An evaluation of LEADER in Wales

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Authors: Endaf Griffiths, Dr Nina Sharp, Sam Grunhut (all Wavehill), Prof. Mike Woods (Aberystwyth University)

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Glossary

Acronym/Initialism/Keyword	Definition
AIR	Annual Implementation Report
AR	Augmented reality
CCTs	Cross-Cutting Themes
CFAP	Community Facility Activities Programme
CLLD	Community-led local development
COVID-19	Coronavirus disease 2019
CRC	Creative Rural Communities
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission – an executive branch of the EU endowed with administrative functions and the capacity to propose legislation
EFF	European Fisheries Fund
EIP	European Innovation Programme
EMFF	European Maritime and Fisheries Fund
ENRaW	Enabling Natural Resources and Well-being
ERDF	European Regional Development Fund
ESF	European Social Fund
ESI Funds	European Structural and Investment Funds
EU	European Union – a political and economic union of member states that are located primarily in Europe
FBIS	Food Business Investment Scheme
FLAGs	Fisheries Local Action Groups
GDPR	General Data Protection Regulation
KPIs	Key performance indicators
LAGs	Local Action Groups
LDS	Local Development Strategy
LEADER	Derives from the French phrase 'Liaison Entre Actions de Développement de l'Économie Rurale', which means 'links between activities for the development of the rural economy'
NGO	Non-governmental organisation
NPT	Neath Port Talbot

RCDF	Rural Community Development Fund
RCT	Rhondda Cynon Taff
RDP	The Welsh Government Rural Communities - Rural Development Programme 2014–2020
RPW	Rural Payments Wales
TBIS	Timber Business Investment Scheme
TPIF	Tourism Product Innovation Fund
WCVA	Wales Council for Voluntary Action
WLGA	Welsh Local Government Association
WRN	Wales Rural Network

1.   Introduction and Background

1.1   This is the final report on an evaluation of the implementation of the LEADER scheme as part of the Rural Communities - Rural Development Programme for Wales 2014–2020[1], commissioned by the Welsh Government. This first chapter provides an overview of the scheme, the policy context in Wales, and the aims and objectives of the evaluation.

1.2   The report is then structured as follows:

- Chapter 2 sets out the methodology used for the evaluation
- Chapter 3 reviews the scheme budget, expenditure, progress against the key performance indicators, and administration
- Chapter 4 discusses the implementation of the LEADER approach, as introduced below, during the current 2014–2020 programme period
- Chapter 5 reviews the projects that have been supported as part of the current scheme
- Chapter 6 considers the outcomes and added value of LEADER in Wales
- Finally, Chapter 7 sets out the conclusions and recommendations of the evaluation.

1.3   A substantial amount of background and information have been provided in a separate Technical Report in order to keep this main report as focused as possible. The Technical Report includes:

- More detailed information on the individual elements that constitute 'the LEADER approach'
- A review of academic and grey literature relating to LEADER in Wales
- Examples of projects supported as part of the current LEADER scheme
- Case studies for projects supported as part of previous iterations of LEADER in Wales.

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[1] It should be noted that whilst the programme period runs until the end of 2020, spending can be incurred until the end of 2023 as a result of what is known as the N+3 rule, which applies to European-funded programmes.

Aims and objectives of the evaluation

1.4   The evaluation had two overarching objectives, which were to assess:

- The implementation of LEADER in Wales in the current programme period
- The contribution of LEADER to local development in rural areas since it has been applied in Wales.

1.5   The evaluation has, however, partly also examined CLLD more broadly as well as the longer-term legacy of the approach in Wales over and above the shorter-term outcomes which are generated. The full list of research questions set for the evaluation can be found in the Technical Report.

An overview of the LEADER approach

1.6   The acronym 'LEADER' derives from the French phrase 'Liaison Entre Actions de Développement de l'Économie Rurale', which means 'links between activities for the development of the rural economy'. As shown in Figure 1.1, the approach includes seven specific features and, importantly, is dependent on all of these features being employed together. It is these seven features, and their integration, that define LEADER as a specific approach to rural development and community-led local development (or 'CLLD') more generally. A more detailed description of each of these features can be found in the Technical Report.

1.7   LEADER was devised in the 1990s in response to what was perceived by the European Commission (EC) to be the failure of traditional, top-down policies to address problems faced by many rural areas in Europe. LEADER has, however, undergone several iterations since its introduction (as described in Appendix B of this document). The focus is, however, always on engaging local people and organisations as drivers of local development (rather than as beneficiaries of support), empowering them to contribute to the future development of their rural areas.

