NORTHUMBERLAND COAST AND LOWLANDS LEADER EVALUATION STUDY

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Northumberland Coast and Lowlands LEADER 2014-2020 Evaluation Study

Methodology / Evaluation Guidance

The best practice guidelines on the evaluation of LEADER suggests at the local level evaluation is the responsibility of the Local Action Group (LAG) and that this can be undertaken by **self–assessment** by those involved in the design and implementation of the local strategy through to **evaluation** by an independent body not involved in the design or implementation of the programme. It also notes there is a **continuum** between self-assessment and evaluation where an external expert might **facilitate** the process of self-assessment and have a moderating role and provide judgements and advice. Northumberland Coast and Lowlands (NC&L) LAG commissioned this study which contains both elements of self-assessment and evaluation, and would therefore fit the facilitated model.

The Evaluation Study process has involved:

- consideration of the Local Development Strategy 2014-20;
- accessing the database to analyse the process and outputs;
- interviews with the Rural Payments Agency (RPA) which is the Managing Authority, and Northumberland County Council (NCC) which is the Accountable Body (AB);
- drawn on the reports from evaluation visits undertaken by LAG members;
- interviews (phone) with a cross section of beneficiaries;
- interviews (phone) with all but one of the LAG Executive members;
- in addition a press article invited feedback on some key questions from anyone living or working in the C&L area.

The feedback from these activities has formed the basis for this report which took as its starting point the Local Development Strategy (LDS) and considered what had been achieved and the ways in which this has been done, thus seeking to address the questions in the Evaluation Contract developed by the LAG.

Best practice LEADER Evaluation Guidance suggests the following areas are examined:

Mandatory:

Internal coherence – between LDS objectives, planned inputs, combination of interventions, expected outputs, results and impacts.

External coherence – with other instruments and initiatives within the same area

Relevance in addressing the most important needs of the area as set out in the SWOT and needs assessment.

Contributions of the operations to the achievement of the strategy's objectives - and the effectiveness and efficiency of these contributions.

<u>Recommended</u>:

Assessment of the **LAG animation** – the capacity to raise awareness, readiness, cooperation and networking capabilities of the local people

Assessment of the **delivery mechanism** – balanced participation and representation of the local population in the LAGs decision making structures, the LAG's management structures, rules and procedures to prepare and implement the strategy.

Assessment of **added value** – generated through the delivery mechanism and animation i.e. the LEADER method when properly applied, changes in people's behaviour leading to improvement of social capital and local governance as well as to enhanced results.

This Evaluation Study explores the issues above.

Contents:

The key findings are summarised in a purple coloured box at the end of each section.

1. Background: The Northumberland Coast and Lowlands LEADER

LEADER stands for 'Liaison Entre Actions de Développement de l'Économie Rurale' which translates as 'links between the rural economy and development actions'. LEADER has been operating across Europe since 1991 and is widely recognised as an attempt to substitute top down interventions by networking at the community level.

LEADER forms part of the Rural Development Programme for England (RDPE), jointly funded by Defra and the European Union. It supports bottom up rural development, led by local interests in a defined geographical area.

This LEADER Programme 2014-20 follows on from a number of others in the area that have operated as part of successive Rural Development Programmes in England 2000-06 and 2007-13.

The Northumberland Coast and Lowlands (NC&L) has many years of experience of delivering earlier phases of LEADER, ensuring that funds meet local needs by applying an approach that is:

- **Area based**
- **Bottom up**
- **Partnership orientated**
- **Integrated**
- **Innovative**
- **Cooperative**
- **Networked**

It was set out in the NC&L Local Development Strategy (LDS) that the 2014-20 programme follow this approach but some shifts in the way local delivery is mobilised would be required, for three reasons:

1. **Restricted resources now available for management and administration which impacts on the levels of support the LAG can expect.**
2. **The change to the area covered to include Morpeth and new areas to the south**
3. **The primary focus on employment and growth which means there will need to be a much stronger business emphasis than in the previous programme**

It was recognised that: 'the membership of the LAG would therefore need to be refreshed to include representation from **new areas** and to strengthen the **business and economic** interests within its structure. It would also require 'the LAG members to be more proactive in engaging with potential beneficiaries of the programme, through taking a **greater role in the animation process**.'

The following statement from the EU Court of Auditors Report (2010) sums up the LEADER philosophy, emphasising that is about adding value to the delivery of the other three axes within the RDP:

"The assumption behind the LEADER approach is that there is an added value compared with traditional top-down implementation. Bottom-up approaches and interaction between different sectors at local level should mobilise local potential. Local groups should be best placed to identify integrated and innovative local solutions to local problems and can be more responsive. Participation in local decision-making should generate enthusiasm and increased commitment and can thereby result in better, more sustainable, local rural development. The community involvement achieved through the bottom-up approach can also lead to less tangible impacts, such as "capacity-building" and "empowering the local population".

The Local Development Strategy (LDS)

The LDS drafted for the period 2014-2020, was signed off by previous Chair, and published in **August 2014**.

The LDS was based on the experience of the previous programming period 2007-13. There was transitional period funding which kept the Transition Working Group of 14 members together and paid for consultants to help manage the LDS process.

The process of engagement in the LDS development from April 2014 is set out in the LDS document and included: attendance at various partner meetings and consultation with key support organisations, drop in sessions at three locations, plus web-based questionnaires to parish and town councils, businesses on NBSL's database, Northumberland Tourism's database and to local community organisations. 200 postcards were issued seeking views and social media feedback sought plus LAG internal reflection.

The LDS proposed **allocations of money** against **six priority themes** and the achievement of spend and the outputs delivered is discussed in this evaluation.

The LDS considered the area's strengths and weaknesses and ways in which the Programme can most effectively address these and contribute to productivity and employment.

It also looked at the structure of the LAG and how the bottom up community led approach could add value.

These aspects are discussed further in the sections below.

2. LDS Financial and Output Targets

It has to be recognised that the LDS was a document bidding for funds in 2014 and so the target figures in the LDS are not the same as the final allocations made.

Correspondence of August 2015 between the RPA and the Accountable Body (AB) sets out the expected financial and output targets for NC&L LEADER. These were subsequently updated in the **Delivery Plans** of which the latest is for the period 2017-19.

The financial allocations are further complicated by the fact that the delivery spend is allocated by the RPA in **Euros**, the exchange rate for which fluctuates over time, hence the use of **percentage** figures to provide comparisons.

2.1 Spend Forecasts and Delivery

Priority	LDS Bid £	%	AB/RPA Agreement In Euro	Delivery Plan 2017 In Euro	%	Forecast* Spend £	%	Variance in % Forecast to DP
Farm Productivity	301,753	15	305,525	411,633	20.2	284,000	16.7	-3.5
Micro Enterprise	704,091	35	712,892	715,557	35.2	830,000	46.4	+11.2
Rural Tourism	502,922	25	509,208	536,368	26.4	378,000	22	-4.4
Rural Services	201,169	10	101,841	201,271	9.9	211,000	11.4	+1.5
Cultural and Heritage	100,584	5	201,271	101,840	5	59,000	3.4	-1.6
Forestry	201,169	10	203,683	67,750	3.3	3,600	0.15	-3.2
Totals	**2,011,688**		**2,034,420**	**2,034,420**		**1,765,600**		
Allocation in £ equivalent at 0.8 exchange rate at the time	2,011,688		1,627,536	1,627,536 (£1,704,912 at current 0.84 exchange rate)		1,765,600		

*Forecast spend is used as opposed to actuals as all actuals are yet to be claimed, in reality the figure will be between forecast and actual.

The key points to note are:

- The full budget has been spent through allocation to projects;
- The spend is broadly in line with the allocations decided at the outset of the programme indicating close control of the budgets and project approvals in line with the original strategy;
- The more significant areas of variation are an underspend in the Forestry category accountable for less than 1% of forecast spend (as opposed to 10% allocated and revised to 3.3%);
- An overspend on Micro Enterprise accounting for 46% of spend rather than the 35% originally targeted;
- Cultural & Heritage and Rural Tourism were a little under and Rural Services a little over original targets;
- Farm productivity was a little over the original target but when the forestry money was reallocated most of it went to this priority but the spend remained more closely aligned with the original allocation;
- Actual spend may be slightly less, as while applicants cannot claim more than forecast there can be an underspend due to projects not going to plan or items being found to be ineligible.

2.2 Number of Projects Supported

Numbers of Projects
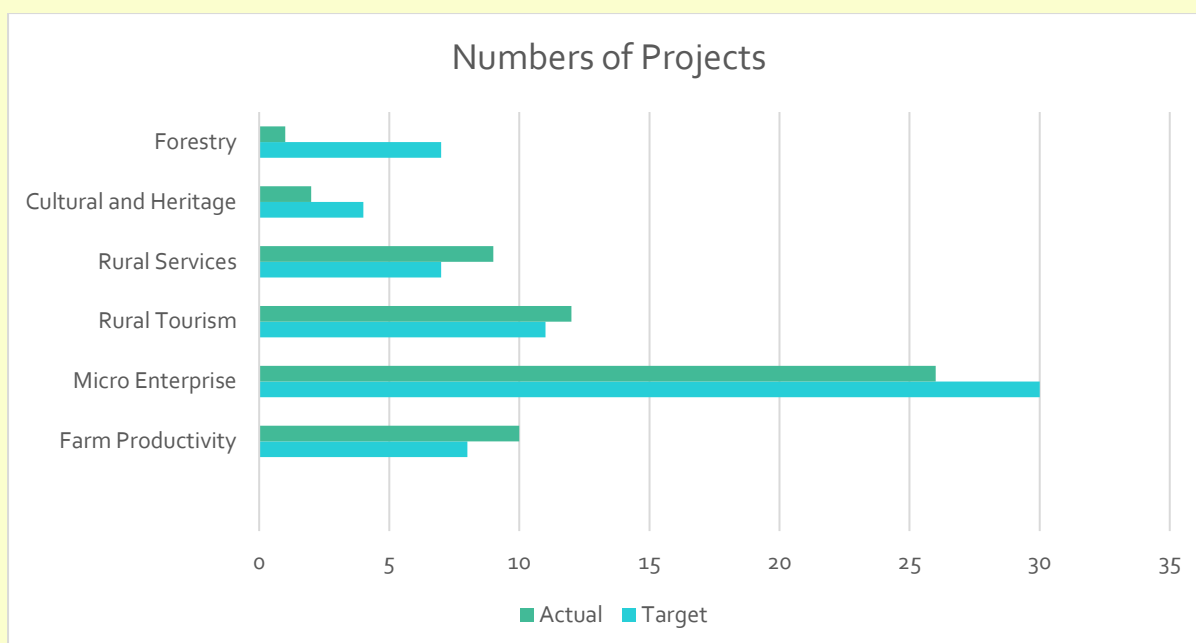
Note the target number of 67 projects remained unchanged between the AB/RPA Agreement and the 2017 Delivery Plan - despite changes in allocation of money between priorities;

- There were **no** target numbers for projects in the LDS;
- The spend was achieved with a slightly smaller number of projects than targeted;
- Again, with the exception of forestry, the actual figures are all quite closely aligned to targets;
- A spend 11% ahead of target on Micro Enterprise was achieved with less projects than originally anticipated.

2.3 Number of Jobs (FTE equivalent)

Priority	LDS	AB/RPA Agreement No. FTE	Delivery Plan 2017 No. FTE	Forecast No. FTE	Actual to date No. FTE	Cost per job* £'000
Farm Productivity	n/a	4	4	13.2	9.5	21.5
Micro Enterprise	n/a	48	48	89.34	34.75	9.3
Rural Tourism	n/a	6	6	27.9	13.1	13.6
Rural Services	n/a	5	5	0	0	(£211,000 for zero jobs)
Cultural and Heritage	n/a	2	2	4.7	3.7	12.5
Forestry	n/a	2	2	1.4	0.8	2.6

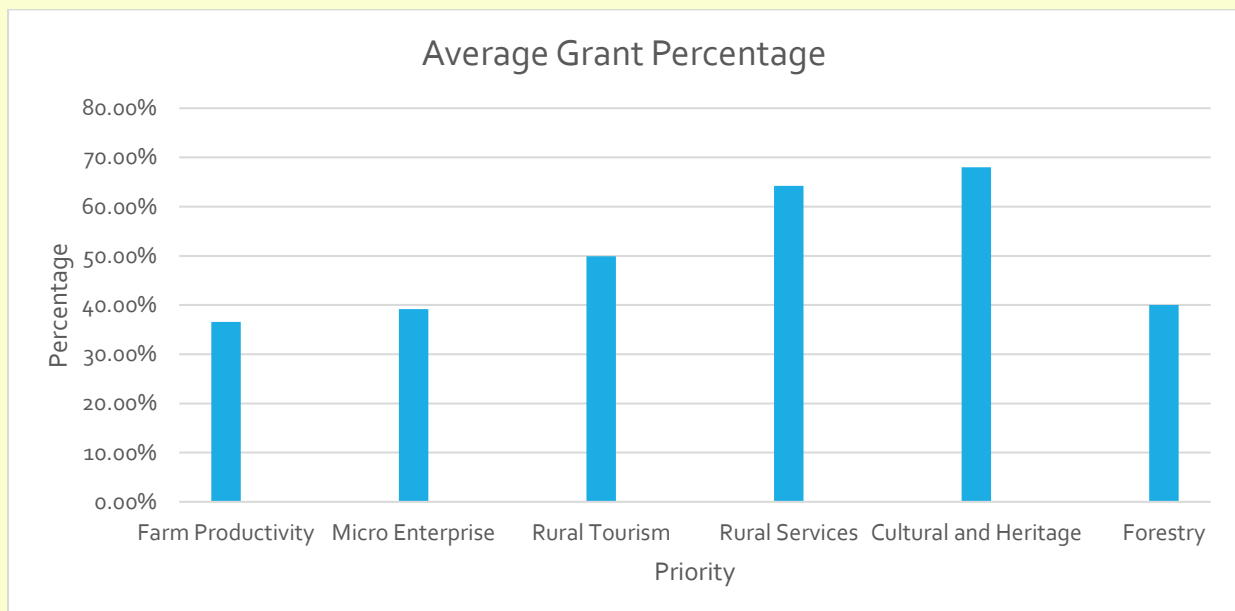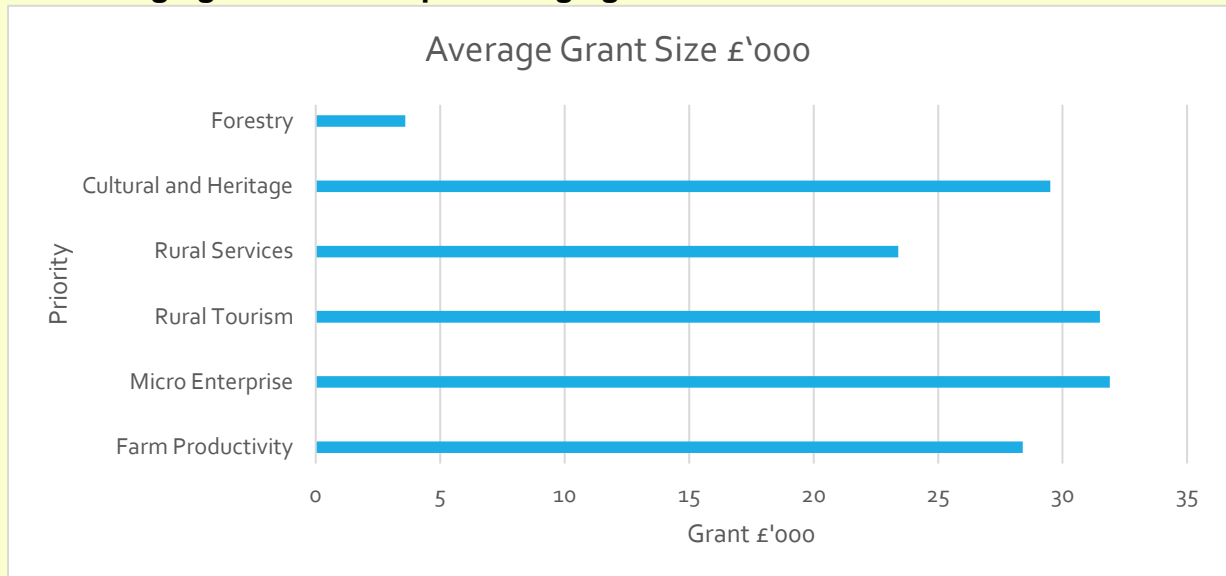| Total		67	67	136.56	61.85	Average £12.929

Forecast jobs (137) have been used, at the moment actual jobs are less than half this (62). This is due to some projects having started relatively recently and jobs have yet to be delivered or are not scheduled to be delivered until later years, it is expected that most of the forecast jobs will be delivered.

