

## LEADER UPDATE

**Responsible Officer** Clare Fildes, Development Officer  
e-mail: [clare.fildes@shropshire.gov.uk](mailto:clare.fildes@shropshire.gov.uk) Tel: 01588 674094 Fax 01588 674099

### 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

#### 1. Current LEADER programme

The Shropshire Hills LEADER programme is now 100% committed. As of March 2013 the total amount of grant claimed of the available £1,122,253 budget totals £1,065,437. This equates to approximately 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.

| RDPE Measure | 2009 - 2010    | 2010 - 2011     | 2011 - 2012     | 2012 - 2013     | 2013           | Programme total   |
|--------------|----------------|-----------------|-----------------|-----------------|----------------|-------------------|
| 321          | £10,132        | £105,789        | £143,209        | £84,702         | £1,963         | £345,796          |
| 322          |                | £84,840         | £82,718         | £87,120         | £11,761        | £266,440          |
| 323          | £30,000        | £51,114         | £52,789         | £92,469         | £10,150        | £236,523          |
| 421          |                | £2,435          | £18,589         | £29,241         | £1,000         | £51,266           |
| 431          | £51,807        | £51,135         | £42,512         | £44,829         | £31,942        | £222,226          |
| <b>Total</b> | <b>£91,939</b> | <b>£295,314</b> | <b>£339,819</b> | <b>£338,363</b> | <b>£56,816</b> | <b>£1,122,253</b> |

As projects come to a close, final reports are being submitted and outputs recorded. The LEADER Co-ordinator will spend the remaining 6 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 which are available at the AONB office.

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 with 95% spent by the end of March 2013 reflects strong financial performance.

The Growing Gastronomists project is continuing with a visit made to the Valle du Loir in March and the Estonian, French and Warwickshire LAGs due to visit the Shropshire Hills in September 2013.

## **2. The next programme (2015 to 2020)**

The LEADER approach will continue to be a mandatory component of the next Rural Development Programme, with a 5% minimum EU programme fund allocation as required by the Regulation. It will retain its current purpose as a programme delivery mechanism where delegated powers are given to a Local Action Group to determine and deliver a Local Development Strategy in accordance with a national operational programme. Rural LEADER activity will continue to be funded directly from the Rural Development Programme, with DEFRA as the national Managing Authority.

DEFRA are currently working on the details of how the LEADER approach will feature in the next Rural Development Programme. A key priority for the LEADER approach will be to support jobs and growth in rural areas. Ministers have also expressed a wish to increase the geographic coverage and availability of LEADER where possible.

The draft Rural Development Regulation includes six thematic objectives for the next programming period:

- Fostering knowledge transfer and innovation in agriculture, forestry and rural areas
- Enhancing competitiveness of all types of agriculture and enhancing farm viability
- Promoting food chain organisation and risk management in agriculture
- Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry
- Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors
- Promoting social inclusion, poverty reduction and economic development in rural areas

The next round of European programmes will require greater alignment of funding and activity. This will be expressed through a UK Partnership Agreement. In parallel with the RDP, at England level there will be a growth programme model encompassing ERDF, ESF and a portion of EAFRD funding (RDPE).

Local Enterprise Partnerships (LEP) are currently producing local strategies for the use of funding channelled via the growth programme, including considering how local level needs are best addressed. It will be important to align RDP funded Leader activity with any rural growth related initiatives led by the LEP. There may also be opportunities for LEPs to boost the activity of a rural LEADER group through a 'multi fund' approach using European Regional Development fund (ERDF), European Social Fund (ESF) or European Agricultural Fund for Rural Development (EAFRD) from an area growth programme allocation.

During the LEADER transition period it will be important to build and maintain a positive working relationship with the Marches LEP to ensure alignment at a local level, and to explore any possible local opportunities presented by the 'multi-fund' approach.

The Shropshire Hills AONB Partnership Development Officer is working with the Marches LEP on their Environment and Land Based Task and Finish Group.

### 3. LEADER Transition funding

The Shropshire Hills Local Action Group has expressed its intention to run another LEADER programme in the 2015 – 2020 period. In order to maximise the impact of the next programme and to continue to develop the Local Action Group, the one year of transition funding currently being made available by Defra will be applied for.