1.8   Local Action Groups (LAGs) are central to the approach. They are partnerships with members drawn from the public, private and civil (or 'third') sectors and are the main tool for the application of the LEADER approach, providing the means of involving local representatives in the development and delivery of local strategies, decision making, and resource allocation.

Figure 1.1: The seven features of the LEADER approach

Community-led local development

1.9 The perceived success of the LEADER approach at an EC level has led to the broadening of its use not only within rural programmes but also beyond 'rural development' under the banner of 'community-led local development' (or 'CLLD' for short). The definition of CLLD[2] as used by the EC is based on LEADER and describes an approach that must be community-led (via LAGs) and implemented through integrated area-based Local Development Strategies (LDSs). The preparation of the strategy must actively involve the local community and this process should be described in the strategy. Furthermore, CLLD must not be imposed from the top down. It is also stressed that CLLD is not simply a process of converting existing strategies into an LDS or drawing together a group of existing local activists to form LAGs. It is essential to involve a cross section of the targeted local community in the development and management of the strategy and in finding solutions to local issues.

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[2] Source: Guidance for the Development of Community Led Local Development Strategies, European Commission

1.10   Other European Structural and Investment Funds (ESI Funds) have included the CLLD approach as part of options for their implementation. In the 2007–2013 programme period, CLLD was introduced to the European Fisheries Fund (EFF) with the establishment of Fisheries Local Action Groups (FLAGs) across Europe, including in Wales. This continued into the 2014–2020 European Maritime and Fisheries Fund (EMFF) programme. From 2014, CLLD also became available under the European Regional Development Fund (ERDF) and the European Social Fund (ESF). However, the application of the approach is optional, remaining mandatory only in the European Agricultural Fund for Rural Development (EAFRD) in the form of LEADER. The option to include CLLD in the delivery of the ESF and the ERDF was, however, not utilised in Wales.

The Rural Communities - Rural Development Programme for Wales (2014–2020)

1.11   LEADER is one of a number of schemes within the Welsh Government Rural Communities - Rural Development Programme 2014–2020 (hereinafter referred to as 'the RDP'), a seven-year investment programme funded by the Welsh Government and the European Union (EU) through the EAFRD.

1.12   The RDP is a Wales-wide programme supporting a wide range of activities designed to increase the sustainability and resilience of Wales' natural environment, land-based sector, food businesses, and rural communities. The programme has a budget of up to £842m, which includes approximately £562m of EU money with the remainder provided by the Welsh Government's own funds[3].

The LEADER scheme

Previous schemes

1.13   LEADER schemes have been active in Wales since the 1990s, starting with the 'experimental phase' of the approach between 1991 and 1993. There were four LAGs in Wales at that time in Powys, South Pembrokeshire, Gwynedd, and Carmarthenshire. The scheme then evolved during the course of a number of programme periods:

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[3] Source: Rural Development Plan: money allocated, committed and spent | GOV.WALES, figures for March 2022

- LEADER II (1994–1999, eight LAGs)
- LEADER+ (2000–2006, seven LAGs)
- Axis 4 of the RDP 2007–2013. (18 LAGs)

1.14   The focus of LEADER has changed during these periods, as have the arrangements for its administration and delivery, further details of which can be found in the Technical Report. The number of LAGs and the geographical areas that they cover have also changed for each programme period. This means that LEADER has been active in some areas since the early 1990s. In other areas, however, the current programme period is their first involvement with the approach.

The 2014–2020 scheme

1.15   The current LEADER scheme in Wales consists of 18 LAGs covering eligible wards (i.e. rural areas) in 21 of the 22 local authority areas across Wales, as listed in the Technical Report. The current scheme is therefore the largest iteration of LEADER in Wales in terms of the geographical area covered; the 18 LAGs in the previous programme period covered only 18 local authority areas.

1.16   The total value of LEADER in the current programme period in Wales is just over £47m. This funds all elements of LEADER in each area, including administrative and implementation costs (see Chapter 3 for further details).

1.17   Whilst the programme period is 2014–2020, Article 65(2) of (EU) Regulation 1303/2013 sets out that (eligible) expenditure shall be eligible for a contribution from the ESI Funds if it is both incurred by a beneficiary and paid out by the Paying Agency before 31st December 2023[4]. The Welsh Government approved LEADER projects for an initial implementation period of 7 years. However, the LEADER LAGs were given opportunities to revise their delivery profiles during implementation. Accordingly, some LAGs will cease implementation earlier than others, with activity in some areas ending in 2022 and others continuing until June 2023.