The cost per job has therefore used forecast spend against forecast jobs rather than actuals.

There were no forecast job numbers in the LDS.

- The programme has massively **overachieved** on jobs compared to planned targets with **over double the number of jobs forecast to be delivered**;
- The average grant **cost per job is low at £12,929** well below local and national benchmarks (which range from approx. £20 – 30K). LEADER originally aimed for £25k per job but that changed latterly to £30k per job. The applicants and this LEADER programme have substantially exceeded this target;
- The current actual jobs at 62 stand a little below half of those forecast. While it is expected all will be delivered it would not take many more actuals to be within the target number of 67 and the original target cost per job of £25k, they are already within the £30k per job threshold;
- One of the **lowest costs per job is Micro Enterprise at £9k per FTE**, indicating relatively small investments are creating significant job opportunities in this area;
- No jobs are forecast in the Rural Services priority;
- The highest cost per job is farm productivity where investments can be creating efficiencies but do not necessarily lead to the creation of many new jobs;
- Forestry, as usual, is the exception as with one low cost project it is not really typical.

2.4 Average grant size and percentage grant

Average Grant Size £'000

Forestry

Cultural and Heritage

Rural Services

Rural Tourism

Micro Enterprise

Farm Productivity

Priority

0   5   10   15   20   25   30   35

Grant £'000

Average Grant Percentage

80.00%

70.00%

60.00%

50.00%

40.00%

30.00%

20.00%

10.00%

0.00%

Percentage

Farm Productivity   Micro Enterprise   Rural Tourism   Rural Services   Cultural and Heritage   Forestry

Priority

- The **average grant** is **£29,400** a relatively modest sum;
- The highest average awards are £32k for Micro Enterprise and Rural Tourism;
- The guidance on percentage grant was up to 40% for commercial projects generating profit, up to 80% if generating benefits but no profit, or up to 100% if there was no direct benefit to the applicant;
- Micro Enterprise, Farm Productivity and Forestry had average grants just **below 40%**, Tourism, Rural Services and Culture and Heritage average **above 40%.**

Percentage grant
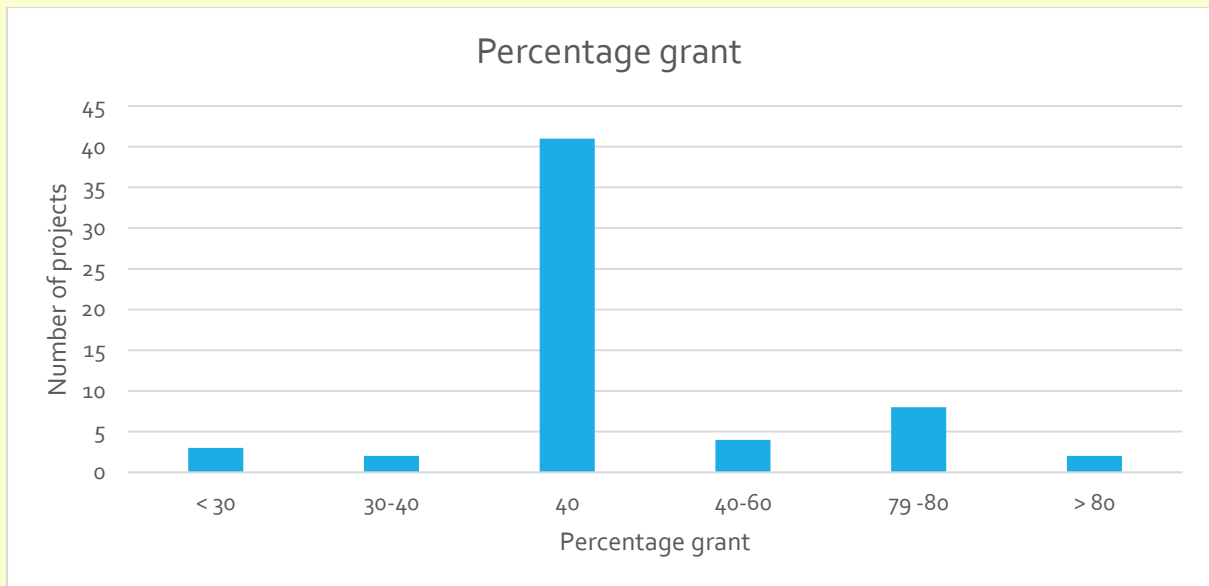
- The majority of projects (41) were given 40%, six received between 20-40% and a number of the not for profit projects received around 80%. There were two receiving over 80%.

Number of grants
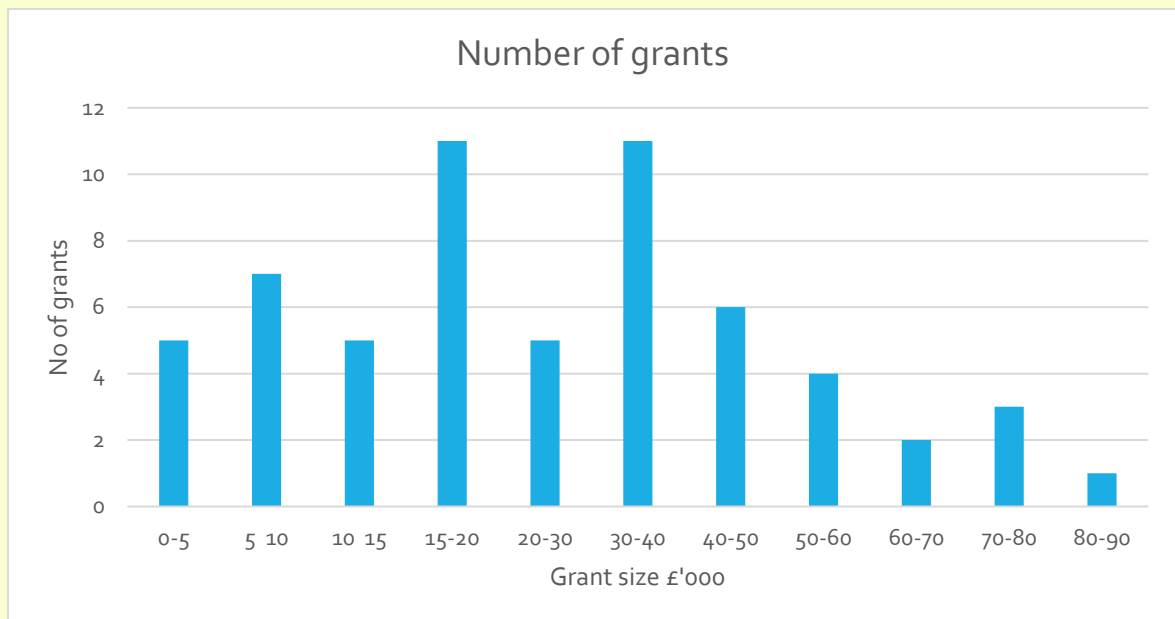
- There are 12 grants under £10k which might be categorised as very small;
- Another 16 are small, over £10k but under £20k;
- 50 projects (83%) are below £50k;
- Only 6 are over £60k, with one of these over £80k;
- These grant values should be borne in mind when considering the administrative processes required.

Overall grants were fairly modest, averaging £29,400, 83% were under £50k and 46 projects (77%) received grants at 40% or below.
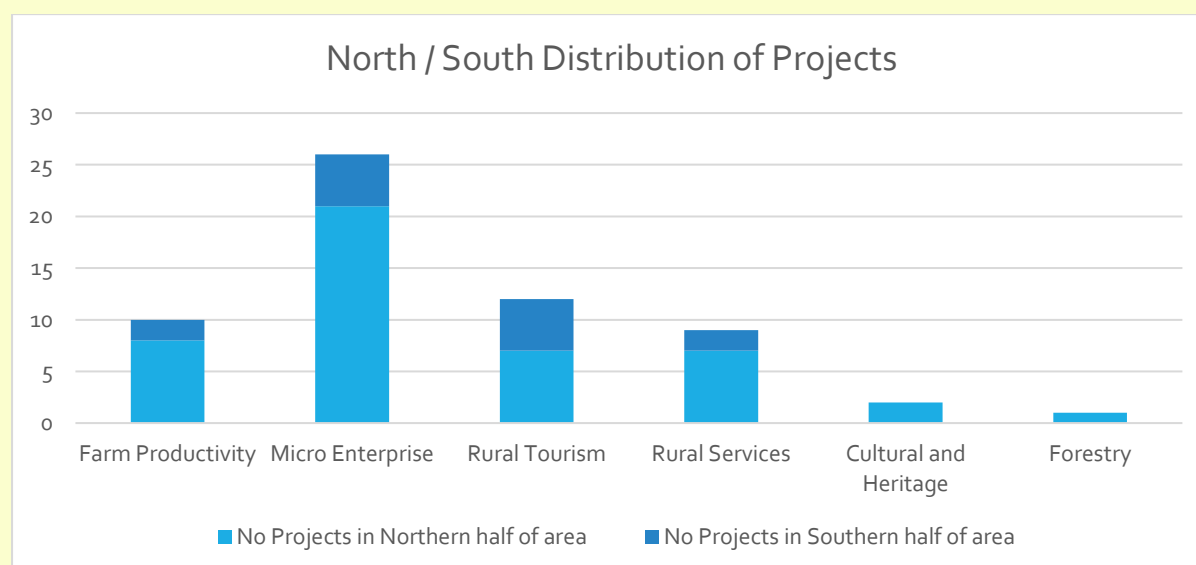
2.5 Geographic Spread

57 projects are in the Berwick upon Tweed Constituency.

3 projects are in the Hexham Constituency.

Number by Ward

Ward	No of Projects	Ward	No of Projects
Berwick North	3	Amble	2
Berwick East	1	Shilbottle	3
Berwick West	2	Druridge Bay	1
Norham and Islands	9	Pegswood	1
Bamburgh	5	Longhorsley	4
Longhoughton	7	Morpeth North	0
Alnwick	13	Morpeth Kirkhill	0
Amble West and Warkworth	6	Morpeth Stobhill	0
		Ponteland North	1
		Ponteland East	2
Northern area 46	77%	Southern area 14	23%

North / South Distribution of Projects

Legend: ■ No Projects in Northern half of area   ■ No Projects in Southern half of area

Note this is largely based on the address given which may be the applicant address rather than project location.

- There is a spread of projects across the area, however there **are significantly more in the northern half** of the NC&L area;
- The above distribution might be due to the historic presence of LEADER in the northerly part of the area making it well known in these areas. This is especially true given word of mouth is a key aspect of communication. The organisations that tend to promote LEADER and support applications will also be more familiar with LEADER in the northern area through past applications;

- The geographic distribution within each of the priority themes is similar to the overall picture with most categories showing significantly more projects in the north, the exception is Rural Tourism where there is closer to being a balance although still more in the north;
- The pattern does not correlate with the distribution of LAG members who have a tendency to be based in the more southern wards (56%) with only 27% living in the northern wards and the remainder living outside the area (although they may work within the NC&L boundary).

2.6 Business size

Business size	Number of projects	% projects
Medium	1	1.6%
Small	7	11.6%
Micro	52	86.6%
Total	60	

- This demonstrates that the vast majority of businesses benefiting are micro businesses;
- The one Medium sized organisation is a charity;

There is limited other information collected on applicants in terms of business type (no consistent information) age and gender of applicants etc.

2.7 Timescales

The processing of applications started later than expected due to various election and referendum purdahs and with the RPA / AB delivery agreement being signed in August 2015.

The expectation was for spending to take place from 2016/17 through to 2018/19. The first project was signed in **May 2016** but others then only started to be finalised towards the **end of 2016**. The flow then became steadier but there were still projects being agreed in the first half of 2019 through to **June 2019**.

There were no Rural Services projects agreed until **October 2017** – perhaps applicants or decision makers had taken the switch to jobs and the economy to heart and also being mindful to secure the 70% of projects needing to create jobs and meet the job targets.

Health warning – *many of the above figures depend on how projects are categorised and given many projects might fit under more than one heading there is a certain amount of lee way to 'make the numbers fit'!! It also means projects can be **genuinely contributing** to more than one outcome.*

2 Summary – Financial and Output Targets

- The Programme allocated all its funds and these were broadly in line with the proportions set out in the LDS for each priority, with the exception of

micro – business receiving 11% more than originally allocated, and forestry being consistently below targets due to lack of demand;

- Forecast Programme spend is **£1,766,000** being invested in projects in NC&L area;
- **Sixty Projects** were supported – again close to the original expectation of 67 projects (which was based on a rather higher funding proposal);
- Forecast jobs to be delivered are **137 FTE**, which significantly exceeds targets;
- Average grant cost per job is **£12,929** which is well below local and regional benchmarks;
- Across the priorities the lowest average cost per job is **£9k** for Micro Enterprise;
- 50 of the projects received grants of **£50k** or below;
- The majority of projects (46) received a grant of **40%** or below;
- The projects receiving higher percentage grants were in the categories Rural Services, Culture and Heritage and Rural Tourism;
- The vast majority of recipients (**87%)** were micro businesses;
- There were more projects in the **northern** half of the area (46) than the southern (14);
- This indicates that **60 relatively small grants can have significant benefits in terms of jobs created within rural areas**;
- The programme has fully allocated its budget, delivered its output indicators and significantly exceeded targets on jobs.

3. Administrative Resources

As mentioned above these were more constrained than in previous years and initially capped at 18% of the budget, although there was some relaxation of this allowed later in the programme up to the maximum of 22%.

AB/RPA letter 2015	£ allocation		
Salaries	306,160		
Office Overheads	960		
Travel and Subsistence	42,840		
Marketing and Promotion	5,284		
Events	2,020		
Total	**357,264**		
Actual Spend 2015 -20		**At June 2019 £**	**At June 2019 £**
LAG		**Forecast**	**Actual**
LAG Mileage		6,858	4,898
LAG Meeting Costs		4,630	3,441
Operational Budget		3,463	213
Total LAG costs		**14,951**	**8,551**
1.5 FTE **Officer** costs plus on costs,		292,410	241,816

redundancy provision, travel and phone.			
AB – project appraisal and claims staff costs		114,461	94,705
Total RC and A costs		**421,822**	**345,072**
Total as % of current forecast project spend	20%	23.8%	19.5%

All actual costs are for the full term of the programme starting from April 2015 through to June 2019, forecasts include all work to completion and closure of the programme.

The formal agreement to funding was not issued until August 2015 so NCC appointed and paid for project staff at their own risk at for the first four-five months at the start of the programme.

The original target was for RC&A not to exceed 18% of the Programme cost – this was later raised to 22%.

The actual RC&A spend at June 2019 is below the total RC&A costs originally allocated in 2015 by £12k.

The RC&A originally allocated in 2015 represents 20% of <u>current</u> forecast project spend. The forecast RC&A spend exceeds that allocation by £65k.

Using the Forecast Project spend figure of £1,766k the actual spend on C&L is **19.5%** at June 2019 but the forecast spend would be **23.8%** on current figures however as claims for RC&A cannot exceed the 22% threshold the RC&A will be contained within that percentage, the precise amount depends on both **final project and administration spend and the Euro /£ exchange rates.**

LAG expenses have largely been travel expenses for people to attend the monthly meetings plus travel to the evaluation meetings (the latter were limited to two LAG members to control the cost of these visits). There was also the cost of meeting space and refreshments for the monthly meetings. Plus expenses for any national or regional meetings attended.

There is a minimal spend on the LAG operational budget and no identifiable marketing costs. Payments for hard copy marketing materials were not allowed so materials had to be electronic and on line. The celebration brochure was produced by officers and had a small print cost.

The other main costs were the salaries and associated running costs of 1.5 FTE LAG staff. Total £242k at June 2019 for the costs across the full term of the Programme.

The Accountable Body was able to claim the time of the additional staff carrying out the technical appraisals, issuing contracts and managing claims.

For the Accountable Body there were some (unquantified) efficiencies through running both NULAG and NC&L LAG eg staff could cover for each other, they only had to learn the systems once etc. However NCC also contributed free time and support to the programme in that none of the senior officer time was charged for attending monthly LAG meetings, dealing with budgets and liaison with RPA. Finance and IT staff also contributed and communications and marketing were through NCC systems. So the LEADER contributions did not cover all NCC costs in the Accountable Body role.

There is no information presented at the individual LEADER Programme level of the administrative costs allocated to RPA for their role in Programme Management and QA of Technical Appraisals.

