



<u>Committee and Date</u> Shropshire Hills AONB Partnership 18 November 2014	<u>Item</u> 5
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LEADER 2015-2020 BID

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Summary

This paper provides an update on the AONB Partnership's bid to be a LEADER Local Action Group for the 2015-20 round of funding, and presents draft Terms of Reference for the new LEADER Approvals Panel and Appraisal Panel.

Background

The AONB Partnership submitted to Defra on 5 September a Local Development Strategy (LDS) for southern Shropshire as its bid to deliver the 2015 – 2020 LEADER programme (available at <http://www.shropshirehillsaonb.co.uk/looking-after/leader/>). This followed development work since 2013, including the discussions at the Partnership meeting and LEADER workshop of 1 July, and the circulation for comments of a full draft LDS in August.

It emerged after the submission date that a competing bid for the same southern Shropshire area had been made by the Intelligence Foundation CIC. This group had received a Defra transition grant for the eastern part of Shropshire not covered by the 2007-13 LEADER programme, and had been required in this contract to work with the other two transition organisations in Shropshire. Over the period from April to September, AONB Partnership staff put considerable time into collaborating with IFCIC, and took on board their views as far as possible. IFCIC however were insistent that they did not support the AONB Partnership being the LAG. This view was not compatible with the Partnership's agreed position to bid as a LAG, for the benefits from integration of functions, and in order both to minimise any potential conflicts between LEADER and AONB purposes, and to provide means to resolve such conflicts as may arise. Some sharing of draft documents and some joint work on consultation was carried out with IFCIC, but the basis of collaboration was strained. The Partnership maintained its consistent stance that it would bid to be a LAG, while IFCIC's role was not entirely clear, both to us and other stakeholders. At the stage of the AONB Partnership's draft LDS gaining the necessary LEP endorsement in mid-August, IFCIC indicated their support for our bid, but only after the bid deadline did we discover that they had in fact submitted a competing bid, using our LDS document as the template with their own modifications. After a considerable delay following our request, we were provided with a copy of this document, but it has still not to our knowledge been made publicly available.

The CLA made known to us that they had strong reservations about the AONB Partnership being the LAG for the new LEADER round, and had in fact put these in writing to Defra. They also expressed support for IFCIC's alternative LAG proposals, although at that stage it was not clear that a competing bid would be made. CLA have been content however to remain as members of the AONB Partnership listed in our bid.

The Defra decision on the bids is expected during November, though the original indication of a decision by early November has been put back. The competing bid has affected our ability to plan ahead, and the increased uncertainty does not aid delivery of Defra's aspirations for a quick start to the new programme. The way ahead clearly depends on the Defra's decision, and while a full acceptance or rejection of our bid would provide clarity one way or the other, a possible decision to accept aspects of our bid but with conditions or modifications may require us to consider options carefully. With significant operational implications for the team as well as the Partnership itself, the LEADER Development Group felt that the responsibility for deciding how to respond in the event of a conditional decision from Defra should rest finally with the Chair and the AONB Partnership Manager. This is in line with the Partnership's Terms of Reference.

The LEADER Co-ordinator has been following up enquiries from potential applicants (including referrals from Shropshire Council and NFU), and giving general advice with provisos about the confirmation of the programme. The Co-ordinator's contract is to be extended by three months, and contingency plans are being prepared.

Further work has been done on the detail of how the governance arrangements would work for LEADER within the AONB Partnership structure, and draft Terms of Reference for the LEADER Approvals Panel are provided at Appendix 1, and for the Appraisal Panel at Appendix 2. These should be read in conjunction with the revisions to the AONB Partnership Terms of Reference (item 6 on the agenda). If Defra approve the programme, it is proposed to proceed with advertising the application process for the Panels in order that the programme may start as soon as practicable. The application process will be publicised in ways that help ensure the appropriate representation geographically and in terms of interests relevant to the programme. It is proposed that the decisions on applications and appointments to the Approvals Panel be made by the Management Board. It may be more difficult than previously to get members for the Appraisal Panel as these are often professional staff and many organisations now have less capacity. It is likely that the recruitment of appraisers can be led by the AONB Partnership team.