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[4] This is known as the N+3 rule and relates to all European-funded programmes; funds committed for the years 2014–2020 must be spent by the end of the third year after their allocation (i.e. 2023).

1.18   The RDP is developed around six specified common EU rural development priorities. Each priority is broken down into more detailed areas of intervention called 'focus areas'[5]. For monitoring purposes, the whole LEADER scheme in Wales is programmed against Focus Area 6b ('Local Development'), although it is possible to record secondary focus areas (see the Technical Report).

1.19   Activities under LEADER must also be linked to one of the five LEADER themes for Wales[6], which are:

1) Adding value to local identity and natural and cultural resources

2) Facilitating pre-commercial development, business partnerships, and short supply chains

3) Exploring new ways of providing non-statutory local services

4) Renewable energy at the community level

5) Exploitation of digital technology.

1.20   Furthermore, activities under LEADER must address one or more of the aims and objectives of the LDS for the area (as developed by the LAGs in question).

1.21   Finally, projects must address one or more of the Cross-Cutting Themes (CCTs) where it is appropriate to do so within the context of the project, the activities expected to be delivered, and the expected outputs or results:

1) Equal Opportunities, Gender Mainstreaming, and the Welsh Language

2) Sustainable Development

3) Tackling Poverty and Social Exclusion.

1.22   This is in addition to the three EC-set Cross-Cutting Objectives for the programme, which are:

1) Innovation

2) Environment

3) Climate Change Adaptation and Mitigation.

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[5] Rural Development Programme document 2014 to 2020 | GOV.WALES
[6] These themes were originally proposed as stakeholder suggestions and discussion during the consultation events around the development of the RDP.

How the scheme is delivered in Wales

1.23   The term 'bottom-up' is often used when discussing the LEADER approach and is at its heart. This means that the local community and local stakeholders are central to the approach, defining the priorities for their area. Active participation is encouraged at every stage of the process (from initial strategy development to implementation, evaluation and review).

1.24   European Commission guidance specifies that CLLD should be carried out through integrated and multi-sectoral area-based LDSs. In Wales, each LEADER LAG is required to develop an LDS using a template provided by the Welsh Government. The LDS is then reviewed and updated by the LAG on an annual basis.

1.25   Delivered by the team employed by the administrative body on behalf of the LAG, 'animation' activities are used to support the delivery of the LEADER scheme in each area. As the term suggests, this activity is designed to help 'make things happen' and can encompass a range of activities including empowering or supporting local groups and organisations to develop and implement activities including projects, feasibility studies, and pilots (in line with the LDS) or more general activities focused on the local area such as raising awareness of the scheme or specific sectors.

1.26   The activities supported by the LAG are identified in several ways, depending on the approach being employed by the LAG in question. An 'open call' approach is used in many areas, wherein local organisations are invited to submit their ideas and project proposals to the LAG, guided by the LDS and with the support of animation activities. Those proposals are then assessed by the LAG. In other instances, the LAG also will work with the animation team to develop and then implement its own ideas and projects alongside the local community and key stakeholders. There is a particular emphasis on developing and supporting new and innovative ideas and approaches with regard to rural development.

1.27   Activities funded and progress against the LDS as a whole are then monitored by the LAG on an ongoing basis (reporting to the Welsh Government). Project closure/evaluation reports are produced at the end of the process, with key lessons learnt being shared via the LAG website and social media.

1.28   Cooperation between LAGs is a key feature of LEADER, with each LAG being allocated a budget specifically to support projects delivered in cooperation either with other groups in Wales or elsewhere in the EU. The rationale behind this is that LAGs can share ideas and learn from one another where they cooperate on projects. With a view to supporting cooperation and the sharing of ideas, networking is a key feature of the scheme, with the Wales Rural Network[7] collecting and sharing information relating to LAG activities within Wales and the European Network for Rural Development[8] undertaking that role at a European level.

High-level policy context in Wales

1.29   Published in June 2021, the Programme for Government 2021-2026 in Wales consists of almost 100 specific areas of activity[9]. They are set out under 10 'well-being' objectives:

1) Provide effective, high-quality and sustainable healthcare.
2) Protect, rebuild and develop services for vulnerable people.
3) Build an economy based on the principles of fair work, sustainability, and the industries and services of the future.
4) Build a stronger, greener economy as we make maximum progress towards decarbonisation.
5) Embed a response to the climate and nature emergency in everything that is done.
6) Continue a long-term programme of educational reform, and ensure that educational inequalities narrow and standards rise.
7) Celebrate diversity and move to eliminate inequality in all of its forms.
8) Push forward towards a million Welsh speakers, and enable tourism, sports and arts industries to thrive.
9) Make cities, towns and villages even better places in which to live and work.
10) Lead Wales in a national civic conversation about our constitutional future and give our country the strongest-possible presence on the world stage.