LAG members comments on admin resources:

- The vast majority said the admin resource felt about right and they thought the two staff members did an excellent job 'they warranted every penny';
- Paperwork was always complete and provided on time;
- Meetings and visits were well organised and supported;
- A small budget for publicity would have been useful;
- With a lot of paper it was a challenge for everyone – LAG, Officers, Council;
- Communication with Officers was excellent - there was always someone to ask and responses were quick.

Beneficiaries said:

- Officers gave a lot of help;
- Officers extremely helpful – having a local person employed on the ground is really valuable and was able to guide them through the forms;
- Very grateful for the Officer support guiding them through the process and providing clear support at every stage;
- Found the LEADER professional to be very helpful and available without delay;
- The team managing the process from start to finish have been extremely helpful and helped make the process less daunting. Officers have been incredibly supportive;
- Really appreciated the relationship we have had with Officers through the process;
- Officers were very good – all very positive. Guided them through the process and was always there to answer questions;
- Everyone really enthusiastic and helpful.

Applicants felt they had an excellent service from Officers, particularly the availability to visit or advise by phone on how to approach filling in the various forms. This is also the feedback received on Officers during the evaluation visits.

The importance of knowledgeable and experienced staff who are locally based and available to help is seen as hugely valuable by applicants and something not always available in other grant schemes.

There were a few LAG concerns about the lack of publicity and marketing budget and the challenge of having to use the NCC communications systems. This is understandable but it is in the context of substantial downward pressure by Government Departments on the use of public money for marketing and publicity purposes this decade. However, the Communications Group would have found it helpful to have a small budget to be used flexibly to pay for external skills and support.

There will be ongoing costs as the RPA now require NCC to undertake monitoring checks to ensure the longer term outputs are delivered by projects i.e. ensuring jobs are created over the next three-five years.

Getting an accurate understanding of the balance between RC&A and project spend has been difficult especially given the need to factor in the Euro exchange rate which is variable, and the need to forecast to the end of the programme. However it appears it should be under the 22% target, and administrative claims cannot exceed that amount.

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3 Summary - Administrative Resources

- Due to the national requirements to keep the running costs within a set percentage of the total project spend, administration costs have been kept to a minimum;
- There is huge appreciation of all Officers working on the Programme from both LAG Members and Beneficiaries;
- The value of having an experienced local Officer to visit or phone for guidance on the process is very highly rated by beneficiaries;
- LAG members themselves are voluntary but there has been a small budget for mileage and meeting costs, LAG members sought to manage mileage costs by limiting the number of LAG members attending evaluation visits and some LAG members did not claim mileage;
- NCC have claimed some of their costs for technical appraisals and claims work but they have also contributed the time of senior managers and others not charged to the programme;
- Overall the running costs are broadly on target for the percentage spend (which cannot be exceeded) but forecasting to the end of the project and the £/Euro split and exchange rates make it difficult to assess precisely.

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4. Processes and Decision Making Data

4.1 There were several stages to the process (below is a basic outline):

- Outline Application submitted;

- Assessed by the Officer against a range of criteria to test eligibility, ability to deliver, costs and strategic fit with priorities, implications for the budget etc.;

- The application and assessment were then considered by the LAG who would indicate if it should progress, be rejected or rejected with a view to returning after doing further work. This included a presentation to the LAG by the applicant or their agent;

- If approved the applicant would then work up a full application;

- The application would be subject to technical assessment by an officer within NCC;

- NCC then had to send the assessment to RPA who undertook quality control checks and pointed out any concerns or issues they had;

- The LAG then had the application and assessment to make the final decision;

- The Officer then conveyed the decision to the applicant;

- NCC then drew up the contract letter for the applicant;

- Once the project was completed the applicant claimed from the RPA via NCC;

- RPA undertook a small sample of compliance checks;

- The Officer carried out 100% closure visits to ensure everything was in place as per the final claim

- The LAG undertook 100% post project completion evaluation visits;

- NCC will have to continue with checks to ensure outputs are delivered over the next five years.

This illustrates a substantial amount of duplication as each organisation undertook checks and assessment at each stage, with subsequent discussion to resolve differences of view.

4.2 NC&L Processing Data

Progressing	Rejected/Withdrawn	Value
123 outline applications received	5 withdrawn not progressing to Initial assessment	£12,131,906 eligible project costs (ave £99k) £5,662,185 grant requested (ave £46k)
118 Initial assessments complete	1 withdrawn	
85 approved by LAG (73%)	32 rejected by LAG (27%)	
70 final applications received	15 did not submit final applications - withdrawn	£5,383,492 eligible project expenditure (ave £77k) £2,265,898 grant requested (ave £32k)

65 technical assessments	5 dropped out - withdrawn	
60 projects **approved**	3 rejected 2 held pending any underspend then rejected	Total project size: £4,301,798 (ave £72k) Grants awarded: £1,761,875 (ave £29k)

Claims and compliance/evaluation

87 claims worth £1,638,953 (submitted by applicant with supporting material e.g. invoices, payslips, bank statements etc.) authorised to date, 54 projects now closed.

4 RPA Compliance inspections – one acceptable and 3 with follow up requirements.

The Programme Officer undertakes more detailed evaluations to check spending on correct items and that the outputs and jobs are delivered and everything is present as per the claims.

LAG Members also undertake Evaluation Visits with the current position as follows:

53 projects closed and satisfactorily evaluated = £1.484m value
5 projects newly closed / evaluations required = £220k value
Coast & Lowlands remains on track for 100% completed LAG evaluations by late March 2020.

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A high proportion of outline applications are assessed by officers, and only a small proportion are rejected for having insufficient information to complete the initial assessment.

The high outline project costs indicate there are likely to be some large speculative applications which can be removed at this stage unless they fully fit with LEADER priorities. The reduction in costs is much less at later stages of assessment.

27% of applications the LAG considered at outline stage are rejected or do not proceed, this may be for a range of reasons including applicants or LAG feeling there are too many further issues to address, able to pursue alternative funding or lack of fit with LEADER priorities.

A further 13% that were approved by the LAG decided not to proceed to a final application, reasons being similar to the above ie the amount of detail required or opting to pursue alternative funding.

Of the 70 submitting final applications a further five dropped out withdrawn by applicant, and 3 (4%) were rejected by the LAG.

This left a total of 60 approved projects. This means 49% of the outline applications progressed to approved project and 71% of those accepted at expression of interest stage progressed to final application.

The majority of these projects have now claimed and are subject to LAG evaluation visits which are expected to be 100% complete by end March 2020. 100% will also be visited by the Officer to check all the outputs and financial information. A small proportion will also be subject to RPA compliance checks.

The above indicates the LAG is doing a good job in filtering out applications at an early stage in the process avoiding them spending further time on an application that is unlikely to be successful.

There are quite a number withdrawn by the applicant at each stage, this might merit further investigation although the main reasons appear to be alternative funding sources or not being able to provide all the information required.

The attrition rate is lower than many other schemes and this is probably due to the work of the local Officers in supporting the applicants (see beneficiaries feedback on the Officers).

The total value of the projects is £4,301,798, therefore the **match funding is £2,539,923** the majority of which will be private investment in projects in the area.

4.3. Relationship with other schemes The LDS sets out the main strategy's and schemes operating in the area and the need to be aligned with these to add value and complement their approach. The schemes mentioned are ESIF Strategy providing a framework for NELEP's investment of European funds such as ERDF and ESF, EAFRD Growth Programme targeted on rural areas and the RGN – Rural Growth Network with its Strategic Economic Infrastructure Fund and Rural Business Growth Fund.

There are also various funds under the RDPE administered by RPA.

There is a degree of potential overlap but one of the key differences is the scale of funding with the other funds tending to be more suited to larger grants and projects, LEADER has a key role in providing smaller grants.

As a number of the grant schemes are administered through the County Council and Advance there is a good opportunity for their officers to ensure projects are appropriately directed in the first place.

Given that some applicants dropped out of the application process due to receiving support from another grant fund there might have been a need to clarify the relationships between different grants, although perhaps applicants found having options helpful.

The examples noticed were people switching to RGN funding or to some of the smaller specialist schemes or charitable funders.

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4 Summary – Process and Decision Making Data

- 123 outline applications resulted in 60 agreements (49%);
- 37 were rejected by the LAG the majority at the expression of interest stage, EOI has been useful in filtering out projects at an early stage with only 4% being rejected at final application;

- The remaining 26 were withdrawn by applicants at various stages;
- Reasons noted for withdrawal include not being able to provide all the elements required as part of the application and finding alternative funding.
- Alternative funding included RGN and smaller charitable funds;
- The attrition rate is lower than for some other schemes, doubtless due to the high level of support provided by the local project Officer;
- 100% of projects will have had LAG evaluation visits by end March, they will also be subject to various compliance and claim checks by Officers and RPA;
- There is quite a high degree of process duplication as LAG/Officers/AB/RPA all carry out checks at various stages;
- The total value of the projects is £4,301,798, therefore the **match funding is £2,539,923.**

5.0 Outcomes and Impacts

5.1 LDS Qualitative Targets and SWOT

The LDS described the outcomes it was seeking to achieve in the coast and lowlands and included a SWOT analysis which identified the following:

In economic terms the LDS recognises the importance of agriculture (and its associated tourist diversification activities) and the role of public sector employment and tourism in having taken up the slack resulting from the historic decline of the mining and fishing industries.

Agriculture and tourism are recognised as business strengths in the SWOT, otherwise the small business base is recognised as a weakness with very small numbers of large employers and a reliance on the public sector means people surveyed identified lack of job prospects as something that needs improving. Also a lack of finance for business growth.

The business opportunities exist with rising levels of start-ups and higher levels of sole traders than average, but weaknesses include limited opportunities for younger people and a potential risk that sole traders do not wish to grow their business through increased employment.

In terms of **people** – the LDS recognises unemployment in line with averages, slightly higher than average number of people without qualifications, significant numbers of business owners, home workers and micro and small businesses with potential for growth but a relatively small local labour pool and lack of long term opportunities for young people.

In terms of **place** the excellent natural environment, strong road and rail transport links and strong market towns are noted. But significantly higher travel to work distances and a reliance on cars and gaps in the public transport provision are also identified. The natural assets can enhance the tourism offer and there are opportunities for increased wood fuel production and forestry management. But there are challenges accessing services, markets and communications infrastructure.

In setting priorities the LAG was clear that it was not simply about providing a list of sectors or types of activity where LEADER will be used to intervene. It is about recognising the diversity and scale of activities that can impact on rural areas. Simply creating the infrastructure that supports a micro business to take on one apprentice can have a significant impact on the economy and society of a small settlement.

Outcomes sought included:

Business

Diversification – helping to develop new opportunities across all rural business sectors;

Formation – assisting the creation of new enterprises in all rural business sectors;

Sector Focus – sustaining the core areas of Farming, Tourism and Forestry.

People

Services – meeting community need through supporting services that contribute to the local economy;

Opportunity – supporting the development of economic activities to create local employment.

Place

Natural heritage – making the most of the unique environment as a motor for economic development;

Built Heritage – ensuring resources within local communities are fully utilised for maximum local benefit;

Events – creating opportunities that will showcase the C&L area, its produce and culture, attracting visitors and creating business opportunities.

Interconnectivity between sectors is recognised eg farming, tourism and food; natural heritage and tourism; under manged woods on farms and forestry with energy projects. There is a commitment to use LEADER to maximise the effectiveness of these linkages through supporting **food provenance initiatives** and **food trails**, encouraging the most **effective use of land resources**, widening the **range of activities offered to tourists** visiting the area.

There is also a commitment to deliver the requirement that at least 70% of the spend has to be on jobs and productivity.

The LAG will target:

Infrastructure – including advice, support and premises that will enable economic change to happen.

The need to not duplicate NELEP and RGN funding is noted.

But there is scope for infrastructure projects that contribute to economic development and community sustainability.

Investment – in new equipment and resources that will enable business to develop.

Direct investment in businesses is recognised as making the most immediate contribution to productivity and potential employment growth. The investment to be available in conjunction with existing business advice networks (a small delegated fund for business advisers to be considered) and a collaborative approach with the neighbouring NULAG and other neighbouring LAGs to bring benefits of scale.

Innovation – supporting approaches that will create new products and services,

This is recognised as one of the most difficult areas to foster, however the LDS recognises there are systematic approaches (the model is set out) to encouraging innovation which the LAG intends to pursue. It notes this requires active promotion and engagement by the LAG and support agencies and a willingness to make some investment into prototyping that can be worked into a full scale project – beyond just supporting feasibility development.

While not confined to any type of organisation it is assumed that social enterprises will be well placed to take advantage of this approach.

There is a commitment to develop this innovation focused approach specifically designed to support new projects to the sustaining stage at which point they should be investment ready. This to be achieved through targeting resources at an early stage in the programme in helping pump prime a throughput of projects that will generate significant employment and productivity outputs.

Supporting innovation in this way will create a structured, yet locally focused animation process that has potential to produce targeted results rather than waiting for projects to spontaneously appear. However there is a higher risk of failure and the risk assessment of projects will need to take this into account.

Some potential projects for the innovation approach are listed in the LDS.

5.2 Economic Impacts delivered

These are very hard to measure as there is a diverse spread of small projects over a wide geographic area with a range of other grants and funds being delivered within the same geography, so formal measurement is not possible but some anecdotal views and some commentary on what has been delivered is provided.

The most obvious impact is the number of jobs created (137) and an average of 2.3 jobs per project. Within rural locations, these can have a substantial impact on small communities, and the need to create small numbers of jobs across rural settlements was one of the targets. The jobs per grant ratio at £12k was excellent value for money and well below benchmarks.

Displacement was considered at appraisal and understanding of this was enhanced by local knowledge – and it was felt most projects were adding value.

A number of the jobs created were apprenticeships which will allow young people to learn and gain skills within work and address the issue of qualification levels in the area being below average.

However, some jobs will be relatively low wage, part time or seasonal jobs as that is what the businesses require.

In recession money has been in short supply so even small LEADER amounts will have helped local businesses develop and grow.

Everyone is convinced of the benefit but with dispersed small local scale projects it is not so easy to see the overall impact. Yet it is these small scale projects and the creation of one or two jobs is exactly what is appropriate for rural settlements.

Beneficiaries found it hard to identify wider impacts beyond their own project, they don't make a point of finding out who else has LEADER, but one noted: 'I've seen businesses achieve things that would otherwise have been impossible'.

Their individual projects have largely been achieving or exceeding their forecasts and without the grant feedback indicates they would not have happened or a smaller investment made leading to a lower quality product. Rural Northumberland needs this investment in quality facilities.

Beneficiaries views on the Economic impact of their projects:
- Going much as predicted – job safeguarded;
- Quite hard to predict beyond year one – but actually they are just about where they expected to be;
- Forecast – turned out to be reasonable and realistic and being achieved;
- Without funding would have opened but without the facilities LEADER paid for which would have spoilt the project.- struggled to find any other fund that could help – so very glad LEADER did;
- Might have happened but at a reduced scale;
- Always hard to predict the future – will have a better idea once they launch the project;
- Wouldn't have done the project without the funding;
- Forecasting quite difficult – especially for employment. Although it has definitely generated more employment and went over VAT threshold earlier than expected;
- Have to balance less work and more profit with more work making less profit;
- They are ahead of their business plan and so expect to consider further developments;
- If no grant they would have gone ahead but slower and not been able to invest in quality – and as it is the quality of what they offer that is the selling point and also attracts good staff, without the grant enabling delivery of quality the business could have spiralled downwards instead of upward.

5.2.1 Farm Productivity

Within the projects funded are two relating to nutrient management, 5 animal health and welfare and 3 processing and marketing. They are spread across the area but with a focus on the northern part of the LEADER area. There appears a focus on investment in equipment that will make existing operations more efficient whether investing in animal handling facilities or crop management equipment, however some have diversified their activity e.g. contract pig rearing.

There were issues with eligibility of items – particularly where there were components of a project that were on the RPA list of ineligible items yet were integral to the project.

The average grant was modest but jobs were slightly below target, this was because equipment to improve efficiency tends to result in better profitability but may in fact decrease the labour requirement unless the equipment earns additional revenue through contract hire.

The spend in this area meets the strategic objective to support agriculture as one of the main economic activities in the area.

While other agricultural grants had a high minimum value there was probably a place for these smaller grants but they may sit better in mainstream agricultural funding – although some smaller niche opportunities and understanding of the current local context may be missed.

Some of the funding in the forestry priority was transferred to agriculture but was not then fully spent on this priority although the money was utilised in other categories.