The main objectives of the transition period are:

#### 3.1 To review performance issues from the current programme, identifying and addressing areas for further development.

An evaluation of the current LEADER programme, projects and management will be carried out in 2013. This will include a review of:

- What's worked and will keep going without further funding?
- What's worked and needs more funding in the future?
- What hasn't worked and why?
- What other activity should now be a priority?
- What else needs to change?

The results of this evaluation will have a significant impact on the development of the new programme.

#### 3.2 To review LAG structure and membership

The best structure and membership for a Shropshire Hills LAG and its relationship with the AONB Partnership itself will be reviewed. The option should be explored of a 'sub-group' of the AONB Partnership acting as the LAG rather than the AONB Partnership itself taking this role. Either way this has significant implications for the AONB Partnership, whose Terms of Reference were earlier amended to take on the LAG role for 2007-13. Members of the AONB Partnership will be fully involved in decisions which are taken. The key factors that will shape the structure developed during the transition period are set out below:

- **Relationship to AONB purposes and structures** – to ensure continued alignment in terms of geography and purposes, avoid conflicting activity, and avoid confusion which could arise from parallel or diverging strands of LEADER and AONB activity.
- **LEADER and EU fund budgets** - the most appropriate delivery mechanism will depend on how much funding is available.
- **Growth Programme** - The Marches LEP has the option to include a multi-fund approach for LEADER in the local Growth Strategy. This has yet to be agreed and could have a significant impact on the budget.
- **'Transition Area' classification for Shropshire and Staffordshire** - Shropshire and Staffordshire have been categorised as a 'Transition Area'. This means that the EU funds other than LEADER will have an intervention rate higher than that for other areas, including Herefordshire.
- **Community Led Local Development** - the Marches LEP may decide to support a LEADER type approach in disadvantaged urban areas. This would most likely apply

to parts of Shrewsbury, Oswestry and Telford. No decision on this has yet been made but this could open up urban/ rural partnerships and activity.

- **Comprehensive Spending Review Local Government and DEFRA funding** - there are no guarantees of the level of funding from DEFRA or Local Government for AONBs past the end of the current agreement.
- **Marches LEP Growth Strategy** - A draft Growth Strategy for the Marches LEP area will be submitted to Government in September 2013. The focus for the Growth Strategy will be economic development and job creation. The Local Development Strategy will need to be aligned to the aims set out in this document, whilst ensuring there is a community led approach to its development.
- **Local Development Strategy (LDS) Guidance** - Further guidance will be issued to LAGs regarding the development of the LDS in 2013/14.
- **Decision making** - It is not yet clear how strategic decisions will be made across the Marches LEP area or who will be making them.

### **3.3 To develop the LAG's skills regarding economic growth and employment creation.**

The development of the LAG is an essential part of the LEADER process alongside the delivery and implementation of the Programme. The LAG will need to undertake training as and when required throughout the transition period to ensure that there is a sufficient skills and knowledge base to deliver the aims and objectives of the next LDS. The new skills, experiences and project networking that the LAG will undertake will result in the continuous development and capacity building of the Shropshire Hills AONB Partnership.

The Shropshire Hills LAG will engage with existing successful LAGs identified through the RDPE Network to share experience and best practice, and build the capacity of the members of the LAG particularly focused on economic growth and employment creation. Through the development of networks and strong communication channels the Shropshire Hills LAG will obtain vital information and case studies and will seek new members if and where there are gaps in the knowledge base. It will be important that any roles for the LAG and AONB Partnership on economic growth and job creation do not conflict with the AONB's primary purposes. The continued close and direct involvement of the AONB Partnership with LEADER and other aspects of EU funding is probably the best way to ensure that such conflicts do not arise, and that the sensitive use for economic development of the high quality environment of the Shropshire Hills is best achieved.

During transition period appropriate and relevant meetings, visits and presentations will be organised. These activities will be based on the new aims or objectives of the LDS.

### **3.4 To explore the potential of wider geographical coverage.**

The UK Government aspires for the coverage of LEADER to increase, possibly to 100% for rural areas, which, if delivered in conjunction with Community Led Local Development in urban areas, could lead to 100% coverage across the country. During the transition period additional geographical coverage will need to be considered and discussions with neighbouring LAGs will be required. It is not yet clear who will be deciding how many LAGs there are across the Marches LEP area and what areas these will cover.