1.30   A Well-being Statement has been published alongside the Programme for Government, setting the well-being objectives in line with the government's statutory

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[7] Wales Rural Network
[8] European Network for Rural Development
[9] Source: Welsh Government Programme for government [HTML] | GOV.WALES

duty under the Well-being of Future Generations (Wales) Act 2015. Moreover, it describes how the objectives have been set in accordance with the sustainable development principles and the five ways of working as set out within the Act, which are[10]:

1) *Long term*: the importance of balancing short-term needs with the need to safeguard long-term needs.

2) *Integration*: considering how the public body's well-being objectives may impact upon each of the well-being goals, their other objectives, or the objectives of other public bodies.

3) *Prevention*: how acting to prevent problems occurring or worsening may help public bodies to meet their objectives.

4) *Involvement*: the importance of involving people with an interest in achieving the well-being goals and ensuring that those people reflect the diversity of the area which the body serves.

5) *Collaboration*: acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.

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[10] Source: [WBFG Essentials Guide (gov.wales)](gov.wales)

2.   Methodology

Introduction

2.1   This chapter briefly sets out the methods and research activity undertaken and reported upon in the chapters that follow.

Overview

2.2   A theory-based approach was used for this evaluation. Theory-based evaluations are centred on a well-defined Theory of Change which, as introduced below, has been a central part of this evaluation. Once a theory is established, the theory is tested through multiple evidence sources. When conducting a theory-based approach, it is important to keep an open mind as to what evidence can be used. External literature, expert opinions, public statements, and mixed-method research with a range of stakeholders can all be used, as has been the case for this evaluation[11].

2.3   Data were collected using a mixed-method approach, triangulating qualitative and quantitative data sources to build a robust and comprehensive evidence base that helped the evaluation team to address the evaluation questions.

Scoping interviews

2.4   Undertaken in September/October 2020, scoping interviews were used to discuss the priorities for the evaluation with a number of key stakeholders and understand the information which would be available to inform the evaluation. Furthermore, the scoping interviews contributed to the development of the Theory of Change and the Evaluation Framework. Fourteen scoping interviews were undertaken with LAG representatives from areas across Wales and representing different types of administrative bodies and levels of experience, and with Welsh Government officials (n=4).

Literature reviews

2.5   The academic literature review is based on a systematic search of the Web of Knowledge database of peer-reviewed academic publications for papers published between 1985 and the present day in relation to LEADER, CLLD, and rural development in Wales, supplemented by searches of the catalogues of the National

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[11] Source: HM Treasury Magenta Book, p. 36

Library of Wales and the Aberystwyth University Library, and by the authors professional knowledge of the literature.

2.6   The literature search focused in particular on academic papers pertaining directly to LEADER and/or CLLD in Wales. However, as this literature is relatively limited, the search was expanded to include all academic studies of LEADER anywhere within Europe. This helped to identify literature that would inform the evaluation of LEADER in Wales by highlighting findings concerning the implementation and impact of LEADER that might be considered in relation to the evidence from Wales and/or by making recommendations for evaluation criteria and processes. Additionally, literature has been identified that contributes to understanding the key challenges facing rural Wales.

2.7   Articles identified through the literature search were screened and a number were selected for further analysis as part of the literature review on the basis of their potential to provide insights into the three key themes of the literature review as outlined in the work programme, namely: (1) Lessons learned from past and present attempts at LEADER/CLLD in Wales; (2) Aspects of the LEADER approach most necessary for addressing problems faced by rural communities in Wales; and (3) Aspects of the LEADER model that are not applicable, less relevant, or more difficult to implement in rural Wales.

2.8   The term 'grey literature' is used to describe a wide range of different information that is produced outside of traditional publishing and distribution channels. A wide range of 'grey literature' has been produced in relation to LEADER schemes and the approach more generally with a particular focus on evaluation. Our review of grey literature for this evaluation considered 'LAG-level' LEADER evaluation reports for the 2007–2013 and the 2014–2020 Rural Development Programmes in Wales as well as evaluations of LEADER schemes in other parts of the UK and Europe.