It might have been beneficial to have been able to organise demonstration days to share information about new technologies and techniques.

5.2.2 Micro Enterprise

This has been a core focus of this programme with 46% of the spend and 89 out of 137 jobs created. This has been a clear and successful response to the focus on economic activity and job creation.

This has been a major contributor to the programme achieving a forecast of almost double the target number of jobs.

This priority addresses many aspects of the LDS including the creation of new opportunities for businesses and creation of new enterprises

It has also addressed unemployment through the creation of jobs, and providing opportunities for young people.

Generally these are small numbers of jobs but this is exactly what was identified as being needed in small rural communities, where there need to be some job opportunities but there would not be sufficient local people to service larger workforce demands. The projects creating larger numbers of jobs are situated nearer to Market Towns where there will be a greater labour force.

There are a wide range of diverse projects some are farm based (4) some are in the food and drink sector (5), retail, community based and micro-businesses based in rural communities.

5.2.3 Tourism

This is another important component of the economy in this area with 12 projects contributing to the tourism offer.

Six of the projects are accommodation, a few of the early projects might not have been approved later in the Programme ie Tourism Plans point out there is no requirement for further standard self-catering accommodation, it would need to offer something special to get through eg the Woodside Glamping project.

There are three visitor attractions and two listed as events and festivals which meets one of the LDS objectives around Place – to showcase the area, its produce and culture.

There is a degree of cross over with other categories eg Craster Village Trail is beneficial to tourism but is listed as a rural services project as is Creswell Village Hall which will host an exhibition open to visitors.

There was a comment that although the LEADER processes considered indirect jobs these did not count towards FTE totals so some initiatives to improve the tourist offer might not have been accepted if they did not create direct jobs.

5.2.4 Rural Services

One of the LDS targets here is around built heritage and ensuring resources within local communities are fully utilised for local benefit.

Projects in this category have included sports facilities for young people, making wider use of village halls and a community transport project.

Although not directly creating jobs there have been anecdotal examples of businesses benefiting through being able to base some of their activity in these facilities.

There was less opportunity for community projects than in the past but some did get included especially later in the programme.

For example Creswell Hall is now much more sustainable as a result of the project, all the work is managed by volunteers and some people operate their businesses out of it so small scale enhancements provide a facility for local business as well as community. There is not enough business to warrant an enterprise facility but this creates an opportunity for business if there is a decent community facility.

For example Berwick Film Festival – provides increased awareness of the ability to do positive things in the Community.

5.2.6 Culture and Heritage

With only two projects and under the expected numbers and spend this category has perhaps not been utilised as much as might have been expected. Perhaps there are other funding sources or people struggled with the job creation aspect?

However it means the 'Place' element of the LDS perhaps remains under developed and utilised. There has been little

focus on projects to sustain or enhance the natural or build environment – again perhaps due to the difficulty in creating economic return and jobs.

It may also be a less obvious component of some of the tourism project which often rely on the environment as being one of the aspects visitors come to see.

5.2.7 Forestry

As already highlighted this area did not generate projects and funds were transferred to other parts of the programme.

There was only one successful small scale project for a piece of machinery.

Forestry was given as an opportunity in the LDS in association with small scale woodland management and opportunities for production of wood fuel.

There is not extensive commercial forestry within the area and even if there were they would probably target alternative grants due to the scale and cost of the equipment required.

The woodland management for environmental and small scale production envisaged probably would have required the capacity building and project development on the ground, as envisaged through innovation, and this has not been a focus of this programme.

5.3 Innovation, Collaboration, Networks and Knowledge Transfer

These are often seen as key attributes of LEADER and some of the ways in which the local community connections can add value.

5.3.1 Innovation

The LDS contained a substantial section on **encouraging innovation** and set out an approach to achieving this (see above). It requires active promotion and engagement by the LAG and support agencies.

There is a commitment to develop this innovation focused approach specifically designed to support new projects to the sustaining stage at which point they should be investment ready.

However there is **no evidence** that the LAG has adopted this and taken it forward in the context of this programme. Although as one member pointed out: If doing innovation in LEADER in its current guise the risk was all with the applicant as they had to give money back if jobs were not created. However it might have been

possible to explore this area through greater animation effort and use of the 30% not associated with jobs.

There were few if any examples given of innovative projects but perhaps not surprising as there is little truly original or innovative, but there were some good projects achieving things that were new or at least unusual for the area.

5.3.2 Collaboration, Networks and Knowledge Transfer

LAG comments on innovation and collaboration:
- The EOI 'waiting room' was a place where project applicants had a chance to meet;
- Tried to build links with LAGs over the border and with the FLAG but not much came of it and it wasn't encouraged;
- Although the wider groups have not met the Chairs of the two Northumberland LAG's worked collaboratively on strategies, plans and engagement;

Beneficiaries views on collaboration, networking and innovation:
- Don't really know who else is in it, out on farm so don't really discuss LEADER with others – so no collaboration or networking;
- Know a small number of others in LEADER but no real connections;
- Noted innovation and networking in application forms and tried to address it ie included a consultation element on their scheme – but would have done that anyway as good practice;
- Innovation – what is really innovative? Need to keep up with new technology;
- Should be more about what is needed and ensure that is done well, this is more important than innovation;
- Not really - but has had about 10 people contact him on how best to apply once he had been successful. Provided coffee and a chat about what is expected – didn't fill in forms for them;
- No hasn't had any suggestions to connect with others, a one pager would be useful of things to be aware of eg Women in Business meetings, Local Business Networks, other funding to be aware of etc;
- As a result of the machine now able to offer services to more companies, there would be a benefit of networking if in their area and sector;
- Our project is only just getting established but bookings indicate the local area will benefit from increased visitors.

The general response as to whether collaboration and networking had occurred was 'probably not'. People used their existing networks both in terms of LAG members promoting LEADER and applicants for delivering their business or seeking support.

There were no transnational or inter regional visits as used in the previous LEADER programmes to aid knowledge transfer and innovation. Although it was an item scheduled into the Delivery Plan there was no clear route to securing the money from this programme for such activity.

With transnational projects discouraged as publicly funded overseas trips were not supported during the period of financial austerity (despite the target in the 2017 Delivery Plan) and infrequent national meetings with limited representation there was no structure to tap into for exposing people to new ideas and approaches or knowledge transfer.

Although the two Northumberland LAG groups had not met Chairs did collaborate, discussing issues and plans, and these discussions were reported back to the LAG meetings.

Suggestions were made by LAG members at EOI panels suggesting contacts or other funding sources for beneficiaries. There were no meetings or networking for beneficiaries and some indicated that within their sector or area this might have been helpful and some signposting to existing networks for those new to the areas or sectors might also have been useful.

However the main opportunity seems to have been for bringing people together before application to develop collaborative or innovative projects (see innovation and animation above) but the systems and processes needed to develop innovation – as set out in the LDS - were not put in place and there does not appear to have been an interest or support in doing so. This concept has not really been developed in the England approach to LEADER.

Successful applicants tended to be quite independent and knew what they wanted to achieve with their business and made what connections were necessary to achieve their goals. The position of those not applying or unsuccessful in securing a grant is not known.

The jobs and growth focus of this programme may lend itself less well to the sort of innovation and capacity building that are part of the European concept of the LEADER approach.

There was one good example of a successful beneficiary sharing his experience with others interested in applying for LEADER funding – the idea of potential applicants having the opportunity to meet with successful applicants seems a useful one.

5.3.3 Capacity building

This can be interpreted at two levels, one the building of community/social capacity and networks and secondly at the personal level with people developing new skills and contacts to help them develop their personal or community business.

> **Beneficiaries views on Networks and Capacity building:**
> - No and No;
> - Idea was already in head but funding gave them a push to apply – but then slowed them down as it took nearly a year longer to get going than without grant;
> - There are no funds for capacity building except for very small organisations;
> - No it is a stand-alone project and didn't learn anything new;
> - Not really as already had the skills and contacts for this work;

The funding did stimulate some action but most people know their sector and work area. For those newer to a sector there were some benefits such as the opportunity to develop new contacts for example with the Local Authority.

5.4 Sustainable Development

Sustainable Development is also set out in the LDS as being an important consideration, and identifying the type of projects that could contribute to sustainable development. While there are some projects that could claim to contribute in the ways set out in the LDS there is no evidence that this was a substantial component of decision making. Indeed the key assessment criteria were more around eligibility, jobs and the economy.

LAG comments on whether Sustainability featured in decision making:
- Looked carefully at economic viability, social impacts were considered on social applications, environmental impacts discussed occasionally;
- They wanted to ensure projects would continue to have further growth and more jobs, there were some tourism projects that appeared eco-friendly;
- Building projects were asked about energy but more to check compliance with regulations than anything else;
- Did not really feature in decision making;
- Not a strong part of the appraisal although a couple of members asked questions about sustainability;
- It might have been an additional factor if the application was not particularly strong but if the environmental elements had been stronger it might have gone through;
- Sometimes applicants made claims about sustainability but these were not always credible.

Overall despite the statements in the LDS it does not appear to have been a major consideration and /or people interpreted sustainability according to their own interests. To have had any teeth sustainability would need to have been built much more strongly into the appraisal criteria.

5 Summary – Outputs and Impacts
- Given the focus of the programme it is not surprising that the main outputs have been around businesses achieving their growth goals and the generation of jobs – which has been very successfully achieved;
- A key area of unemployment has therefore been addressed by NC&L LEADER with beneficiaries providing a wide range of job opportunities. These are in small numbers but across the many small settlements and therefore are appropriate to the needs of a rural area;

- The beneficiaries are creating a number of apprentice opportunities which can help address the issues of employment for young people and enhancing skill levels;
- LEADER has supported opportunities for diversification, growing very small micro businesses to the next stage and the creation of new businesses;
- There are projects addressing the core sectors in the area – farming and tourism, the later often based on the natural and cultural assets of the area;
- The forestry sector and the LDS goal of supporting the management of small woodlands though wood fuel production has not been realised;
- Projects associated with local community facilities have often been associated with enhanced facilities and infrastructure benefiting local people including young people and small businesses requiring facilities from which to operate income generating activities plus facilities for visitors;
- Culture and heritage grants have been relatively little deployed but grants in other sectors are often underpinned by the quality of the built and natural environment;
- Sustainable development was not a consideration built strongly enough into the assessment criteria to have much impact on project selection;
- Overall a strong mix of projects addressing key issues and opportunities within the area;
- There is little evidence of the capacity building, networking, collaboration, knowledge transfer and innovation that are generally thought to be key features of community led rural development and the LEADER approach;
- This has traditionally been less well developed in the English approach to LEADER and therefore would have required the LAG to have put some focused planning and action in place to make this happen;
- Successful applicants tended to be quite independent and built their own networks reflecting their business need;
- The LAG itself has built capacity and capability within the group but has not as a group had the opportunity for knowledge transfer or transnational projects, although the Chair has worked collaboratively with the neighbouring LAG Chair and other regional initiatives.

6. Design of the LAG - Structure

The key feature of LEADER programmes is the Local Action Group (LAG).

6.1 The LDS proposes the LAG structure as follows:

An Executive of no less than 12 Members through an election process and comprising four equal constituencies:

- Business interests
- Community Bodies
- Support agencies
- Community activists

Plus elected member representation from NCC and NELEP.

Appointment of LAG Members should consider:

- Geographical distribution
- Gender balance
- Age balance

In addition there is a role description for LAG Members which sets out their main duties:

- To develop approaches to the stimulation of applications
- To complete a thorough assessment and appraisal of applications, approve applications, provide feedback to successful and unsuccessful applicants,
- To monitor project progress against expenditure and outcomes and to mentor projects to ensure successful delivery.
- The LAG Executive will focus on ensuring the programme achieves its mission on jobs and growth.

The role description also sets out that quorum is 5 Members and there needs to be balanced representation from across the priorities and sectors.

Members have to declare any interest in any project with which they have a connection.

LAG Executive Members are expected to undertake an induction training programme to understand the delivery of LEADER and their roles and responsibilities.

6.2 LAG 2014-2020 - implementation

Training was provided in June 2017 by the Programme Officer with a detailed explanation of LEADER, the LDS and Delivery Plan priorities, the role and responsibilities of LAG Members and guidance on how to approach the appraisal of projects. The presentation for this training provides a valuable resource for Members.

The current Chair took over mid 2016 about one year in to the active operation of this programme, the previous chair remains an executive member.

There have been two innovations under the current chair that have been particularly beneficial:

- The introduction of an informal half hour for people to meet before the start of formal business. Although not for everyone it has doubtless contributed to the sense of community, belonging and shared understanding and support within the LAG which was mentioned by many and which is an important step in building capacity and capability in the group;
- The second action was to introduce the process of interviewing applicants at the Expression of Interest (EOI) Stage. This was recognised as hugely valuable by all LAG Members. It brought projects to life and made them human, it gave an opportunity to understand that individual and their vision, aspiration and enthusiasm for their business, this made the process much than just a paper exercise.

The above are important considerations in seeking to secure the interest, motivation and longevity of a voluntary group like this one.

In addition two sub groups were established:

Evaluations Sub Group – visiting every project upon final claim to learn how the project had gone and seek feedback from beneficiaries. This also generated valuable material for the communications sub group.

Communications Sub Group – focused on developing press releases on projects that had successfully delivered raising awareness of LEADER and helping promote the businesses involved.

6.3 LAG Numbers

The LAG advertises for Members and did so earlier in the Programme. Some LAG members were surprised all they had to do was complete the application form with no interview, however existing Members did have to vote to approve any new Members put forward. The AB has no role in appointing Members. The last Member to join was in December 2016.

During the Programme period there have been 30 people involved as members of the LAG, **21** in the **Executive** and **9** in the **Non-Executive** roles.

The wider group of **Executive** and **Non-Executive** is expected to meet **four times** a year to consider reports on the progress with the delivery of the LDS. However as most of the LAG work is focused on the decision making on grants (a role for the Executive) there is little substantial role for the Non-Executive so this area has decreased to just three Non-Executive Members who can attend the monthly meetings and ask questions and support the work, but in a non-voting capacity.

There is potentially an important role for the Non-Executive particularly when a programme starts up as they elect the Members to the Executive, and having been voted on by their peers provides some assurance on the expertise of the Executive. Perhaps a clear decision on the role and split between executive and non-executive Members would have been appropriate rather than just letting this aspect of governance evolve.

The reliance on people volunteering can make it difficult to ensure an appropriate sector, geographic, age and gender distribution on the LAG.

Of the 21 Executive Members **6** have **resigned** for a range of work and personal reasons this leaves **15 Members on the executive** of which **8 were involved in the previous programme.** There are **3 Members of the non-executive**, **none of whom were involved in the previous programme**

6.4 Sector representation

Exec	Total Involved	Resigned	Current
Public	4	1	3
Private	10	3	7
VCS	7	2	5

Total Exec	21	6	15
Non Exec			
Public	1	-	1
Private	4	3	1
VCS	4	3	1
Total Non-Exec	9	6	3

Given the focus of this programme on business growth and jobs the distribution of the current executive and non-executive appears appropriately balanced, and the resignations look broadly proportionate to the overall distribution.

6.5 Knowledge of Priority Themes

Priority theme	Exec	Exec resigned	Non Exec	Non Exec resigned	Total Current	% of current Members by priority
Forestry	3	0		1	3	9
Culture and Heritage	3	3	3	2	6	19
Rural Tourism	4	2	1	1	5	16
Micro Enterprise	8	3		3	8	25
Rural Services	5	4	2	3	7	22
Farming	3	0		1	3	9

There are six priority themes for NC&L, current LAG Members have the backgrounds above, many Members have more than one area of expertise hence the total being more than the 18 people involved. The figures reflect the listing at Sept 2017.

These seem surprisingly low on farming and forestry.

The high proportion in the micro-enterprise category appropriately reflects the focus of this LEADER Programme.

The rural services (and to a degree culture and heritage) are quite high given the shift in this programme from rural services to the economy and jobs – but there are a number of people continuing from the previous programme that bring this interest and expertise with them into the current programme.

6.6 Gender Distribution

	Total		Resigned		Current	% current
Executive						
Male	17	81%	4		13	87%

Female	4	19%	2		2	13%
Non-executive						
Male	4	44%	3		1	33%
Female	5	56%	3		2	66%

This is a crude analysis divided male female based on name only. This shows a predominance of male LAG Members particularly in the current Executive group with **86%** (although originally slightly lower at 81%). Given that the LDS seeks an even distribution greater effort perhaps needed to be made to seek and facilitate the participation of women to achieve a 50:50 balance.

