

South East Local Enterprise Partnership - EAFRD Programme

Business Development for Micro and Small Businesses Call – Background Information

National Context

Economic growth is a top priority for Government. It wants to ensure we have a thriving rural economy. The expansion of existing micro and small businesses and the creation of new ones is an important and effective way of contributing to this aspiration. The provision of new jobs and economic growth makes a vital contribution to the creation of a successful rural economy.

Increases in productivity boost economic growth and levels of income and raise the overall productivity of the UK economy as a whole. Sustaining these increases leads to transformative impacts at a local level.

Applicants must show how their proposed project will bring about all of the following direct economic benefits:

- Creation of new jobs
- Increased profitability of their business
- Improvements in productivity at a local level

Local Context

This call invites applications for investments on the creation and development of non-agricultural activities (sub-measure 6.4)

This call fits within SELEP's broader strategy set out in its ESIF Strategy and highlighted in the SELEP Rural Strategy (RE1 – 'Provide support for rural businesses and businesses in rural areas'). Opportunities for growing existing SMEs and developing new business opportunities are diverse and expanding.

Small and micro businesses are a particular feature of SELEPs rural economy and the number of people who are self-employed is growing. 24% of all employed people in SELEP live in rural areas and 31% of all self-employed people are located in these areas. For example: more than a third of businesses in Kent are based in the rural area and over 50% of these are non-rural in nature. In East Sussex a particularly high proportion of micro enterprises are based in the rural districts of Wealden (88.2% of all businesses) and Rother (87.7%) compared to the national average of 82.9%. Non-rural businesses located in rural areas make a significant contribution to the economy.

Manufacturing, Engineering and Information and Communication Technology (ICT) are priority sectors in relation to this call.

There is a particular focus on projects which lead to the direct creation of new products and services, those relating to farm diversification into non-agricultural activities (including rural workspace, workshops and on-farm retail), projects which deliver reduced environmental impact and projects that will benefit the wider rural area, even those based in small rural towns.