas.

3.3 The agricultural apprenticeship qualifications can be split into training units. This means that the general public would have an opportunity to train in any single aspect of the award thereby increasing the number of courses available to the general public.

3.4 There is potential to establish a community enterprise based on "rural skills training" i.e. potential to create a new business in Camp.

### 4. FINANCIAL IMPLICATIONS

4.1 The Training Centre has the funding to invest in a private and public sector Assessor Verifier for agricultural apprenticeships. The Training Centre also has the skills in house to train these individuals.

4.2 There are no direct costs to the RDS associated with this project.

## Project Plan 9: Rural Enterprise Zone Training Grant Scheme

### 1. SUMMARY

- 1.1 This project will involve the establishment of a scheme to address labour and skills issues in Camp in line with the Workforce Key Priority.
- 1.2 A budget of £2,000 has been set for this project.

### 2. BACKGROUND

- 2.1 To ensure success it is important that the Rural Enterprise Zone (REZ) is not solely based on the provision of tax incentives. New and embryonic businesses often need a range of additional advice and support to ensure their survival. It is therefore proposed that the REZ provides a range of additional support to businesses located within it. This training scheme is one such initiative.
- 2.2 This project will contribute towards meeting the aim of the REZ.  
“To encourage and reward business creation, job creation and investment in Camp through the provision of tax, finance, and other business incentives to encourage businesses to be established and grow in Camp, and to facilitate the re-location of some activities from Stanley to Camp within the confines of the designated REZ area.”

### 3. PROJECT PROPOSAL

- 3.1 The REZ should provide financial support for businesses to send employees on training that will make a difference to the viability or diversification of the business. This can include support for new starters, personal development, vocational/specialist training or enabling employees to move to a new role. This can be achieved through the use of training vouchers to the value of 75% of the training.
- 3.2 Training will be delivered in Camp and in particular the designated REZ, where practicable.
- 3.3 This project is aligned with the “Learning Centres” project which aims to increase the frequency and range of training opportunities available in Camp.

### 4. FINANCIAL IMPLICATIONS

- 4.1 A budget of £2,000 has been set for this project.

## Project Plan 10: Identification of Rural Enterprise Zones

### 1. SUMMARY

- 1.1 This paper seeks the approval of Fox Bay as the first Rural Enterprise Zone. The projects which arise from this classification are detailed in other papers e.g. Training scheme, Housing development, Key Worker posts etc.
- 1.2 There are no direct costs associated with this project.

### 2. BACKGROUND

- 2.1 The EDS identifies the creation of Special Economic Zones (SEZ) and Rural Enterprise Zones (REZ) as a priority action to encourage growth and investment in new economic activities. The creation of Rural Enterprise Zones “to stimulate and reinvigorate the economy of Camp” is a key theme of the RDS.

### 3. PROJECT PROPOSAL

- 3.1 The proposal is to nominate Fox Bay East as the first Rural Enterprise Zone.
- 3.2 Fox Bay is already a Government managed settlement. The generators, the water, the post office, the Transit shed and 5 residential properties are managed by Government. In addition, much of the land in and around Fox Bay East is owned by Government.
- 3.3 Fox Bay is a natural “centre” on West Falkland not least due to its geography but also because of the public and private services available such as fuel provision, the post office and the Concordia Bay freight service, the store, as well as the range of functions provided by the Southern Cross Social Club.
- 3.4 During consultation, there was widespread support for Fox Bay East being designated as the first Rural Enterprise Zone on West Falkland.

### 4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications associated with the designation in itself though there are costs associated with the various projects which will be delivered as a result of the designation. These are outlined in other papers.
- 4.2 There are no direct costs associated with this project.

## Project Plan 8: Fox Bay Community Development Group

### 1. SUMMARY

- 1.1 The Rural Development Steering Group (RDSSG) agreed that a community group should be established to feed into the planning and design of the development of Fox Bay. This group has a direct interest in the development of the community in which they live but will also be a useful source of local knowledge and experience.
- 1.2 It is intended that the proposed Fox Bay Community Development Group will play a key role in helping to design and plan the new housing units proposed for Fox Bay. This group may also have a role in the development of other proposals featuring Fox Bay.

### 2. BACKGROUND

- 2.1 It has been recognised that development should be focused on a single site to achieve maximum benefit. Concentrating development in a settlement or “Rural Enterprise Zone” builds critical mass and enables further, more organic growth. Fox Bay East has been proposed as the location of the first “Rural Enterprise Zone” (REZ).
- 2.2 The provisional plans for the Fox Bay REZ include the development of new housing units, improvements to existing FIG assets, the creation of 2 new Key Worker posts and the provision of fiscal incentives.