The causes of this bias were not explored in this evaluation but would appear to require further consideration.

6.7 Age Distribution – no data has been collected on age distribution, therefore no analysis is possible. Anecdotal comment has been made that the majority of the group would be over 40.

6.8 Geographic Distribution

Wards	Exec	Non-Exec	Total
Berwick North to Amble West and Warkworth	4	1	North 5 27%
Amble to Ponteland East	8	2	South 10 57%
Outside area	3		Outside 3 23%

This has been based on current Member's home postcode.

Living outside the area does not imply people do not have strong connections and understanding of the area through work, family or recreational connections.

There is a pattern of more Members living in the southern part of the area, however more projects came from the north. A better balance might have been sought although as mentioned above home location is not necessarily an indicator of work location and networks.

6.9 Skills and Knowledge

In addition to the above classification by LEADER priority themes the Members of the group reported the following skills:

Access	Finance	Financial analysis	Local Government network	Renewable energy	Tourism
Agriculture	Farming networks	Financial expertise	Recreation	Retail banking	Universities
Banking	Farming	Loan assessment	Political knowledge	Running charities	Voluntary and community
Farm business	Evaluating projects	Land Management	Partnership working	Rural development	Water management

Business	Environment	LA grants	Nursing	Rural land agency	Wind turbine energy
Business Start-up Adviser	Dementia care	Know coastal area	Not for profit organisations	Self-employment	
Business support	Community organisations	Grant schemes	Neighbourhood Plan	Shop and cafe	
Chartered Forester	Community groups	Forestry	Natural environment	Small business	

This illustrates the strength and breadth of knowledge of the group of LAG Members.

6.10 Networks – LAG Members were asked about their networks and collectively they have connections to **over 60 organisations** including:

- Sports Clubs
- Community and Business Networks
- Environmental Groups and Organisations
- Development Trusts
- Housing Bodies
- NALC
- NEFRAN
- Forestry and Farming Groups
- Universities
- Arts and Crafts Groups
- Health and Social Care
- Town and Parish Councils
- Neighbourhood Plans
- School Governors
- Renewable Energy Funds
- Shows and Markets
- Tourism Associations

This range of networks provides LAG Members with a strong understanding of the NC&L area, links to organisations and businesses that might promote LEADER, an understanding of the projects required and how LEADER relates to other schemes or initiatives within the area.

6.11 Voluntary Role

This work is undertaken on a purely **Voluntary** basis – most LAG Members give their time for free, a handful are there representing the organisation they work for and therefore their time may be paid by their work organisation (AONB, Berwick Community Trust, Land Agency firm). Travel expenses and meeting facilities and refreshments are paid for through the LEADER budget – although some, including those representing their work, may not always claim these.

LAG Members were asked about the time they put in to the role. It varies depending on the roles they perform (eg those on Evaluations Group or the Chair require a little

more), how often they attend, and how much preparation time they need. Estimates varied from 0.5 – 2.5 days a month depending on their role and involvement.

The work has also fluctuated over time due to allowing time to get the programme started and then it started to wind down in the last year. So based on individual time estimates, 70% attendance, for the core three years and only accounting for 15 Executive Members would give a conservative total of **468 days or 3888 hours** of voluntary time contributed over the programme.

Note **three Members have their time paid for by their business** – they tend to have lower time estimates, but then there is a contribution from non-execs and additional LAG Members over the period which could be assumed to balance out.

Maintaining the commitment and motivation of a voluntary group to carry out this work over a number of years is not always easy so Members were asked how and why they got involved, what they have enjoyed or disliked and what has motivated them during their time with LEADER which is covered in the next section.

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5   Summary - Structure of the LAG

- The LAG has involved 30 people over the duration of the programme, with currently 15 Executive Members and 3 Non-Executive Members with 12 having resigned;
- The role and activity of the Non-Executive Group has perhaps declined with no separate meetings and the remaining Non-Executives just attending the monthly meetings but in a non-voting capacity. This appears to have evolved rather than reflecting formal decisions to adjust the roles of Executive and Non-Executive;
- The balance between private, voluntary and public sector representation seems appropriate given the focus on the economy and jobs;
- The numbers representing farming and forestry are perhaps lower than expected;
- The high proportion in the micro-enterprise category appropriately reflects the focus of this LEADER Programme;
- The rural services (and to a degree culture and heritage) are quite high given the shift in this programme from rural services to the economy and jobs;
- 87% of the current Executive are male – more could be done to aim for a 50:50 male: female balance (there may be a similar lack of age distribution but there is no data available on this);
- Only 27% of the LAG members are based in the northern wards which contrasts with 77% of the projects coming from these wards;
- There is an impressive range of relevant knowledge and skills declared within the LAG group;
- The LAG Members are involved in a wide range of organisations and networks which should connect them well with the community;
- An estimate of approx. 3900 voluntary hours have been delivered during the programme.

7. LAG Interviews - Engagement

7.1 How did Members join the LAG

Five joined having been nominated or supported by organisations with an interest in LEADER. Two still represent their organisation but others are now voluntary and independent. One independent attends as part of their business.

Four Members saw **adverts in newspapers** and joined via that route, others were in the previous programme and continued and three were just aware (**word of mouth / through work**) and applied.

With the focus of this programme on the economy the social and environmental organisations are less inclined to have representatives on the group than in the past. There are still a good number of representatives from previous programmes who tend to have a social interest but many of the newer members have business interests.

7.2 What motivated members to be involved in the LAG

The LAG members were all asked about their motivations for being involved and what they both liked and disliked about the work of the group. These provide some **useful pointers for engaging volunteers in similar roles in future**.

Two members represent organisations – Berwick Community Trust and the Northumberland Coast AONB. The links to LEADER are obvious and these organisations are keen to be able to have some involvement with LEADER in relation to their organisation's plans and objectives.

LAG views on motivations for being involved:

- Interest in and commitment to Northumberland – and the opportunity to become familiar with the coastal part of the county from north to south – wider than their local area, and across different sectors;
- Meeting people from other parts of the county;
- Meeting people from different organisations and backgrounds;
- Being part of a diverse and interesting group of people;
- Commitment expertise and knowledge of members, staff and NCC – and learning from each other;
- Enjoyed forming into a group that meets regularly is now strong and know each other well, and now count as friends;
- Useful experience for their volunteering CV and also personal development;
- Felt they could add value;
- Doing something for the community, worthwhile thing to do;
- Assisting with the economic development of the area – seeing results and seeing businesses flourish, making a difference;
- Meeting the applicants – EOI and evaluations;
- Sense of duty – it needs doing;
- Feeling buoyant about having achieved something;
- Building on what was done in previous programmes – ensuring continuity;

- Finding out the reality (rather than rumour) about how the LAG worked and allocated money;
- Travel expenses, tea and a sandwich!

LAG views on what they liked about the work:

- Group was generally in broad agreement;
- Good Chair and Vice Chair;
- Well organised meetings, good support, good chairing and good process;
- Full discussions and generally consensus but when not it stayed civil, reasoned discussions led to better decisions;
- Can be a slow deliberative process but generally makes the right decision by consensus building and debate – rather than an individual officer making a decision;
- Valued relations with local authority staff – they were not afraid to challenge;
- Diversity of views;
- Those not committed just left – natural wastage got group to about the right size ie 10-12 at a meeting;
- LAG strengths were discussion, decisions and evaluating projects;
- Great support from officers organising meetings, papers and keeping everything right.

LAG views on aspects of the work they liked less:

- Occasionally people dive right into the detail of a report and take a lot of time on detailed questions – it got better over time;
- Appalling bureaucracy for a simple grant scheme;
- Not enjoyed the bureaucratic processes some of which appear unwieldy, unnecessary and caused time delays – and seem to be UK rather than European rules;
- Time taken to turn around applications – not due to staff just rules and bureaucracy;
- Weak transition phase and challenge of the transition from social to economic outcomes;
- Introduction of RPA has meant loss of bottom up approach and LAG role therefore diminished;
- Focus on economy and loss of social and environmental outcomes means it is just another business grant scheme;
- Time taken for some requests to be actioned;
- Process for decisions could be frustrating as so many organisations in the decision chain;
- Disliked the involvement of the local authority as felt they liked to say no eg to applications or expenses;
- Occasionally views were on the person rather than the detail in the application;
- Volume of paper – not frustrating just a challenge to do it justice;

- Exec / Non Exec split was a bit odd as the only difference seemed to be the ability to formally vote;
- Meetings running over – but rarely happened.

6   Summary – LAG engagement

- LAG members continued from previous programmes, volunteered in response to adverts or word of mouth about the opportunities or were proposed as representatives of organisations;
- The importance of being a diverse group, with different backgrounds, expertise and knowledge and learning from each other;
- Building understanding, consensus and trust through time and debate with a core group of committed individuals;
- A strong commitment to the area, the people and the outcomes they were charged to deliver;
- Well organised, well supported administratively and well chaired meetings;
- LAG members particularly enjoyed meeting applicants through the EOI and Evaluation processes;
- Disliked were the introduction of a top down bureaucracy with disproportionate paperwork, lack of timeliness for decisions requiring national approval, all creating delays for applicants and diminishing the role of the LAG;
- The challenge when changing focus of a scheme with many welcoming the focus on business and economic outputs but equally a good number concerned about the loss of social and environmental outcomes achievable under the previous programmes;
- It takes time to build a shared understanding and the capability and capacity within a voluntary group – the core group of LAG executive have shown real commitment to the process and have got to know each other, debated issues to understand and agree shared positions and have learnt from each other;
- This is real community capacity building and does not happen overnight. The members of this group either collectively or individually are as asset to the area for the knowledge they have built up – and the public sector or other groups and programmes may want to consider how this can be retained and utilised in future.

8. LAG and LDS

The above sections are all based on what the LDS set out to achieve but after its development it has played a less prominent role in steering day to day activity.

There was variable involvement, understanding and knowledge of the LDS amongst LAG Members, some were not involved having joined later and others struggled to remember much about a document developed in 2014!

LAG views on the LDS:

- Comments ranging from 'Don't know – what is it?' to 'Necessary but not sexy';
- Very few had much memory of how it was developed, however most were aware of the six priority areas and knew that the NCC staff would refer to it and the Chair would remind people that projects needed to be in line with the LDS;
- It is not regularly used as a document but it did set the framework they refer to and might be used to back up decisions;
- Applicants sometimes refer to how their project might deliver on the LDS;
- A number of LAG Members said they preferred to go with their own instinct on projects.

AB View on LDS:
- It has not been updated;
- It sits in the background rather than being a working document as it is quite broad describing the programme with little detailed focus and can encompass most things that meet the eligibility criteria, although it can be referred to in decision making on grants;
- The LDS figures were the best guess at the time and there has been scope since to flex between priorities;
- The last programme focused heavily on community type projects, this programme allocated funding with a much heavier emphasis on economic development and jobs. Given the LDS was based on experience of the previous programme there is some tension between the LDS and the requirements of the Managing Authority (RPA);
- It took some time to get the programme off the ground but the AB feels the funding has done what it was meant to do in terms of economic development and addressing the needs of the area in terms of infrastructure, jobs, employment and supporting business. So they are pleased with what the project has managed to deliver.

The LDS is seen as a necessary part of the process but the document itself is quite large and unwieldy and a mix of process, operational guidance and outcomes, so it largely sits on the shelf, but NCC Officers and the Chair remind the group of the targets and ensure it is delivered. The actual outputs delivered have generally been quite close to the original forecasts in the LDS (see section 2).

There are some elements in the LDS on animation and innovation that could perhaps have had more attention from the LAG.

8 Summary – LDS and the LAG
- The LDS sets the broad direction, the focus on growth and jobs, and the strengths and weaknesses, opportunities and threats the LEADER projects were seeking to address. It also described the six priorities and made an initial allocation of resources to each of the six priority themes;
- It was not subsequently updated and has remained in the background;

- LAG Members, especially those not involved in its development, had a low awareness of the document itself but had the key messages and priority themes in their heads;
- It did set the framework for the shift from community to business projects and the Chair and AB would remind Members of the need to meet the financial targets and priorities;
- Some aspects of the LEADER approach within the LDS such as innovation, capacity building, animation etc, were not really taken forward.

9. Communications and Animation

9.1 LAG and Communications

The LAG Members established a Communications Group (part way through the Programme) and getting out regular press releases and photos about projects benefiting from LEADER funding post evaluation has been one of their main activities. This does address three areas in that it:

- Raises awareness of the LEADER grants and what they can fund;
- Promotes what LEADER is achieving with its funding while also promoting the business that might be benefiting – thereby encouraging custom;
- And it maintains a profile for the LEADER Programme itself.

The LAG Members also personally sought to promote LEADER through their contacts and networks. Some of this was word of mouth within their communities or organisations they are engaged with or to their clients. Others brought opportunities to the attention of Officers and some LAG Members directly submitted or facilitated applications.

Some had mentioned LEADER and encouraged interest with a wide range of contacts who even if not interested themselves may well have passed the information on to others. Most would signpost anyone interested to the Officer as the person best able to advise on next steps.

There was a feeling that LEADER has been around some time and many people will be aware and make enquiries if they are interested – and to a good degree this is true as it was backed up by the views from Beneficiaries.

Some referred to a strong reliance on the Officer using his extensive network of contacts from the previous programme and developed through the LDS process - Parishes, Development Trusts, Agents etc. Others referred to this largely being Officer's role to issue calls for projects and being asked to do a press campaign, the

Officer also went to a lot of meetings and networking events and distributed leaflets and posters.

Partner organisations such as CAN, the Development Trusts and Advance played an important role in promoting LEADER, as well as the land agency firms working directly with their clients. In addition all of these promoted LEADER in their own and sectoral newsletters and media.

There is a section on the NCC website that was very clear and contained all the relevant information in an easy to access fashion that anyone could find (search for 'LEADER in Northumberland'), and then additional guidance and help is flagged through Officer contacts. This was not up and running as early as some would have liked due to NCC having other priorities but it remains there and currently features the celebration document.

A Celebration Event was held in June 2019 which was felt to be a great success and brought together key decision makers from across the North of England and beyond. They were able to hear first-hand from those who had used LEADER funding to grow their businesses as well as underpin the local economy and communities. The LAG was also able to thank those individuals and organisations that had worked with them.

There were some comments that the Communications Group only became established rather late in the programme. The initial work of the Communications Group therefore focused on generating applications, including seeking the support of the Editor of the local Press Group. There was comment made that the local papers in Northumberland have less local capacity these days but the Communications Group worked closely with the Local Democracy Reporter who has provided a lot of support to the group.

The Communications Group maintained a rolling programme of planned press and promotional activity identifying key messages, quotes, activities and actions.

There has been little or no direct use of the various forms of social media which are used so widely by many organisations these days and with the LAG Members being involved in many communities a core message could then have been shared onto many community social media pages. However many of the local press articles are available on line and promoted in social media by the local press.

Members were also concerned that not all projects fully and appropriately acknowledged their LEADER funding. There was some confusion on whether this was a requirement that could be enforced. It is understood they have to display a sign acknowledging LEADER support and acknowledge LEADER on their website.

NCC highlighted the work they did using their extensive networks of grant contacts in the public private and voluntary sectors that were alerted to LEADER. The Council's development company Advance with their network of Business Advisers were also actively promoting LEADER and the Council ensured that other Council Officers regularly meeting businesses and the public such as Environmental Health, Community or Tourism officers were briefed and aware of LEADER.

> **Beneficiaries views on communications:**
> - How did they hear about LEADER? – the response was unanimously **word of mouth**;
> - Because it has been around for some time many people are generally aware and many of the organisations providing advice are familiar with LEADER;
> - Some heard through chance conversations eg in the pub, others were considering projects and LEADER came up in conversations, at a funding fair in a village hall, or mentioned by business contacts;
> - Once generally aware and potentially interested it was easy to find out more and contact Officers;
> - It was felt that farmers and their agents were aware, activists would know about LEADER but the wider public would not necessarily know about it;
> - Several mentioned there are signs on their projects which the public use / visit!
> - Some business colleagues they have spoken to about their project did not know about LEADER;
> - The task of promoting grants is a matter of finding the right bodies and people who need grants – from the range of organisations and businesses that have benefited from LEADER I conclude that they have been successful in doing this.

Word of mouth was key to raising awareness of LEADER.

Overall there was a good level of awareness and they were not short of applications and the money was well spent, so the **mix of mechanisms and organisations involved** in raising awareness about the grants was **ultimately effective**.