2.9   The literature reviews can be found in full in the Technical Report. They have informed the development of the Theory of Change (as discussed below) as well as the findings of the evaluation (as discussed in the chapters that follow).

Development of a Theory of Change

2.10   HM Treasury's Magenta Book states that sound policymaking requires a thorough understanding of the intervention and how expected outcomes will be achieved. Several tools can be used to explore how an intervention should work, often described as the 'programme theory'. These include a Theory of Change, logic mapping, log frames, benefits mapping, and system mapping. All of these processes involve the mapping of causes and effects[12].

2.11   In this instance, we have used the Theory of Change approach, which explains how an intervention should work (setting out all of the steps expected to be involved in achieving the desired outcomes), the assumptions made, the quality and strength of the evidence supporting them, and broader contextual factors[13].

2.12   Developing a Theory of Change typically involves considering the proposed inputs (the resources being used) and the causal chain that leads from those inputs through to the expected outputs (what is delivered or produced), outcomes (the early or medium-term results) and, ultimately, impact (the long-term results).

Figure 2.1: An example of a linear Theory of Change
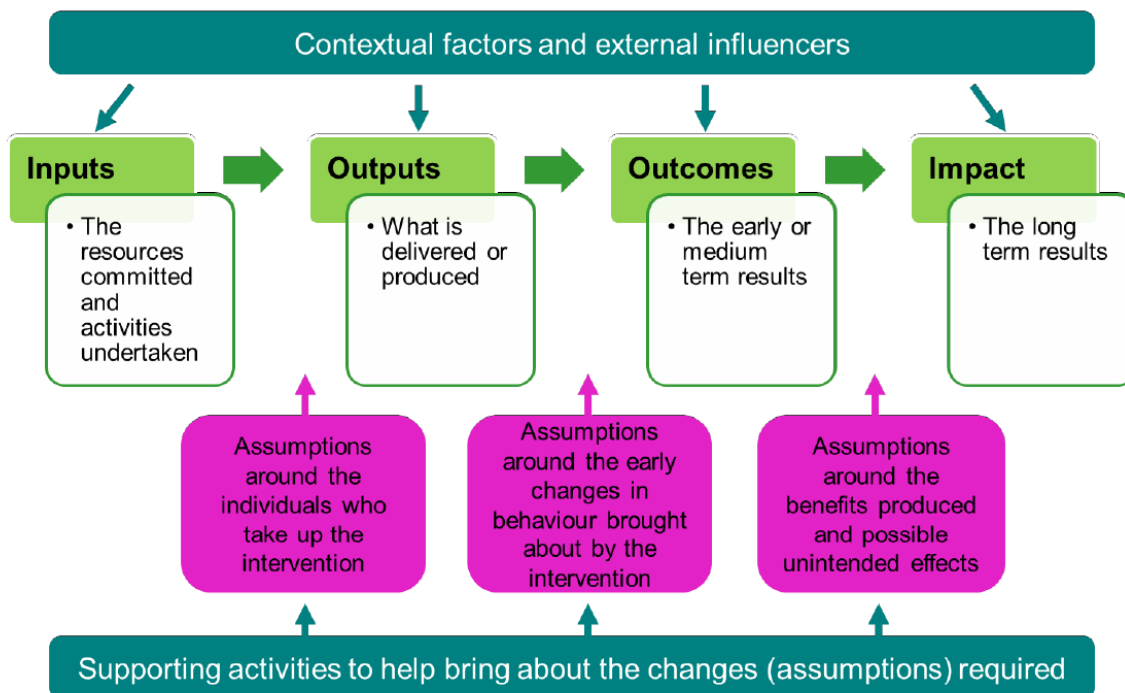
Source: The Magenta Book: Central Government Guidance on Evaluation

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[12] HM Treasury (2020), The Magenta Book: Central Government guidance on evaluation
[13] See chapter 2 of the Magenta Book.

2.13   We used the Theory of Change approach to explore how LEADER was designed to work as well as to identify the key enablers, barriers, and assumptions within the theory. A paper setting out a Theory of Change for LEADER was developed and presented to the evaluation steering group for discussion in November 2020. Both the literature review and the findings of the scoping interviews fed into the development of that paper.

2.14   The Theories of Change developed can be found in the Technical Report. They were used to inform the development of the Evaluation Framework, which formed the basis for the research tools used for the primary fieldwork that followed.