### 3. PROJECT PROPOSAL

- 3.1 Fox Bay’s challenge as a Rural Enterprise Zone is to attract new people and new businesses to live and work there. To do this the settlement needs to be attractive, welcoming and have sufficient services which will ensure a good quality of life.
- 3.2 The community group will facilitate the planning and development of the housing scheme in Fox Bay. The community’s understanding of Fox Bay’s utilities and general local knowledge will be a considerable help in the planning stages. In addition, local community support will be vital in planning and delivering the housing.
- 3.3 The Fox Bay community will have a large role to play in helping shape the perceptions and impressions of potential new residents of Fox Bay.
- 3.4 The funding will be used to cover the costs of the new group. Anticipated costs include the costs of telephone, internet, home-printing and professional printing (flyers, posters, photographs etc.), postage and travel costs.
- 3.5 The RDS Coordinator will work on a one-to one with the community group and will help manage the small budget. Evidence of expenditure will be required from the group against all spend.
- 3.6 It is envisaged that a Chair, Secretary and Treasurer will be appointed.

### 4. FINANCIAL IMPLICATIONS

- 4.1 The project costs are **£500**. This is seed corn funding to help get the group off the ground and to cover any costs they might incur in the pursuit of their objectives.
- 4.2 The funding will be managed by the RDS Coordinator and will be drawn down on evidence of expenditure.

## **Project Plan 12: Improvement of Camp Health Services**

### **1. SUMMARY**

1.1 It has been recognised that access to basic services such as health and education are important factors when aiming to retain the current population of Camp whilst also attracting new residents and businesses. This project aims to improve health services In Camp.

### **2. BACKGROUND**

2.1 West Falkland is currently serviced by day visits by a doctor, every 6 weeks. Doctors visit Hill Cove, Port Howard, Fox Bay and the Islands. Consultations are undertaken in a Fox Bay resident's home on a voluntary basis i.e. on the basis of their good will and hospitality. Residents of Goose Green and North Arm are also served by six weekly visits by a Doctor, whilst residents in the North Camp drive to Stanley to visit KEMH.

2.2 Specialists such as dentists, opticians and consultants do not normally visit Camp.

2.3 There is a system of Camp consultations whereby Camp residents can phone King Edward Memorial Hospital and request a consultation with a doctor at a specified time. In practise this is not particularly effective as doctors are required to prioritise all patients' needs, in Stanley and Camp and invariably there is something urgent happening at the hospital at the same time as the Camp consultations, making the nominated doctor unavailable.

2.4 There is a system where Medical Chests containing prescription drugs as well as general medical supplies are available in specific locations around Camp for use by Camp residents in an emergency. The Chests have been located in places where the majority of users can access them within one hour. This situation is less than ideal given that in an emergency situation the "carer" is required to leave the sick person in order to access required medicines. In previous years, there were more numerous Medical Chests but the numbers were reduced to save costs. Costs were incurred when drugs' use by dates were reached.

### **3. PROJECT PROPOSAL**

3.1 The specific details of this project are still being developed with the Director of Health and Education.

3.2 It is proposed that the feasibility of the following could be investigated:

- How to improve early detection, effective treatment, prediction of deterioration and the management of long term conditions.
- How to develop a multidisciplinary approach proactively identifying potential problems.
- The feasibility of remote monitoring of BP, weight, PEFr, O2 Sats and so forth which would benefit those suffering from chronic conditions such as Asthma, COPD, Diabetes and heart failure.
- Residential hosts of medical visits could be remunerated or alternative public buildings sought.
- Camp resident's access to consultants and specialists could be improved. Options include telemedicine and video consultations; another might include using the FIG accommodation available in ox Bay to facilitate visits.
- The dentist visiting Camp could visit Camp. The lack of public buildings in Camp might be barrier.
- The system of managing Medical Chests could be reviewed to assess whether costs could be reduced by other means.
- The system of Camp consultations could be reviewed to assess whether there are more effective alternatives.

3.3 The Moodle system currently being developed by Tom Hill for use in Camp Education may have some uses in the delivery of health services potentially improving access to specialist skills and frequency. The Moodle system is essentially video-conferencing where two end users in different locations can see each other and talk to each other e.g. a nurse/GP/specialist and a patient.

### **4. FINANCIAL IMPLICATIONS**

4.1 This project will be developed in partnership with the Health Department. Funds for new, alternative or extension activities may be identified within the health services budget.