9.2 LAG animation role

This was focused on raising awareness largely through word of mouth and links well with how beneficiaries are likely to hear about funding. LAG Members are involved with a range of other organisations and many alluded to the fact that they had mentioned to people in these organisations the availability of LEADER funding and steering those interested in the Officer's direction.

At least two of the applications were submitted by LAG Members for projects they have some involvement with, and the Land Agents on the LAG submitted applications on behalf of clients.

There is an example where a project was rejected at Expression of Interest stage but a LAG Member who knew the applicant went to visit to explain how they would need to change their scheme to make it a higher priority for funding – changing from basic self-catering tourist accommodation to a very attractive tree house glamping experience that was subsequently funded and is now complete.

However the sort of capacity building and development of initiatives that coordinate activity or encourage collaboration or services that many people might benefit from is not apparent in the NC&L LEADER programme.

While it is something done quite widely on the continent it has been less common practice in the English approach to LEADER. It was felt LAG Members only went out to meet people as part of the application process if really encouraged, so driving the wider animation role has not really been a function of the LAG.

When asked, there was a concern from some LAG Members about overstepping the mark and helping people to fill in forms which they were rightly advised not to do. But that does not mean they can't identify a strategic gap or a need within the area and take steps to initiate a project that might address these but they clearly did not see this as their role, despite it being indicated in the LDS.

Beneficiaries feedback on where they found assistance:
- Had some help for free;
- Had some help from an agent but costs meant they did the rest themselves;
- Did it themselves as familiar with funding applications;
- Did it themselves – as has a background of writing business cases as a consultant;
- No assistance;
- No I did not have any support, it I needed assistance I asked the LEADER professionals;
- No support;
- Did most of it himself with the assistance of an accountant;
- Did most of application themselves with help from the Officer about what some of the questions meant.

9 Summary – Communications and Animation

- The mix of mechanisms and organisations involved in promoting the LEADER grants was ultimately successful in achieving sufficient applications to be able select appropriate projects to spend the budget and achieve strong outcomes;
- The LAG role focused on raising awareness through word of mouth and the Communications Group generating a series of regular press releases featuring successful projects to raise awareness and understanding. They also developed a celebration brochure and event in 2019;
- Communications focused on print media and there was no direct use of social media;
- Some LAG Members involved with organisations or land agency firms undertook a substantial amount of promotion through their work including press releases and newsletters;
- The Officer did a lot of work engaging with a wide range of partner organisations to ensure they were aware of and promoting LEADER, plus attending and speaking at a wide range of meeting and events;
- The County Council also used its extensive networks, in house officers and Business Advisers in Advance to promote LEADER and hosted a clear and accessible website;

- Beneficiaries generally heard about LEADER through word of mouth and a general awareness that it existed and found material and contacts easy to find when they looked;
- While there are a couple of examples there is limited evidence of LAG members routinely undertaking an animation role, identifying and undertaking development of the sort of collaborative or innovative projects that would be unlikely to arise without facilitation.

10. Added Value of the LEADER Approach

10.1 What beneficiaries thought about the value of the LAG / LEADER Approach

Beneficiaries views on the added value of the LAG:

- Nice to feel local people support your project;
- It is more than one opinion which is good - they all thought it was a good idea – so satisfying to think local people recognised that;
- Happy to do the panel, you have to be prepared to do whatever the grant system requires;
- Local people have a better understanding of the needs of the area and this helps both the applicant and the panel;
- Local people can also take a wider view of how match funding can be brought together to help a project and the benefits that will arise;
- Pitching was fine it was just saying why you wanted to do it – quite enjoyed it!
- Helpful to have local buy in and it is important that money is invested and employing local people;
- Not ever met them (colleague presented to EOI) and not really aware of them;
- LAG (EOI) did work well. There was quite a number of them (17-20 people so a broad representation), but thought that they provided useful guidance and were taking the right decisions;
- EOI Panel – didn't really add anything – other than an opportunity for them to give a steer, it was more about them understanding ambition and measuring the quality of the individual and the proposal – kicking the tyres of an idea;
- They have been out to evaluate the project – offered to host a meeting but not taken up;
- Someone presented for them at EOI panel – well-intentioned but didn't add much to the process;
- Having a group of local people theoretically a good thing as they should know what the area needs but people can have pet ideas or views – so it can be a double edged sword;
- EOI presentations – knew the answers to the questions asked as they had all been asked before through social media;
- Think it is important to have local people involved and liked the way it is made up from people of different background who pick up on completely different things and know the local area;

- EOI panel was fine as (applicant) from a corporate background, but would have liked to have had more warning about what to expect as 20 people round a table asking questions was a bit of a shock and could have prepared better which would have made it less stressful;
- LAG members understand how the community and economy works so are able to make better judgements;
- Want to keep schemes like this going – with local involvement and having people come out and look at what you are delivering. Also very important to have local staff on the ground and with the Council – this is really important;
- Want to go for local grants with local support. If you apply for national grants you are on your own and because no support (no consistent contact and not the same people) you can put a lot of work in. Happy if local scheme wants local tweaks;
- Really important to have a local Officer on the ground – as some other grants have become totally centralised and remote.

There was a clear message from beneficiaries about it being good to feel that knowledgeable local people were actively supporting your project.

It was generally felt that local people understand the needs of an area, the local community and economy and can therefore make better judgements.

Beneficiaries liked the fact that the LAG Members have diverse interests and can pick up on different aspects of their proposal and might help identify match funding sources.

There was a note of caution that local people can sometimes have pet likes and dislikes and make judgements on personalities.

Some were less aware of the LAG especially if they had not personally presented at the EOI stage, and not all felt this stage added value.

The importance of local schemes developed to meet local needs and delivered locally was widely valued.

10.2 Decision making – LAG views on where they added value

LAG views on added value:

- Local knowledge helped with assessing value to the community, value of the project to the business, whether the job numbers were realistic, the history of the place eg in planning terms;
- There was always someone who knew the sector or the site or the business – and helped them add value to the decision making;
- Personally used business skills to challenge things like job numbers;
- Wanted to reject if they had doubts to avoid applicant putting more effort in if it could be rejected later;
- Any filtering on eligibility had already been done by the O

- fficer and found the scoring matrix was helpful in raising questions and things to think about;
- Felt they were quite objective and fact based rather than allowing too much local knowledge to influence decisions;
- Felt it was more top down and with AB (Accountable Body) now having a stronger say and the focus on jobs meant that wider benefits could be missed;
- AB had to go back to RPA for clarification on points and that took time;
- Rarely disagreed with AB score except a couple of times where LAG rejected due to local or sectoral knowledge;
- LAG added value where people were willing to stand up and be counted if they were not happy with something;
- Own interest was in ensuring there was a profitable underlying business that could provide the match and the project was going to then add to its growth;
- Local knowledge and hearing presentations enabled a view to be formed on whether applicants were likely to deliver what they were proposing;
- Chair was good at summarising and justifying decisions;
- If there was not enough information they could send them back with advice and encouragement to reapply;
- There were always someone who would know the farm, the business, what would and wouldn't work in that locality, there was a huge amount of local knowledge contained in the minds of members which added a layer of context to the Officer view;
- LAG members had a stake in the wellbeing of the communities to which they belonged – and why something important to village x might be more or less so to village y;
- There was a momentum around applications that were financially strong and had associated jobs. It took a lot more time to decide those without job outputs and the RPA guidance on these was less clear;
- Some said they really valued the advice of Officers on keeping them right in relation to RPA rules – without the guidance they might have helped everyone;
- LAG only refused a few – more tended to drop out through Officer's scrutiny;
- Felt that projects had been improved by LAG intervention at EOI stage – they are able to make suggestions and provide advice in a way that Officers can't so easily.

The local knowledge and expertise again comes through strongly, as does the fact that living or working in the communities involved gives LAG Members a stake in the outcomes – they have to live with them!

There was evidence of individuals using their particular knowledge and expertise to carefully scrutinise proposals.

There was a slightly mixed picture on the balance of local knowledge being combined with objective assessment of the factual material, with one or two comments that Officers / AB kept them right on that and in relation to compliance

with scheme rules and others emphasising the importance of local knowledge. This probably resulted in the end with an appropriate balance of objective assessment and local understanding.

The financial situation of applicants can play both ways with LAG Members as some feel those they feel to be wealthy don't need grants where as others see these as the people with the capital to invest in businesses that can generate jobs and opportunities in an area – the scheme is designed to ensure people have the match funding to invest but otherwise projects should be judged on the outputs and outcomes to be delivered.

There were some concerns about the LAG not having sufficient autonomy and it feeling more top down, although the LAG appeared to have the final say. This and some lack of clarity about the RPA rule book and its interpretation which led to delays was not entirely comfortable for all but they jointly found a way through it and in the end the Programme achieved the contracted outcomes.

The importance of individual members standing up for their views on what was important was noted and is necessary to avoid 'group think'.

The value of the EOI process was particularly picked out.

10.3 EOI process

One of the popular elements of the process for LAG Members was the introduction of a Panel at Expression of Interest stage, where applicants had 5 minutes to present their project to LAG Members followed by 5 minutes of questions.

This seemed to be appreciated by LAG Members and applicants alike as an opportunity to present the vision for the project and what they planned to achieve – it allowed some of the passion and commitment to come through. LAG reported some beneficiaries said it had made them really focus on what their project was trying to do.

However there were a couple of tweaks suggested such as keeping the 'Panel' to around 5-6 Members as at times with Officers present it could be 15- 20 people which was a bit daunting for those less used to public speaking or giving presentations. Also some guidance on what to cover and what additional material it might be helpful to have to hand, was suggested by Beneficiaries.

This EOI stage was helpful to LAG Members in giving a real feel for the project and the LAG were then able then to establish whether there was something here that would be valuable or whether it was better to reject it before the applicant did further work.

The EOI enabled the LAG Members to raise and address any particular concerns and clarify points they were unclear about from the paperwork and give any steer or pointers to connections or other funding that might be relevant to applicants.

Many beneficiaries found it useful to explain their vision and ambition for the project and be able to answer questions, others felt it was just a step they had to go through.

10.4 Evaluation process

Every project that has been completed and grant claimed has been visited by LAG Members, accompanied in the early stages by an Officer. All projects should be complete and visited by late March 2020.

A report and photo record has been produced on each case. This provides a valuable resource in the form of case studies that can be used in press releases, celebration events and scheme literature.

It is also an opportunity for beneficiaries to showcase their project and reflect on what they have achieved, and give feedback to the LAG on the LEADER process.

Any follow up press releases were also beneficial to applicants in promoting their business.

Evaluation visits build the expertise and understanding of LAG Members in terms of having seen projects right through from initial Expression of Interest through to final application and project implementation, and how the project has impacting on the business or community and the jobs being created.

Evaluation visits are a valuable form of capacity building and learning for LAG Members – who will have enhanced their expertise and understanding as a result of this exercise, with greater knowledge of issues to identify and raise at application stage and how grant funding is likely to impact on a business.

Having built up this capacity and knowledge in the group and community its future use needs to be considered.

10 Summary – LAG and Added Value

- Beneficiaries valued having their project supported by local people;
- They felt local people would have a better understanding of the area and therefore make better judgements;
- They liked the diversity of knowledge and interests of the LAG;
- However not all were sure of the added value of the EOI stage and some cautioned that local views are not always objective and fact based;
- The LAG closely echoed these views flagging the importance of local views and knowledge and having to live (in the community) with the decision they made;
- Individuals were using their knowledge to test and challenge projects and provide advice;
- There were some concerns whether the top down role of the AB was detracting from the local view but others felt it was helpful in keeping them objective and focused on priorities;
- EOI panel generally felt to be valuable enabling early screening and advice, beneficiaries either enjoyed the opportunity to present their project or accepted it as part of the process, although there were suggestions for smaller panels and a little more guidance;

- Evaluations were an opportunity for LAG members to receive and provide feedback and to learn about the impacts of the scheme, gather photos and materials for press releases;
- The evaluation experience involves learning that has built the level of knowledge, understanding and capacity within the group – which could be utilised in future;
- Overall there was a feeling that LEADER was a good mechanism for ensuring a scheme was embedded and valued within the local community with an appropriate balance of local views and objective framework.

11. Process and Efficiencies

There were many views and comments on this aspect but they come down to some core messages, largely already learnt and captured from the LAG Member's very thorough evaluation visits.

Because the last programme lost money in disallowance for compliance reasons, lots more process has been introduced for this programme. RPA have been persuaded to allow some local discretion eg on eligibility a piece of kit that might be standard in the south but not in the north, may be allowed if sufficient evidence was provided. But this sort of flexibility and understanding of the community led approach took time to evolve.

LAG Members views on the processes:

- The paperwork and processes and are probably appropriate, as it has helped to give a structure to decision making;
- With 12-13 decision points an applicant had to go through it was top heavy;
- If you are going for a bottom up approach ie LEADER utilising local skills then you need to design a streamlined process to reflect that – and not try and do both top down and bottom up;
- Having been an administrator understood why things were asked for – but there is too much;
- It took a lot of time to get a grant out – too many stages no matter what size the application;
- There was a lot of duplication between the EOI and TA (Technical Assessment) stage and final application and TA stage;
- Paperwork for a meeting could be 2 inches thick;
- Don't think you could improve it much, the slowest point was it going to the RPA to check – the Council had already done it so why do it twice;
- The claim process was a pain - fine if just one piece of equipment but if self-project managing a build could have 200 items with separate invoices from builders merchants and this did not fit the claim tick boxes and you couldn't add lines to their forms;
- Paperwork is over the top – grants under £10k need a simpler form and process – applicant should be able to do it themselves with a little guidance from Officers;
- Liked this LEADER, met monthly and made quick decisions (only occasionally postponed a decision);

- Some applicants found it off putting and would not do it again, and would advise others not to, if you cost in time it was quicker and easier to get a bank loan for small projects;
- Overall the process was successful and the money distributed – and could have spent more if available. It worked despite the bureaucracy – and through having people willing to give their time for free;
- Possibility of making decisions electronically (emails) on uncontentious projects;
- Might have just visited a sample of cases for evaluation rather than 100% - with two Members plus Officer (although not latterly) it was quite resource intensive;
- Need to empower AB to be able to make local common sense decisions on minor discrepancies (1p claim variance issue) and agree some tolerance limits to enable quick resolution and avoid cashflow and business impacts for applicants;
- Shorter simpler form for under £10k projects – something much more proportionate, this was much too 'one size fits all';
- Cut out the repetition between EOI and final form;
- Massive amount of duplication at appraisal – Officer appraisal, AB appraisal, RPA appraisal QC, LAG appraisal...... very inefficient;
- One LAG Member thought a simple Officer appraisal to say what is eligible and what is not is sufficient and then let LAG decide;
- Rule books need to be clearer, anticipate issues and rapidly share any changes around the country and maintain consistency. Rules would change all the time and LAG had no say and control but it would impact on their projects.