### **3.5 To begin the process of developing inter-territorial and transnational relationships with other EU LAGs.**

The Shropshire Hills LAG understands and identifies the importance of networking with like organisations / bodies at a local, national and European level. Co-operation remained a priority for the LAG in the 2009-13 period with 10 Local Action Groups forming a partnership with the Shropshire Hills. Walking with Offa and the Growing Gastranouts projects have provided a good introduction to co-operation, and highlighted the benefits that can be gained from this style of partnership working.

At a local level the Shropshire Hills LAG are keen to network with neighbouring LAGs to identify opportunities, to share understanding, research and project ideas. This will maximise impact and improve the cost effectiveness of some activities.

The Shropshire Hills LAG will engage with the RDPE National Network. In particular it will seek to link local projects and businesses with those in other parts of the country so as to bring good practice back to the Shropshire Hills. During the transition period, trips to other English LAGs that have delivered under Axis 1 of the current RDPE programme will be arranged.

At a European level the Shropshire Hills AONB Partnership, as a member of the Europarc Federation of protected areas, has the opportunity to develop links with relevant partners abroad. As the Shropshire Hills LAG, it will seek to mirror these benefits by building on existing links and through developing new partners.

### **3.6 To set out a new direction for the LAG, expressed through a Local Development Strategy and through building relationships with Local Enterprise Partnerships and other local stakeholders.**

The Shropshire Hills LAG will ensure alignment of LEADER activities to the strategic vision at a local, national and international level and will ensure that LEADER funding enables delivery of strategic priorities. The AONB Partnership, acting as the LAG, is well placed to address the area's social and economic needs based on the high environmental value of the area, and align these with AONB priorities.

The next LDS will be developed during the transition period. The following activities will form the basis of the development strategy:

- Desktop research and trends - Local and national strategy review, Shropshire Hills AONB Management Plan, Place Plans, Parish Plans, Market Town priorities, census and demographics analysis, condition of key sites.
- Partner consultation -Marches LEP, Shropshire Council, National Trust, Shropshire Wildlife Trust, Natural England, English Heritage, Shropshire Tourism, Housing Associations, Third Sector representatives etc.
- Community consultation - Public meetings, 'road shows' to existing meetings, on line survey, postal questionnaire, development of database of interested parties.
- New priorities - To explore the 6 thematic objectives, as described above, for the next programming period and to integrate them in to the next LDS.
- Development of Action Plan, Budget, Monitoring and Evaluation Plan, Management arrangements.

#### 4. Transition Application

An application for Transition funding is currently being prepared. A Transition Business Plan was presented to the LEADER Development Group on 2 July. DEFRA have carried out a review of the current programme and an application for transition funding will be submitted by 12 July. A decision is expected by the middle of August 2013.

#### 5. December 2014

Through a process of consultation and partnership work with the key stakeholders, in particular the Marches LEP and neighbouring LAGs, the Shropshire Hills LAG will by the end of December 2014 have:

- Evaluated the current LEADER programme and made recommendations for the new programme.
- Completed a consultation exercise with all relevant stakeholders regarding the aims and objectives of the new LDS.
- Developed a process for processing applications.
- Developed new skills and recruited new members to ensure a wide skills base required to deliver the new LDS.
- Designed and implemented an appropriate structure to ensure an effective and efficient programme.
- Implemented the lessons learnt and the experiences gained from the 2009 – 2013 programme.
- Started the process of building relationships with potential cooperation partners.
- Prepared the launch of a DEFRA Approved LDS for the 2015 – 2020 programme.

#### 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.

|   |
|---|
| <b>List of Background Papers</b><br>None  |
| <b>Human Rights Act Appraisal</b><br>The information in this report is compatible with the Human Rights Act 1998.               |
| <b>Environmental Appraisal</b><br>The recommendation in this paper will contribute to the conservation of protected landscapes. |
| <b>Risk Management Appraisal</b><br>Risk management has been appraised as part of the considerations of this report.            |
| <b>Community / Consultations Appraisal</b><br>The topics raised follow on from earlier discussions with Partnership members.    |
| <b>Appendices</b><br>None   |