The national LEADER Operating Manual is expected to be made available to LAGs early in the New Year. It is possible that the Terms of Reference for the Panels may need to be refined in the light of the content of this.

4. Recommendation

The Partnership is recommended to:

- a) note the current position, and be aware of possible outcomes,
- b) approve, subject to any comments, the Approvals and Appraisals Panels Terms of Reference.

List of Background Papers
'Natural Growth' LEADER Local Development Strategy 2015-2020 submission, at http://www.shropshirehillsaonb.co.uk/looking-after/leader/ .
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

Appendix 1 Draft Terms of Reference, LEADER Approvals Panel

Appendix 2 Draft Terms of Reference, LEADER Appraisal Panel

'NATURAL GROWTH' LEADER PROGRAMME, SOUTHERN SHROPSHIRE

LEADER APPROVALS PANEL TERMS OF REFERENCE

1. Purpose and Remit

- 1.1. The Panel will be a sub-group of the Shropshire Hills AONB Partnership, which is formally the LEADER Local Action Group (LAG) as well as the body formed by the local authorities to co-ordinate management of the Shropshire Hills Area of Outstanding Natural Beauty. The primary role of the Panel will be to make decisions on the allocation of LEADER grants to ensure the best delivery of the approved Local Development Strategy, on behalf of the Partnership as the LAG.

2. In particular the Panel will:

- 2.1. Approve, reject and advise on applications for funding submitted in accordance with an approved process in an open and transparent manner, in order to deliver the Local Development Strategy.

(In line with the AONB Partnership Terms of Reference, the Partnership as the LAG may 'call in' certain decisions on funding applications, for example where there is a perceived conflict with AONB purposes).

3. Panel members will in addition:

- 3.1. Champion the LEADER programme, its aims and objectives, and encourage good partnership working between organisations and businesses to ensure co-ordination/ collaboration of efforts within the programme area.
- 3.2. Act as advocates for LEADER, and ensure integration of LEADER objectives with the purposes of the AONB where possible.
- 3.3. Help to ensure integration of LEADER with other funding streams managed by Shropshire Council, the Marches Local Enterprise Partnership and other organisations.

4. Membership

- 4.1. The membership of the Panel will be determined from an application process overseen by the AONB Partnership as the LAG.

- 4.2. The Panel will have 10 members comprising:

- a representative from Defra Rural Development Team (RPA)
- 3 other public sector representatives
- 3 private sector business representatives appropriate to the economic and employment priorities of the programme
- 3 other socio-economic representatives e.g. charitable organisations, Community Interest Companies, individuals

The AONB Partnership Manager will attend Panel meetings in an advisory capacity but will not have voting rights.

- 4.3. The membership of the Panel will be reviewed every two years or as determined by the AONB Partnership. Members are requested to give two months notice if possible if they wish to stand down from the Panel.

5. Operation

- 5.1. The Panel will meet as necessary but as a minimum four times a year to determine grant applications. During the first two years of the programme to ensure sufficient projects are approved to achieve the budget profile, the Panel may meet every two months. Project applicants, where requested, will attend the Approvals Panel meeting to provide a brief overview of their project and to answer questions from the Panel.
- 5.2. A Chair for the Panel meetings will be elected annually or as necessary by the Panel.
- 5.3. The Shropshire Hills AONB Team will provide administrative support. In the event of dispute, guidance from the AONB Partnership or its Chair may be sought. Agendas and any papers will be circulated by the Shropshire Hills AONB Team at least a week before meetings.
- 5.4. Updates on activity of the Panel will be given periodically to the AONB Partnership as the LEADER LAG. Minutes of the Panel will be made publicly available.

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'NATURAL GROWTH' LEADER PROGRAMME, SOUTHERN SHROPSHIRE LEADER APPRAISAL PANEL TERMS OF REFERENCE

1. Purpose and Remit

The Panel will be a sub-group of the Shropshire Hills AONB Partnership, which is formally the LEADER Local Action Group (LAG), as well as the body formed by the local authorities to fulfil their legal duty to co-ordinate management of the Shropshire Hills Area of Outstanding Natural Beauty. The primary role of the Panel will be to appraise projects that apply for a LEADER grant.