Beneficiaries views on the processes:
- Perfectly good idea to have a synopsis first and then a formal application but there was almost as much work in the first one eg full costing and quotes for first one, but quotes only valid for a month and given timescales (long time between first outline to actual start of project) had to get requotes for everything (and of course the costs could change) – felt authorities had no idea of the commercial world. A rough estimate first time should suffice;
- Amazing horrendous form – have had simpler ones for £1m spend;
- Waded through the forms themselves – but they wanted so much detail – competitor analysis etc;
- Have done bids for £100ks and this level of process was completely disproportionate to the size of the grant;
- It must be particularly off putting to the smaller organisations with less experience as even for them it was challenging;
- Waded through the paperwork, left a lot to be desired, lots of repetition – need to go through with a red pen and remove 40%;
- Lot of repetition between first and second phase;
- Using a spreadsheet for an application form is daft;
- Could improve vastly and reduce the effort for applicants;
- The application process is complex;

- All the groundwork that went into applying for the project was the most challenging aspect;
- The claim process was made very clear with all the supporting guidelines and info available although forms were very difficult to print out;
- The most challenging aspect was working through the paperwork and obtaining the number of quotations required by LEADER.
- Once the application was approved there was the cash flow difficulty of having to find the funds before a claim could be made;
- The most challenging bit was filling in the forms and putting together the accounts, the form was onerous and seemed intended for larger projects but ok once they had whittled it down to what was relevant;
- Not particularly difficult or tiresome – largely what you would expect. But could be a bit more proportionate to the size of project eg need for return on investment for small grants, 3 quotes only for larger items, or only one quote if specialist kit or only one provider makes it;
- Process did take forever and delays (5 months) meant there was a risk they could lose the building as they couldn't take on the lease as they didn't know if they had the money;
- A reduction in the grant amount was made but the outputs remained the same – but without the money they had to cut items out and de prioritise aspects;
- Some things go into a black hole and it seems to pass from desk to desk with six week gaps before they come back with a further question;
- Having to bank roll projects can be a challenge – especially if there are delays to payments. This can risk a business failing;
- RPA rules seem very rigid and it is not an efficient process, there needs to be more delegation of authority, and a pragmatic approach to decisions by people who know the people and the project – not something easy for a remote person to do;
- 1st half of the process lost the will to live long and bureaucratic but once passed that it was fine;
- Forms / process too complicated like it was designed by an Oxford graduate;
- Like the outline idea but it ought to be a rough outline and get feedback if the idea is: Crack on/Maybe/Barking. And then do the work at the second stage;
- Not using the grant would have got going quicker – by about a year – but this way was slightly better financially (even if take account of a year's lost income). But did loose time;
- They were on the waiting list and forgot about it then got a message saying they had been accepted – then started filling in second forms – not horrendous because was doing the business case work anyway in the evenings;
- Had all the jobs and profitability projections from talking to other farmers doing this sort of project – so it worked out;
- Had a bit of an issue. Kept everyone in loop over applying for another grant for further upgrades and were told no dual funding. Then asked to repay as it was dual funding – including for bits that clearly weren't. Went to

appeal and in the end ruled it was not dual funding - it took much arguing and stress and they didn't feel treated well or fairly;

- Needs to be slimmed down and remove repetition;
- Got tenders from multiple suppliers then went to a main contractor – which caused a headache – but their focus was on getting the right delivery was the priority. Should only require 3 quotes for larger items – not 3 quotes for a lamp;
- Interesting - made claim and it went into black hole – it was audited by RPA and all was fine but had no payment and no feedback as to why. So they contacted RPA – and learnt the outstanding issue was their A3 sign – which no one had mentioned to them (they had an A4 sign) – they were very happy to sort it and get £40k released. No one had mentioned it so communication had been very poor;
- They were selected for many checks – NAO audit (4 people), RPA compliance, LAG evaluation and this evaluation;
- Probably more worthwhile if you go for a larger grant – more return for all the time filling in the forms, it is the same effort for a small grant as for a large grant.

LAG Evaluation visits – key process issues reported:

- Consistent excellent positive feedback received on service support / advice / guidance provided by the Officer. His knowledge & experience is highly valuable, skills retention essential if future funding confirmed 2019 onwards;
- Opportunity for 10 mins presentation / Q&A well received at initial EOI stage. Could improve by limiting to smaller panel (4-5) & offer more reassurance beforehand;
- Much duplicate paperwork EOI / Final Application stages, too many & overlapping questions, very time consuming, borderline deterrent particularly for small grants < £10-20k and/or inexperienced applicants. Simplification / process refinement strongly recommended;
- 3 comparative quotes condition very onerous if multiple items required, or if acquiring specialist equipment with limited suppliers. Obtaining revised multiple quotes for TA also an issue, due '2 months time limit' demanded re quotation dates;
- Significant time delays 2-3 months encountered on some claims pre £ grant receipt, causing cashflow issues and client dissatisfaction. Includes petty objections to minor (1p!) price difference on final supplier invoice. Speed up process, and recommend common sense 5-10% tolerance mandated to Programme Officer / LAG Chair.

11 Summary – Processes and Efficiencies

- There are some slightly mixed views from LAG Members on the paperwork, some felt it was necessary and gives the information and structure for decision making, and others felt it was too much. Beneficiaries definitely thought the application forms were excessive!

- The guidance provided on claims was noted as helpful.
- The tension between a bottom up scheme and a top down rule book was also evident. This results in far too many decision points as Officers score, the LAG assesses but then RPA also involved in QC assessments. There is also a lot of repetition between EOI and Final application stages.
- In addition the long chain of decision making is slow and unresponsive leading to significant delays at both application and claim stage – which can have serious consequences for a business. These challenges are built in to the system due to the top down/ bottom up mismatch in scheme design, however all parties were doing their best to make it work but it was often left to the applicant to chase things through.

Simplifications to making it work within this structure would include:
- Proportionate application forms at both Outline Application and Final application stages.
- Having a much simpler process for small grants under £10k, even larger grants up to £25k could potentially be a lot lighter touch.
- Limiting the information required at OA – eg costs could be estimates rather than quotes which will be out of date by the time of the final application.
- Removing duplication between OA and final forms.
- Removing the quotes requirement for smaller value items – list prices should suffice, and an option to agree a single quote for specialist equipment
- Claim forms that can deal with lots of small items
- Delegated authority to the AB to agree minor variances (within limits if necessary).
- A clearer rule book that has new decisions and precedents from across the country incorporated and anticipates some eligibility issues.
- The need for quick decisions and tracking and following up issues is important and with LAG, Officers, AB, RPA all involved someone has to lead on tracking progress and resolving any issues – at present this appears to fall to the applicant;
- Sample QC checks and reduced duplication at TA stages, sample evaluation visits and electronic decision making on uncontentious projects, and having forms in more user friendly IT formats were also suggested as efficiencies.

But as mentioned above the money has been allocated and being spent and claimed and projects are up and running despite any inefficiencies in the process.

12. RPA/AB/LAG Responsibilities

The RPA were new to LEADER in the Managing Authority role at the start of this programme – and its locally led bottom up approach is unfamiliar for them being used to centrally administered top down schemes.

Questions on this area identified some tensions but also some very positive views – and probably generated more comments than anything else except application forms!!

LAG views – there were extensive comments but the common themes were:

- A general understanding of the AB position from the majority of members ie they were there to ensure compliance with the RPA rules, many really appreciated the Officers attending 'they were terrific, we needed them, kept us right, explained the RPA position' and others appreciated the messenger if not the message and understood the AB could be caught between the RPA and LAG views;
- Many people recognised that things got better after the first year once they felt RPA had relaxed and showed more understanding of the bottom up approach;
- There were mixed views on the Technical Assessments with comments ranging from 'well written and helpful in understanding the project and the accounts, clarified what is eligible etc' although some equated low scoring with the AB not liking and therefore obstructing a project the LAG wanted to approve (see AB view);
- Some frustration about the time taken to get clarification on issues eg AB to RPA (and potentially to Defra) and back down again. And concerns about ruling items as ineligible when they were integral to the project;
- AB managed the Programme tidily, and do some of the more forensic evaluations on turnover and jobs;
- Some want less controls – ability to move money about, less constrained by the rules applied to decisions, all the processes required ie. wanted the money fully delegated to them;
- Concerns there was a lack of national infrastructure in place to enable LAGs to meet with RPA and Defra and explain the flexibilities they wanted and lobby for changes.

RPA: There have been a number of people leading on NC&L LEADER over the course of the Programme. The latest one kindly provided some feedback from their perspective. They had covered LEADER from Nov 18 to Nov 19.

RPA Views on NC&L LAG:

- The objectives and policy outcomes are set by Defra and it is then RPA's job to secure compliance with their requirements;
- The changed priorities for this programme with the shift from community and social benefits to a focus on jobs and economic benefits and how this meshed with the bottom up views and priorities of the LAG led to some more difficult discussions early on as some LAGs wanted to go their own way, this worked better as time went on;
- NC&L and NULAG did very well. The officer from the Accountable Body understood what the AB had to do;

- There are good outputs, there maybe one or two projects that RPA might not have felt totally in line with the programme – but they are not bad projects or totally ineligible but just not really in line with the priorities;
- All LEADER groups wanted to spend, but some underspent. NC&L did well in spending what they had been given;
- Overall the AB and the officer team worked hard and if anything was needed they delivered. They were efficient and got the money spent and they had a good relationship with them;
- They had minimal contact with the LAG, in previous programmes RPA routinely went to LAG meetings but there was just not capacity in this programme so they didn't go even if invited. So all contact is really by phone and email with the AB.
- RPA appreciate that even where officers were working really hard all groups had projects that were at the limits of acceptability but as long as this was only one or two this was not a problem and largely resulted from the change to what could be funded from previous programmes. Even those that were technically marginal were generally fine within the bigger picture of what they contribute to the area and are nice to do;
- Fully appreciate LAGs know the area the businesses and the needs in that geography and that their patch may be different to others, but the RPA had to ensure the programme was compliant;
- Overall NC&L were very good at the top end of performance. They didn't cause any stress and were working hard to do a good job for their local economy and on the jobs front they have over achieved.

AB Views:

- There were issues in the beginning – a delay of nearly a year before the programme was approved and delivery arrangements in place, and several purdah periods (referendum and general and local elections);
- The AB took the risk of employing staff before the official start date. In the circumstances they feel NC&L have done an excellent job on spend;
- The changed focus of the programme (to economic and jobs) has had to be delivered by the AB and so AB felt it has had to challenge to secure these;
- NC&L might have preferred to be fully in control of all money and how it is spent, but this is not how the programme has been set up and AB would like to see it more as a partnership;
- RPA tend to focus on the core requirements - jobs have over achieved and money has been spent which are their main concerns, along with compliance;
- Decision making was overall good, although probably some projects were approved in the earlier days that would not have gone through later in the programme. Sometimes there are recommendations that the AB wouldn't recommend but the LAG has the final say. If it really is not eligible it should not get through the EOI stage;
- Rules have not always been clear and there have been changes to eligibility as they were going along. It could change in the course of project

> development. They sometimes had to keep going back to RPA to check eligibility. This should not be apparent to the applicant and the LAG may not always be aware of this going on behind the scenes either;
> - There could be a difference between the appraiser recommendation and the RPA QA recommendation that could take time to resolve;
> - The technical assessment could be contentious eg no jobs could result in a low strategic fit score but LAG wanted the project to score higher – this was not down to the individual appraiser it was how the scoring system was designed but LAG could be critical of the appraiser judgement rather than understanding this was the system design;
> - There was some tension between the national framework and LDS / local knowledge – the AB has to ensure the national framework is delivered but also support the LAG's;
> - However there are some very good projects – indicating some good decisions overall;
> - NC&L marketed the programme well and were good at press activity. They have also been good at lobbying MP's and lobbying for their future eg with Council, NEFRAN, LEP, North of Tyne etc. Chair has a seat on NEFRAN, although this has not been very active recently;
> - AB can be caught in the middle and can be seen as the bad guy – which can be tough on the staff concerned as they are caught between the LAG and RPA.

12.1 LAG/AB/RPA Responsibilities

Overall there is a good appreciation of the respective roles and the individuals involved in trying to deliver this LEADER Programme.

There were particular tensions in the first year recognised by all, but as time went on they found ways to understand each other and work to achieve some good outcomes.

The national guidance was quite rigid and focused on the economic growth and jobs components and ensuring full **compliance** with EU regulations and therefore avoiding any disallowance. It was therefore not really designed to cope with a flexible bottom up facilitation and decision making process – this created inherent tension in the programme which had to be managed by the Accountable Body.

This was not helped by the **change** in focus from the previous LEADER Programme which had a much stronger focus on rural services without the need to create jobs. This programme was clearly focused on employment and economic growth whereas some of the LAG members had been associated with the previous programme and its priorities and ways of working.

Given the Accountable Body is responsible for a range of national and European funding it needs to protect its reputation for being able to administer grants in accordance with national guidelines so while understanding the local situation its key role was to be **accountable** for the funds being spent in accordance with national guidelines.

The LAG were primarily interested in spending the money on projects they felt would be **beneficial to the area** based on their local knowledge of the people, the geographic context or the sector concerned. This could result in different priorities and recommendations to the AB/RPA. On the whole, provided the project was eligible and compliant, the LAG view prevailed.

There were some frustrations apparent from this in-built tension, although most LAG members respected the fact that the money came with some rules attached and that the AB were just doing their job. The RPA seemed confident that the AB understood what they required.

All parties agree that between them they have managed to deliver an excellent set of projects that spent the budget and exceeded expectations on the number of jobs delivered and are compliant with the scheme rules.

The vast majority have been supportive and appreciative of the work of all involved. Their differences come from the different responsibilities they have had and types of schemes they have operated. They were all put in a difficult position by trying to operate a flexible locally responsive bottom up scheme within a fixed national framework of rules.

The key message for policy makers and scheme designers is to try and ensure systems and processes are designed to deliver the scheme ethos and outcomes. National Bodies probably were clear about their requirements but they were combining these with the label LEADER which raises a different set of expectations.

For local activists there is a message that public funds come with rules and conditions and even if these change in ways they wouldn't wish, they have to be delivered. The time to influence and lobby is while the scheme design is being developed rather than challenging the fundamental rules and frameworks once plans and delivery agreements have been put in place. As was recognised by many LAG Members ABs are not the ones with the power to change and flex the rules.

A national forum for all LAGs to engage with RPA and Defra was lacking. There was a meeting system but given there are 75 LAGs it worked on a representation basis which meant those not directly involved did not feel their voice was heard or have the ability to influence decision makers.

13. Future Considerations

If a similar programme were to run again the following points were made by LAG Members and Beneficiaries:

13 Summary – Future

- Definite demand for more;
- Huge demand for more grants as people want to do new projects;
- Especially scope for more – small scale tourism, local products, and facilitating growth of small businesses;
- Consider energy use and climate impacts in any future grant programme;
- SE Northumberland should be considered;

- Need a structure to allow people to experiment, innovate and take risks;
- Would really like to see grants towards local professional training;
- Finding funding for environmental projects can be tough so a greater emphasis in these in future would be valuable;
- Still room for a lot more quality produce from Northumberland – can only source 5% of what they sell from Northumberland;
- Might need to be a bit smarter about climate / environment impacts for tourism projects or carbon impacts for small scale manufacturing;
- If change is coming we need capacity building and understanding to help people cope and to support groups and places where people can get together and discuss the issues and find solutions;
- Importance of small grants - LEADER has the ability to invest at a scale suitable for small businesses in rural areas – the small scale is important due to constraints in rural areas on customer numbers, size of community and need to build a business in small incremental steps as personal and grant funding is available. Not many rural business invest at a large scale (unless they happen to have a relatively wealthy backer) but done at small scale in lots of locations there is an overall growth. Important to retain such a model;
- The LAG structure which has built up volunteer's skills and knowledge shouldn't be allowed to just fall apart. It would be a waste of knowledge and skills to close it down and loose the capacity that has been built (hard work to start again with new people) – and it is a shabby way to treat volunteers;
- By April LAG will have dispersed – need to think now about how to retain the knowledge and understanding developed.

14. Conclusions: Strengths and Weaknesses and Lessons Learnt

The sections above have drawn on the analysis of data and the interviews with LAG Members, Beneficiaries and AB and RPA officers which provided a rich picture of the delivery of the 2014-20 LEADER Programme. This final section draws out some of the key points and messages from the chapters above.

This LEADER Programme has been different from previous ones for a number of reasons:

- The shift in emphasis from rural services to a focus on business growth and jobs;
- Constraints on funding for administration;
- The Rural Payments Agency (RPA) becoming the Managing Authority setting the rules and frameworks to ensure compliance with Defra's policy aims and to reduce the risk of any lack of compliance with EU rules which can result in substantial repayments;
- Northumberland County Council took on the Accountable Body role for NC&L being the employing body for the LEADER Officers, and being responsible to RPA for delivering the programme in compliance with their rules and requirements.

The LAG have had to adapt to working within the new frameworks and requirements resulting in a feeling of less freedoms and flexibility than before.

It took time for all parties to settle into their roles and the introduction of top down rules and frameworks has sat somewhat uncomfortably with the bottom up approach envisaged and traditionally delivered through LEADER.

However, despite this at times challenging context, the NC&L LEADER Programme has fully spent its budget and delivered some excellent projects that meet local needs.

14.1 Strengths

Outputs: The programme has fully allocated its budget, largely delivered its **output** indicators and significantly exceeded targets on jobs created;

- Forecast Programme spend is **£1,766,000 of grants** being invested in projects in NC&L area;
- The total value of the projects is £4,301,798, therefore the **match funding** invested is **£2,539,923**;
- Forecast jobs to be delivered are **137 FTE**, which significantly exceeds targets;
- Average grant **cost per job is £12,929** which is well below local and regional benchmarks;
- **60 Projects** were supported;
- Average grant cost is **£29k** with 50 of the projects receiving grants totalling £50k or below;
- The majority of projects (46) received a grant percentage of **40%** or below;
- The vast majority of recipients (**87%)** were micro businesses.

LEADER has successfully delivered sixty projects with relatively small grants and intervention rates, resulting in 137 FTE jobs within micro businesses and community organisations in rural Northumberland at an average cost per job of under £13k.