4.2 There is no budget within the RDS for the development of health services at this stage.

### Project Plan 13: Fox Bay housing development

#### 1. Summary

- 1.1 The purpose of this paper is to seek approval of the construction or acquisition of one housing unit in the Fox Bay Rural Enterprise Zone. The estimated cost of building a new or purchasing an existing property in Fox Bay is **£REDACTED**.

#### 2. Background

- 2.1 A key facet of the Rural Development Strategy is the creation of new businesses in Camp and the attraction of new people to Camp. Accessibility to housing is a pre-cursor to both of these. As Fox Bay East has been identified as the most suitable location for the first Rural Enterprise Zone under the RDS, the project proposes to site the new housing there.
- 2.2 It is intended that the housing plan will be developed alongside the implementation of a Key Worker Scheme whereby two new jobs will be created in Fox Bay over 2 years. The new housing will support the first of these 2 new roles.

#### 3. Project Proposal

- 3.1 It is proposed that a house is made available in Fox Bay to house a new key worker either through the construction of a new property or through the purchase of an existing property in Fox Bay.
- 3.2 The property will be rented at a market rate by the tenants and will be fully furnished. The proportions of the house will make it suitable for a young couple or a family. A housing policy will be drawn up in relation to the RDS funded houses to ensure that key workers are given the first priority in line with the RDS. Any person(s) wishing to rent any one of the properties will be required to enter into a standard tenancy agreement in line with the REZ housing policy.

#### 4. Financial Implications

- 4.1 The estimated cost of building a new or purchasing an existing property in Fox Bay is **£REDACTED**.
- 4.2 An individual in Fox Bay has registered his interest in selling his house to Government. The advantage of this proposal would be the speed in which the Key Worker could be established and the RDS objectives met. The house in question has established productive vegetable gardens which could be used to provide an ancillary or additional income to a family. This option has policy issues for government which are being worked through with the Director PWD in conjunction with the Steering Group members.
- 4.3 As much of Fox Bay is already owned by Government there would be no land acquisition cost for a new build. It is proposed that the development of the new housing be split over 2 years with one house built or acquired in year one and a second unit built or acquired in year 2.
- 4.4 Three building companies were provided with basic specifications for the properties on which to base their estimates. Two responses were received. The estimated build costs are noted below:
- Builder 1: REDACTED**  
**Builder 2: REDACTED**
- 4.5 These figures have been used to establish an estimated construction cost of **£REDACTED** for a 3 bedroomed detached house. Neither quote contains travel and subsistence, freight costs to Fox Bay or internal fitting such as kitchen appliances. The estimated additional cost for freight, internal fittings, accommodation for builders etc. is £26,000. The total estimated cost for constructing one property is **£REDACTED**. Economies of scale may be obtained by building more than one house at a time.
- 4.6 Next steps: If funding is approved, a valuation of an existing property in Fox Bay will be undertaken to assess the costs and benefits of acquiring an existing property versus building a new property.

### **Project Plan 14: REZ Improvements**

#### **1. SUMMARY**

- 1.1 It is proposed that Fox Bay East is designated as the first Rural Enterprise Zone. In addition to improving access to services in Fox Bay, the REZ will offer a range of incentives to encourage new residents and businesses.
- 1.2 This project aims to improve the visual amenity of Fox Bay to make it a more attractive settlement.

#### **2. BACKGROUND**

- 2.1 Fox Bay East comprises a mixture of public, private and community buildings and land. There is a wide range of works which could be undertaken relatively simply, which would make a big difference to the visual impact of the settlement making it more appealing as a place to live and work.

#### **3. PROJECT PROPOSAL**

- 3.1 It is proposed that the FB Community Group identify and manage the works needed locally to make Fox Bay tidier, more presentable and more attractive.
- 3.2 Works might include:
  - Creating hard standings outside the village store, the community hall and the government office. Currently vehicles parking close to each of these building have killed the grass, chewed up the ground creating leaving large, muddy “parking areas”.
  - Painting FIG properties and/or public and community buildings in Fox Bay.
  - Removing junk from around the settlement.
  - Tidying up remnants of sheds, buildings and equipment belonging to Government.
  - Tidying up the entrance to the settlement and making it more welcoming.
  - Potentially reviewing the number of sheep grazed on the greens in the settlement

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 A budget of £2,500 has been ear-marked for these small projects.

### Project Plan 15: Rural Enterprise Zone water system

#### 1. SUMMARY

- 1.1 This project aims to improve the water supply in Fox Bay to facilitate its designation as an REZ. The establishment of REZs is a key component of the Rural Development Strategy. The estimated cost of works is **£25,000**.