2. In particular the LEADER Appraisal Panel will:

- 2.1. Verify that each project proposal:
 - contributes to meeting the programme's objectives and outcomes
 - clearly requires LEADER funding for the project to proceed
 - represents good value for money
 - sets out appropriate management arrangements which will deliver results and monitor progress
 - has financial analysis on an activity basis which is consistent with the scale of outputs proposed
 - takes into account sound evidence of effective practice and establishes the plausibility of the proposed activity
 - uses comparative data (wherever relevant) to substantiate project planning assumptions
 - establishes credible and necessary links with other activities and its wider area of benefit.
- 2.2. Ensure that the appraisal is carried out in accordance with the requirements of DEFRA / RPA guidance and any changes that may arise.
- 2.3. Challenge proposals and seek additional details (not necessarily just accepting representations by applicants at their face value).
- 2.4. Press for analysis of information in such a way that it aids judgement about the quality and risks of the project proposition.
- 2.5. Make any of the following recommendations :
 - the project be recommended for approval
 - further information/clarification is required before recommending for approval/rejection
 - the submission be recommended for rejection
 - specify conditions for funding.

3. Membership

- 3.1. The Appraisal Panel will consist of representatives from the LAG and where appropriate from individuals with a specialist knowledge or expertise that relates directly to the application. A pool of Appraisers will be developed and selected to appraise projects in accordance with their knowledge, skills and expertise. A

representative of the accountable body, Shropshire Council, will be a member of the Panel.

- 3.2. Appointment to the Panel will be led by the Shropshire Hills AONB Partnership team or otherwise as decided by the LAG.
- 3.3. The Panel may invite or co-opt other persons to its meetings as observers, consultants or advisors as needed.
- 3.4. The Panel may require project owners/developers to attend the meeting at which their submission is being considered to give a short presentation and answer queries raised by members.
- 3.5. The membership of the Panel will be reviewed every two years or as determined by the LAG. Members are requested to give two months notice if possible if they wish to stand down from the Panel.
- 3.6. The LAG will give consideration to remunerating appraisers or their employing organisations if this is felt necessary to fulfil the function effectively, in line with procedures of Defra and of Shropshire Council as accountable body.

4. Operation

- 4.1. The Panel will meet as necessary to appraise grant applications, and meet jointly with the Approvals Panel for steering purposes. Meetings are expected to take place on a quarterly basis.
- 4.2. The LEADER Co-ordinator will facilitate and call all meetings of the Panel.
- 4.3. A minimum of three trained appraisers drawn from the pool of appraisers and co-opted representative(s) from specialist areas of work, where necessary will appraise each project.
- 4.4. The Shropshire Hills AONB Partnership team will provide administrative support, and will circulate agendas and any papers preferably at least two weeks before meetings.
- 4.5. Members with an interest in a particular project should declare this at the meeting. If a member of the Panel may benefit themselves in any way from the award of a grant, they may provide information and advice but may not participate in the appraisal on that application.
- 4.6. The LEADER Co-ordinator will complete the Appraisal Panel record for each project proposal considered. This will record recommendations arising from the meetings. The LEADER Co-ordinator will liaise with the projects to resolve the queries and submit a response which will be circulated to the Appraisal Panel.
- 4.7. Appraised projects with recommendations will then be presented to the Approval group.

5. Fulfilling of functions

- 5.1 The Panel will undertake its business with regard to:
 - the approved 'Natural Growth' LEADER Local Development Strategy for southern Shropshire
 - any appraisal criteria developed by the LAG
 - relevant guidance and grant conditions issued by Defra.

- 5.2 Members of the Panel unable to attend the meeting may contribute their views by sending in their appraisal forms which will be taken into account at the meeting.
- 5.3 The Panel will be governed by and report to the Shropshire Hills AONB Partnership as the LAG, and updates on activity of the Panel will be given periodically to the Partnership.

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