Outcomes: The Programme allocated all of its funds and they were spent broadly in line with the proportions set out in the Local Development Strategy (LDS) for each priority theme.

- With a focus on growth it is perhaps appropriate that micro – business received 11% more than originally allocated and utilised 46% of the budget;
- Given the focus of the programme it is not surprising that the main outputs have been around businesses achieving their growth goals and the generation of jobs – which has been very successfully achieved;
- A key need for employment in the area has therefore been addressed with beneficiaries providing a wide range of job opportunities. These are in small numbers but across the many small settlements and therefore are appropriate to the needs of a rural area;

- The beneficiaries are creating a number of apprentice opportunities which can help address the issues of employment for young people and enhancing skill levels;
- LEADER has supported the development and diversification of small and micro businesses to the next stage, and supported the creation of new businesses;
- There are projects addressing the core sectors in the area – farming and tourism, the latter often based on the natural and cultural assets of the area;
- Projects associated with local community facilities have often provided enhanced facilities and infrastructure that contribute to economic as well as community activity. For example small businesses requiring facilities from which to operate income generating activities or providing facilities for visitors;
- Culture and heritage grants have been relatively little deployed but grants in other sectors are often underpinned by the quality of the built and natural environment;
- The projects receiving higher percentage grants were in the categories Rural Services, Culture and Heritage and Rural Tourism.

Overall a strong and wide ranging mix of projects has been achieved addressing key issues and opportunities within the area.

Administration: Due to the national requirements to keep the running costs to within 22% of the project spend, administration costs have been kept to a minimum.

- 123 outline applications resulted in 60 agreements (49%);
- 37 (28%) were rejected by the LAG, the majority at the expression of interest stage;
- This seemed an appropriate proportion of applicants receiving agreements. If only a small proportion are approved applicants time is wasted on unsuccessful applications and indicates communication about the fund have not been appropriate. If most of the applications are approved it indicates too little promotion / demand and the appraisal and approval process is adding little value. The balance seems about right in this case;
- EOI panel was generally felt to be valuable enabling early screening and advice, beneficiaries either enjoyed the opportunity to present their project or accepted it as part of the process;
- 100% of projects will have had LAG evaluation visits by the end of March 2020 providing the opportunity for Members to understand the effect of the grant and for applicants to showcase what they have achieved and provide feedback on the process, all of which provides valuable learning;
- There is huge appreciation of all Officers working on the Programme from both LAG Members and Beneficiaries;
- The value of having an experienced local Officer to visit or phone for guidance on the process is very highly rated by beneficiaries;
- LAG members time is voluntary and they sought to manage their mileage costs by limiting the number of LAG members attending evaluation visits. Also some LAG members did not claim mileage;

- An estimate of approx. 3900 voluntary hours have been delivered by LAG members during the programme;
- NCC have also contributed the time of senior managers and others which was not charged to the programme.

The balance between approvals and rejection of applications appears appropriate and the EOI process helped with early screening of projects. Having knowledgeable local officers providing advice was highly valued by Beneficiaries. LAG members contributed 3900 hours of voluntary time, and other admin costs were managed to keep within the budget.

Communication and Animation

- The LAG role focused on raising awareness through word of mouth and through the Communications Group generating a series of regular press releases featuring successful projects. They also developed a Celebration brochure and event in 2019;
- Some LAG members working for local organisations or land agency firms undertook a substantial amount of promotion through their work including press releases and newsletters;
- The Officer undertook a lot of work engaging with many partner organisations to ensure they were aware of and promoting LEADER, plus attending and speaking at a wide range of meetings and events;
- The County Council also used its extensive networks, in house officers plus Business Advisers in Advance to promote LEADER and hosted a clear and accessible website;
- Beneficiaries generally heard about LEADER through word of mouth and a general awareness that it existed and found material and contacts easy to find when they looked.

The mix of mechanisms and organisations involved in promoting the LEADER grants was ultimately successful in achieving sufficient applications to be able select appropriate projects to spend the budget and achieve strong outcomes.

Local Action Group (LAG) - The LAG has involved 30 people over the duration of the programme, and currently has15 Executive Members and 3 Non-Executive Members, with 12 having resigned over the programme period.

- The balance between private, voluntary and public sector representation seems appropriate given the focus on the economy and jobs;
- The high proportion of LAG members were also categorised by their involvement in the priority themes, the high proportion in the micro-enterprise category therefore reflects the focus of this LEADER Programme;
- There is an impressive range of relevant knowledge and skills declared within the LAG group;
- The LAG members are involved in over 60 organisations and networks which should connect them well with the community;

- It takes time to build a shared understanding and the capability and capacity within a voluntary group – the core group of the LAG Executive have shown real commitment to this process and have learnt from one another;
- The organisation and management of the group benefited from a number of features that enhanced motivation and engagement of the members.

This is real community capacity building and does not happen overnight. The members of this group either collectively or individually are as asset to the area for the knowledge they have built up – and the public sector or other groups and programmes may want to consider how this can be retained and utilised in future.

Added Value of the LAG – having a group of local people engaged in delivering the Programme.

- Beneficiaries valued having their project supported by local people;
- They felt local people would have a better understanding of the area and therefore make better judgements;
- They liked the diversity of knowledge and interests on the LAG, and that they therefore raised issues and questions from a range of perspectives;
- The LAG closely echoed these views flagging the importance of local views and knowledge and having to live (in the community) with the decision they made;
- LAG Members were using both their local knowledge and their expertise to test and challenge projects and provide advice.

Overall there was a feeling that this was a good mechanism for ensuring a scheme was embedded and valued within the local community with an appropriate balance of local views and objective framework brought to decision making.

14.2 Weaknesses

Outputs

- There were more projects in the northern half of the area (46) than the southern (14), this might be due to the longer history of LEADER in the northern part of the area, with the area being extended to the south only in this programme. The converse was the case with LAG members only 27% of the LAG members are based in the northern wards.

Outcomes

- The forestry priority was consistently below targets due to lack of demand. There is limited commercial forestry within the area and commercial operations and processing tend to require much larger scale equipment and grant investment. There are small woodlands in need of management and markets for wood fuel but facilitation would be required to bring forward collaborative projects to address this opportunity;

- The processes did not really lend themselves to the development of higher risk activity and facilitation of innovative or collaborative projects;
- Investments in farm productivity were often associated with efficiency which although they increase productivity can result in fewer jobs rather than more, which can be a challenge where a key output requirement is job numbers;
- The challenge of changing focus of a scheme with many welcoming the focus on business and economic outputs but equally a good number concerned about the loss of social and environmental outcomes achievable under the previous programmes.

Administration

- The administration costs were allocated in pounds (£) as a percentage of the project costs in Euros, the Euro to £ exchange rate fluctuates over time. Therefore the £/Euro split and exchange rates make it difficult to judge the administration % running costs precisely, especially as the grant and administration costs for the programme are forecasts until the programme is fully closed;
- The introduction of a top down framework led to lack of timeliness for decisions requiring national approval, and created delays for applicants;
- The tension between a bottom up scheme and the top down rule book was also evident in many processes;
- Some delegated discretion to the LAG and AB to agree local variance on finances (within limits) would have been helpful;
- There were a number of improvements and efficiencies suggested for the grant and claim processes more proportionate to the relatively small grants provided under LEADER;
- Not all beneficiaries were sure of the added value of the EOI stage and some cautioned that local views may not always be objective and fact based, there were suggestions for smaller panels and a little more guidance;
- Sustainable development was not built strongly into the assessment criteria so had little impact on project selection despite statements in the LDS.

Communications and Animation

- Communications focused on print media and there was no use of social media;
- There was a lack of budget for communications and media work;
- Communications have focused on raising awareness of the Programme and there has been less planned action in relation to animation by LAG Members;
- There has been no budget or support for knowledge transfer or networking activities traditionally part of LEADER.

LAG

- The structure of the LAG has largely evolved rather than reflecting formal decisions to adjust the roles of Executive and Non-Executive;

- The numbers representing farming and forestry are perhaps lower than expected. The rural services (and to a degree culture and heritage) are quite high given the shift in this programme from rural services to the economy and jobs;
- 87% of the Executive group are male, 13% female, there was no other data collected on age or diversity. More might be done to encourage wider participation and facilitate the group becoming more diverse;
- While there are some examples there is limited evidence of LAG members routinely undertaking an animation role, identifying and undertaking development of the sort of collaborative projects that would be unlikely to arise without facilitation;
- The LAG itself has built capacity and capability within the group but there is less evidence of the wider capacity building, networking, collaboration, knowledge transfer and innovation that are generally thought to be features of community led rural development and the LEADER approach in Europe;
- A wider animation role for Members would have required this to be clear at recruitment and the LAG to have been supported with actions in place to help make this happen.

14 Summary - Lessons learnt and considerations for future local grant schemes

There is a real place in rural areas for **small scale grants**, they may seem small investments but, as demonstrated by this Programme, repeated across the rural geography they can make a substantial difference in terms of jobs and apprenticeships for local people.

In addition the micro businesses involved are not necessarily able to match fund or manage large investments but are seeking to take smaller **incremental steps** to developing and growing their business.

Having a LAG with **knowledgeable, experienced and well networked local people** is generally regarded as beneficial as many applicants valued having their project tested and approved by people from their local community. There was a feeling that local people would best understand what the area needed and therefore make the right decisions, the LAG members also had to live in the community with the decisions they had made. So in terms of having a scheme that is **owned and appreciated by the community**, LEADER delivers.

The **diversity of backgrounds and knowledge** in the LAG was also felt to add value and provide more depth and breadth of local context than might be provided by a single officer assessment.

The LAG member's time is voluntary and having harnessed this and **built capacity and knowledge** within the group it would be a waste to not consider how to involve this group of people in future. The motivating factors and ways of working to achieve this commitment also need to be noted.

However, there does need to be **clarity of role** for Executive and Non-Executive members, plus consideration of how to **secure participation** by a geographic, sector and particularly gender balance that is appropriate.

There is an inspiring and very diverse range of projects being put forward by the local applicants, and there was a strong feeling that there was plenty **more demand**, that such projects contribute great outcomes for the area, and the cost per job has been very low at **£12,600 per FTE**.

The majority of the priority themes lent themselves to the LEADER approach and scale, the exceptions were perhaps farming and forestry where some of the investments needed are **larger scale**.

There is a lot more to be done with **future need** for quality tourist attractions and facilities, festivals and events, quality food and drink production and processing, and supporting the start-up and development of rural micro businesses in this part of Northumberland. It was also suggested any future programme might consider climate change impacts, energy sources and usage, and a professional skills training element for people to locally source the training they need within their business.

Where the issues to be addressed require **collaborative projects** that are not single business specific they require **development funding and facilitation** to develop and deliver joined up/ collaborative projects that have not been easy to support in this Programme.

There is a **risk** that **too heavy a focus on growth and jobs** can result in LEADER 'becoming just another economic grant scheme but with a LAG attached' and miss out on projects that genuinely benefit the local economy, community and environment but with less direct jobs and tangible economic outputs or are more innovative and therefore inherently more risky (without that risk all falling to the applicant). Unlike economic schemes there are fewer funds for this type of activity.

LEADER is described as bottom up, collaborative, innovative, networked and capacity building and it is envisaged this is achieved through the **animation role** of the LAG – active engagement to bring together parties that might put together a scheme to address a local need or issue or explore innovative solutions from elsewhere that might then be implemented in their area. This is not very evident in this programme but can be a valuable approach, however LAG members would need to be recruited with this in mind, the role and time commitment made explicit, and be provided with training and support if needed.

Bolting together **top down and bottom up systems** and processes without sufficient thought about how and where this will create tensions and how these might be swiftly and effectively resolved or managed was not helpful. It effectively meant bodies were charged with conflicting ways of working and expected to get on with it without mechanisms for bringing all parties together to sort out the issues it created.

Care needs to be taken to ensure **processes are proportionate** to the scale of the grants being proposed and not just incorporating all the elements that would be used for larger investments as seemed to be the case in this scheme. There is a list of improvements recommended that would be valuable if a similar scheme were to operate in future.

NC&L LEADER Local Action Group

Ross Lowrie - *LAG Chair*
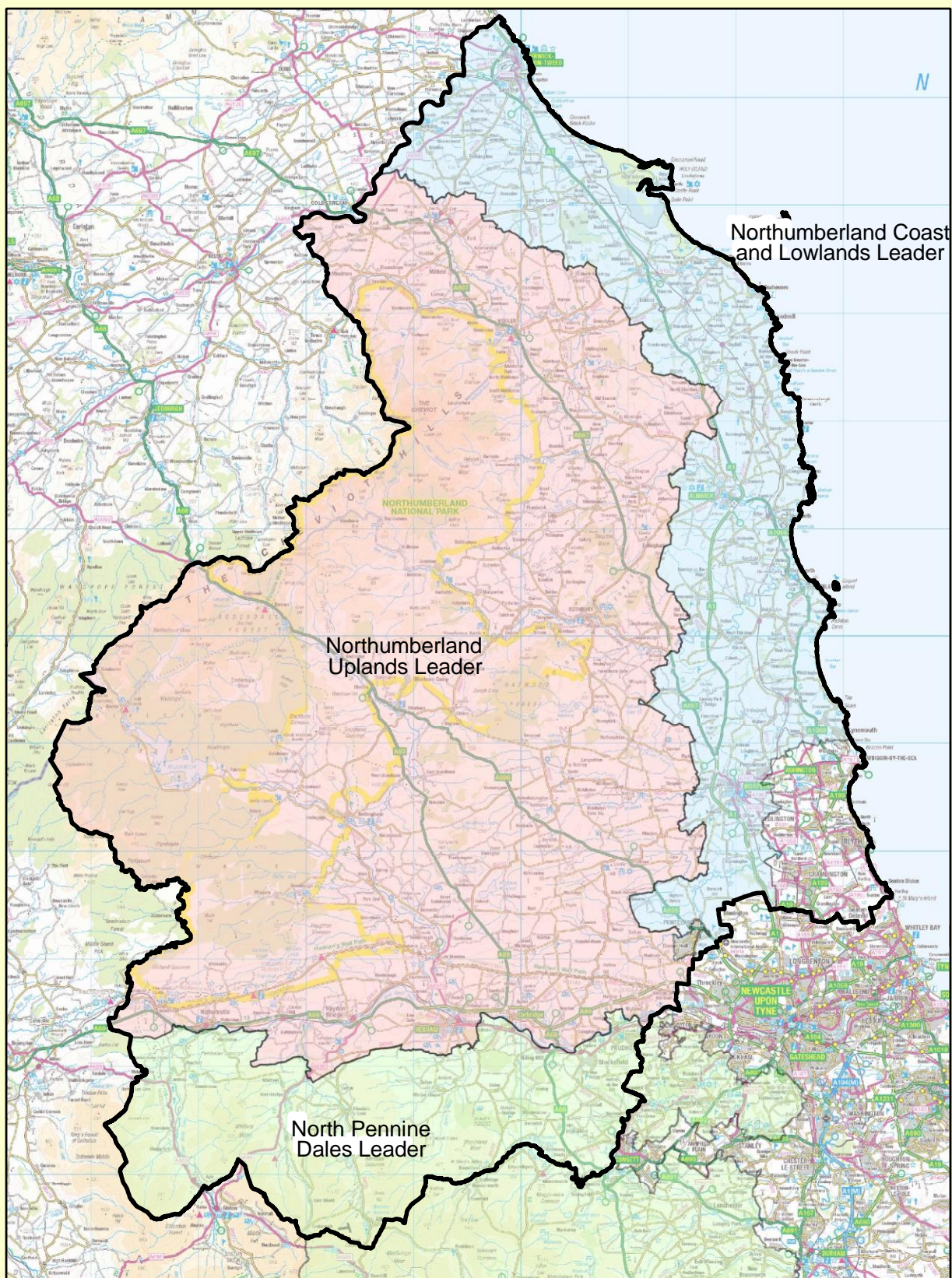Alex Wallace - *LAG Vice-Chair*

LAG Executive
Jean Orr, Julien Lake, Richard Waters, Angus Collingwood-Cameron, Guy Renner-Thompson, Iain Robson, Robert Brotherton, Philip Angier, Louis Fell, Ross Weddle, Carron Craighead, Simon Cox, Ian Moyes

LAG Members: Carole Moyes, Nic Best, Brenda Fordy-Scott

Working in Partnership with Northumberland County Council
LAG staff: Ivan Hewitt, Christine Stevenson
Accountable Body: Heather Smith, David Baird, Jane MacKenzie

Northumberland Coast and Lowlands Leader

Northumberland Uplands Leader

North Pennine Dales Leader

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