#### 2. BACKGROUND

- 2.1 The capacity of the current water system cannot support a growth in the population.
- 2.2 Fox Bay is served by 3 springs. The main source fills the settlement water tanks. When demand exceeds this springs supply, the Village Agent can pump water from two further springs to fill the tanks. In the height of summer water in the settlement is at a premium and water shortages occur.
- 2.3 The year before last there was a requirement to pump the water twice a day and last year there was a requirement to pump water daily for the majority of summer.
- 2.4 Discussions within the community and with PWD have identified a way forward. Potential good locations for water sources further up Doctors Creek have been suggested and it was largely agreed that the construction should follow the design of the two previous two wells built by PWD. PWD has confirmed that the designs of these wells are available and are still appropriate.
- 2.5 In the building of the previous wells PWD managed the projects and provided the materials whilst local contractors undertook the works.

#### 3. PROJECT PROPOSAL

- 3.1 The project proposes to identify and establish a new water source(s) for Fox Bay East. The water works will be built to the same specifications as the previous two water sources provided by PWD. If possible the new/secondary supply would join into the existing pumping tanks at Dr Creek.
- 3.2 PWD has confirmed that they would be willing to provide the professional skills required to calculate levels and to assess the likely water shed. The construction element would be put out to tender in line with standard practise.

#### 4. FINANCIAL IMPLICATIONS

- 4.1 PWD has provided indicative costs. A cost for construction as secured from the contractors that undertook the previous works. Based on these costs, an estimated budget of **£25,000** has been allocated for this project.

## Project Plan 16: Improvements in access to water

### 1. SUMMARY

- 1.1 This project aims to improve basic services across Camp such as access to water. A provisional budget of **£15,000** has been set for this project.

### 2. BACKGROUND

- 2.1 A survey which aimed to assess water problems across Camp was sent to all residents in Camp. The results of this survey showed
- Improving existing water supplies was ranked as high importance
  - 31% say locating new water sources on farm is a problem while 13% need more advice
  - 31% plan to make water supply and infrastructure changes in the next 12 months
  - The majority of agricultural respondents and non-agricultural respondents said that the cost of fittings was the main barrier followed by new sources, and labour/time.
  - 54% never test their water quality
  - 48% want the DOA to investigate new water pumping techniques

### 3. PROJECT PROPOSAL

- 3.1 It is proposed that this project addresses some of the problems highlighted through the water survey. The details of the RDS intervention are still being developed but might include some or all of the following:
- The establishment of a small scheme of grants up to £500 (50% of costs) to contribute towards the costs of pipes and fittings. The applicant would be required to submit an application including a plan and a clear indication of the benefits of the work.
  - Establish key points of contacts (professionals with experience in this area) within FIG who could work with Camp residents to locate and identify new water sources or ways in which to develop existing water sources. These contacts are likely to include Craig Paice, Head of the Water Section and Ross Chaloner, PWD Surveyor. The RDS could contribute to the additional travel costs that this work would generate.
  - Establish “recommended contractors” for the physical works (local contractors) that are skilled and have access to the required machinery to undertake works to existing or new water sources. These individuals would work on the recommendations of the FIG professionals.
  - Provide direct support for individuals looking for specialised water products such as tank liners or specialised rubberised paint for sealing water tanks.
  - Establish a research and development fund which would focus on irrigation techniques. Applicants would work directly with the DoA on the application of new equipment and the development of new techniques.

### 4. FINANCIAL IMPLICATIONS

- 4.1 Given that the details of this project are still being developed, an estimated budget of **£15,000** has been allocated for this project.

### **Project Plan 17: Power/renewable energy**

#### **1. SUMMARY**

- 1.1 One of the single most significant issues that arose through consultations has been concerns around the on-going provision of power in Camp. A budget of **£5,000** has been earmarked for this project.

