



Committee and Date Shropshire Hills AONB Partnership 19 March 2013	Item 4
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LEADER UPDATE

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Summary

This paper gives an update on the current round of LEADER, and recommends that the AONB Partnership pursue being a Local Action Group to deliver the next round of LEADER for the Shropshire Hills.

Background

The current programme

The Shropshire Hills LEADER programme is now 100% committed. By March 2013 it is envisaged that **£1,068,032** of the **£1,122,253** budget will be claimed. This equates to **95%** of the total available programme, and places the Shropshire Hills LEADER programme in a strong position regarding financial performance. The table below shows a breakdown of LEADER spend by Measure per Financial Year.

LEADER in the Shropshire Hills Projected Total LEADER Expenditure by Measure

RDPE Measures	2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013	2013	Programme total
321	£10,132	£105,789	£143,209	£89,067		£348,198
322		£84,840	£82,718	£88,290	£8,857	£264,706
323	£30,000	£51,114	£52,789	£89,381	£5,347	£228,632
421		£2,435	£18,589	£27,732	£7,508	£56,266
431	£51,807	£51,135	£42,512	£46,487	£32,508	£224,450
Total	£91,939	£295,314	£339,819	£340,958	£54,221	£1,122,253

As projects come to a close, final reports are being submitted and outputs recorded. The LEADER Co-ordinator will spend the remaining 9 months of the programme evaluating the current programme and preparing an application for a future round of LEADER. A summary of all the projects can be found in the new "Happy, Healthy and Prosperous" publication. Copies of this will be available at the meeting.

Of the total national budget of £136.8m, 76.4% is predicted to be spent at the end of February. Spend by individual LAGs varies from 45% to 92% with actual levels of spend varying from £421k to >£4m. The Shropshire Hills programme will be 85% spent by end February, which reflects strong financial performance.

LEADER research project

The University of Lincoln are researching how effective the LEADER approach is at delivering rural development. A full report should be available by May. Our LEADER Co-ordinator was interviewed by the researchers as part of the process.

Results so far have highlighted the importance of key individuals at Local Action Group, Approvals, project and Accountable Body levels. They have also recognised the amount of time that has been committed to LEADER that is not paid for by the programme and that there needs to be better ways of measuring impact.

The next programme

It is recommended that the Shropshire Hills AONB Partnership pursue options to be a deliverer for the next round of LEADER when the new programme is announced. There are some key decisions that need to be taken and a new Shropshire Hills LEADER Development Group has been formed to lead on this. These decisions will depend on the following:

- ***Common Strategic Framework*** It is proposed that all the EU Structural Funds, including ESF, ERDF and EAFRD should be delivered through a common framework enabling applications to bid for a number of different funds with a single project. A Leader approach may be adopted for urban areas and called Community Led Local Development (CLLD). It may be that CLLD groups are formed in Shrewsbury and Telford.
- ***Local Enterprise Partnerships (LEPs)*** It is not yet clear how important a role LEPs will play. The Marches LEP covers Shropshire, Telford and Wrekin and Herefordshire and discussions with them will be important.
- ***Geographical coverage*** There may be an aspiration for LEADER to have 100% rural coverage, which, if delivered in conjunction with Community Led Local Development in urban areas, could lead to 100% coverage across the country.
- ***LEADER and EU fund budgets*** The most appropriate delivery mechanism will depend on how much is available.
- ***'Transition Area' classification*** Shropshire, Telford and Wrekin and Staffordshire have been designated by Europe as a "Transition Area": a new category of economic disadvantage. The impact of this is unclear. Whilst there is unlikely to be more funding, higher intervention rates are likely.

A paper about options for management and coverage of a future LEADER programme was taken to the Management Board on 23 January 2013. The preferred delivery option was for delivery for the same Shropshire Hills LEADER area by the Shropshire Hills AONB Partnership, continuing to employ the Co-ordinator within the AONB team with Shropshire Council as the accountable body. Within this preferred option there was felt to be a choice as to whether the AONB Partnership committee itself remains the Local Action Group or whether a separate group within the AONB structure should be the LAG. The range of things covered by the three meetings a year of the AONB Partnership itself does not arguably allow enough time for detailed consideration of LEADER.

Transition funding

The next round of the Rural Development Programme for England (RDPE) is unlikely to start before January 2015, a year later than planned. Funding from this round of the RDPE has therefore been secured to ensure continuation of Local Action Groups, and to retain the expertise of LEADER Co-ordinators. In April the LAG will be able to apply for £30-40k for January to December 2014.

Whilst the LAG will need to decide what activity they need funding, suggestions include:

- Retaining key posts
- Specialist consultants
- Evaluating the delivery of the current Local Development Strategy (LDS)
- Reviewing evidence, geographic coverage and setting new priorities
- Informal consultation
- Identifying training needs and capacity building
- Preparation work for the new LDS
- Collaboration between LAGs (best practice, lessons learnt, shared activity etc.)
- Activity to build relationships with LEP, neighbouring LAGs, Local Nature Partnerships and other networks
- LAG self-assessment - performance, governance and processes

There should also be an opportunity to work with urban areas to help develop the 'Community Led Local Development' groups where relevant. Redundancy allocations may be able to be rolled forward into the Transition period but not into the next one. Allocation of this funding should be agreed by July. The funding will not guarantee entry into the next programme.

Local Enterprise Partnerships

The Heseltine Review recommended that single pot funding and the EU-funded Growth Programme should be delivered by LEPs. This is being discussed at the moment and it may make sense for some funding streams but it has been recognised that decentralising will be costly and no decisions have yet been made. A percentage of RDPE is likely to be allocated through the Common Strategic Framework approach. LEPs have been asked to produce a Local Growth Strategy which should include a strong and relevant section about rural areas.

Mark Schneider from the European Service of West Midlands Councils has been co-ordinating a West Midlands approach for the LEPs and is helping organise a meeting for all West Midland LEPs where the Local Action Groups will present the advantages of the LEADER approach and summarise the achievements from this round. This will be on 19th April.

Areas Facing Natural Constraints (ANCs)

These are to replace the 'Less Favoured Area' (LFA) status across Europe and will influence how funding is prioritised through the next round of the RDPE. Draft maps of ANCs currently available show much of the Shropshire Hills which are currently LFA not being covered by the new designation. Defra is consulting on this (<http://www.defra.gov.uk/consult/2013/02/01/areas-facing-natural-constraints-1302/>) and a response by the AONB Partnership to recommend better coverage of the area by ANCs will be made.

Recommendation

The Partnership is recommended to endorse the aspiration for the AONB Partnership to deliver a future round of LEADER and confirm support for an application for Transition funding.

List of Background Papers

None

Human Rights Act Appraisal

The information in this report is compatible with the Human Rights Act 1998.

Environmental Appraisal

The recommendation in this paper will contribute to the conservation of protected landscapes.

Risk Management Appraisal

Risk management has been appraised as part of the considerations of this report.

Community / Consultations Appraisal

The topics raised follow on from earlier discussions with Partnership members.

Appendices

None