#### **2. BACKGROUND**

- 2.1 In 2009, in conjunction with the Rural Development Strategy, FIDC undertook a survey of those in Camp known to have 24-hour power systems. This survey was commissioned to obtain a picture of the concerns, experiences and feelings of those who have been using renewable energy systems. The majority of these systems were funded through the Rural Energy Grant Schemes (REGS), which started in 1996. Since then people have made replaced faulty equipment, and upgraded on their own account.
- 2.2 REGS sought to use electricity from wind power as much as possible to displace lightly loaded diesel generator operation and offer cost effective 24-hour power. REGS is usually referred to as 24-hour power. The intention was to optimise wind energy for the majority of the time and not to completely replace diesel generators. Diesel generators would still be required for intermittent peak loads and to supply power in calm conditions. This approach has pared down the power capacity of the REGS equipment required to an affordable figure.
- 2.3 The survey showed that the majority of respondents (46 out of 51) have a wind turbine, with 70% reporting no problems but 28% believing maintenance being necessary and the performance of the turbine being reported as satisfactory or better in 80% of cases. The majority of the problems are related to mechanical issues
- 2.4 In general, individuals were reasonably satisfied with the performance of their schemes. Virtually all respondents had replaced batteries and many having replaced inverters. This suggests there is no intervention required in these aspects.

#### **3. PROJECT PROPOSAL**

- 3.1 The project details are still being developed, however it would be useful if this project could ascertain:
- If there is a likelihood that the life of the original wind power schemes is coming to a natural end and that we'll see a collapse of systems en masse in the near future?
  - If the size of wind power systems used in Falklands is restricting business development and if so, how this could be addressed e.g. what are the issues; can existing scheme eligibility be modified to address these issues?
  - Do the eligibility guideline of the REGS need revision, for instance should new owners of farms be entitled to grant funding of the REGS e.g. in cases where the existing systems are on the brink of fatal demise and the applicants have not been the recipient of funding previously;
  - Should the eligibility guidelines be modified to allow the upgrade of systems by owners?
  - Is there a simple way of upgrading existing systems?
  - Is there a need to develop the systems used in the FI for assessing the cost effectiveness of renewable energy systems e.g. using the HOMER system?
  - Can renewable energy systems be used in other rural applications e.g. to heat domestic water to reduce load on turbines, to pump water for irrigation, to power electric fences etc.?
- 3.2 In addition to the review of the current REGS scheme it is proposed to review the use and application of renewable energy in Camp more generally and assess whether there is potential application of other forms of renewable energy. It is proposed that a "power summit" be organised between those with experience of the industry. Suggested participants include Glenn Ross, Tim Cotter, John Halford, Nigel Bishop, Stanley Services and Clive Wilkinson.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 A budget of **£5,000** has been earmarked for this project.

## **Project Plan 18: Environmental Stewardship Scheme**

### **1. SUMMARY**

- 1.1 The environment is one of the Key Priorities identified in the RDS. The RDS Steering Group aims to work with Camp residents to identify new economic opportunities which harness the potential of the Falkland's unique environment. These opportunities are most likely to be linked to tourism and agriculture or a mixture of both.

### **2. BACKGROUND**

- 2.1 Many sectors of the economy such as fisheries, agriculture, tourism and minerals are based upon the use of natural resources. Good stewardship of our environment is therefore a fundamental requirement in the development of the economy and the Camp community as the principle custodians of our land environment have an important role to play in this.
- 2.2 Consistent with the aims of the Falkland Islands Biodiversity Strategy, the RDS will seek to ensure that we conserve and enhance the natural diversity, ecological processes and heritage of the Falkland Islands. The protection, maintenance and enhancement of the natural environment are cross-cutting themes across the RDS.

### **3. PROJECT PROPOSAL**

- 3.1 The specific details of this project are still being developed. The Strategy sets out the context of our involvement in this Key Priority stating that the Action Plan will "support new economic activities which seek to make the most of the unique natural environment of the Islands, whilst ensuring its conservation and protection through the Biodiversity Strategy".
- 3.2 It is likely that the RDS involvement in the environment field will centre on the establishment of agri-environmental schemes and supporting eco-tourism initiatives.
- 3.3 One such project being led by Rebecca Upson. Phase 1 is to collect native seed for the purposes of a) re-vegetating severely eroded areas to prevent further degradation and b) re-vegetating bare ground with a suite of native pasture species that will allow use of the area for grazing again. These trials will address the question of whether it's feasible to move into using native grass seed as alternatives for imported grass seed.
- 3.4 Once Rebecca assesses which species provide the best results and assess the best ways of propagating them, there is a potential phase 2 in which the feasibility of using native grass seed as alternatives for imported grass seed for grazing livestock would be assessed. In the long term there is scope for small-scale business opportunities for at least one land owner who would be interested in growing up native pasture species for collection of seed which could then be sold to a local distributor. This second part of the project has yet to be developed but would fit well with the objectives of the RDS.
- 3.5 RDS projects involving renewable energy will also contribute to our commitments under this Key Priority.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 A budget of **£2,000** has been allocated to this scheme.