Analysis of the scheme monitoring data

2.15   The data that the Welsh Government holds for the LEADER scheme, including the project expenditure figures and the scheme key performance indicators (KPIs), were reviewed as part of the evaluation (as discussed in Chapter 3). The information relating to the projects supported by LEADER (as provided on the Wales Rural Network website) was also used for the purposes of the evaluation (see Chapter 5).

2.16   The information available from the Welsh Government was supplemented with additional data collected directly from the LAG administrative bodies. These data were collected to analyse the number of LAG meetings that have taken place across Wales and attendance at those meetings. Basic information on the team employed to deliver LEADER in each area was also collected.

2.17   A short online questionnaire[14] was also distributed to LAG members (i.e. a census approach) via the administrative bodies to collect supplementary data on the types of people who are members of the LAGs across Wales (including gender, ethnicity, and age group); 125 responses were received[15].

Primary research

Interviews with Welsh Government officials, LAG chairs, administrative body managers, and other stakeholders (March to July 2021)

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[14] It should be noted that all questionnaires and other research tools used for this evaluation were provided bilingually in both Welsh and English.

[15] The risk of self-selection bias and the associated risk of the sample not being representative of the population (i.e., all LAG members) are acknowledged - please refer to the section on 'limitations of the methodology' later in this chapter.

2.18   A total of 45 interviews were undertaken in this category using semi-structured discussion guides.

2.19   Five officials from within the Welsh Government participated in interviews. These included those directly involved in the management and delivery of LEADER and those not directly involved but with a broader interest in CLLD in Wales.

2.20   The engagement with LAGs covered all 18 groups across Wales and included:

- 17 staff interviews (including staff covering multiple LAGs)
- 11 LAG chair interviews.

2.21   Officials from all local authorities in Wales were invited to participate in the evaluation via an invitation distributed by the Welsh Local Government Association (WLGA). In the event, four local authorities participated in interviews (five interviews in total).

2.22   Seven interviews were undertaken with selected stakeholders to understand the views of those working in rural development but not directly involved in LEADER. These included individuals delivering other rural development programmes, schemes and projects in Wales as well as representatives of the WLGA and the WCVA. A number of other organisations were invited to participate in interviews but chose not to do so often on the basis that they had not been closely involved with LEADER in Wales and, therefore, had little that they could contribute to the evaluation. Although only anecdotal, this may be a suggestion that the awareness and understanding of the current LEADER scheme in Wales are not as high as they could be.

Online survey of those involved in LEADER in Wales and follow-up interview

2.23   Originally, the proposed approach included separate surveys of a number of groups involved in LEADER in Wales. A key finding of the scoping interviews was, however, that such an approach would be problematic because many stakeholders are/have been involved in LEADER in a number of different ways. For example, a contact could be both an LAG member and a beneficiary of funding for a project. What is more, there were concerns surrounding GDPR and sharing contact details with the evaluation team.

2.24   An online questionnaire was therefore designed[16] which 18 LAG administrative bodies were asked to distribute as widely as possible to anyone with involvement in LEADER, past or present, including:

- LAG members (past and present)
- Lead body staff (past and present)
- Supported projects (current and previous programme periods)
- Others engaged with LEADER in any way (e.g. engaged in 'animation' activities)
- Other local stakeholders (e.g. staff of other organisations active in the local area).

2.25   To widen the response, recipients of the questionnaire were also asked to forward the link to the questionnaire to contacts that they believed would fit within one or more of the groups above ('snowball approach').

2.26   The online questionnaire generated a total of 214 responses including:

- Responses from across each of the LAG areas (ranging from 24 in Powys to eight in Carmarthenshire)
- A range of different types of involvement in the scheme (including 79 LAG members, 73 recipients of support, and 42 members of staff).

2.27   A full breakdown of the profiles of respondents to the survey can be found in the Technical Report.

2.28   It is important to note that the total number of responses varies when examining the data in terms of the role of the respondent and/or the area in which the respondent has been involved with LEADER. This is because some respondents have multiple roles and been involved in multiple LAGs.

2.29   Forty-four follow-up telephone interviews were undertaken with a wide range of respondents to the online survey, representing each group of respondents[17] to the survey (respondents to the online survey were asked to volunteer to participate in follow-up interviews). These interviews added a qualitative layer to the data

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[16] This process involved internal piloting of the questionnaire within Wavehill as well as sharing draft/pilot versions of the questionnaire with two LAG administration managers to review and test the wording of questions.
[17] This included LAG members, administrative body staff, projects supported by the scheme, and other stakeholders.

collected via the survey, with respondents being asked to further explain and discuss the information that they had provided via the online survey.

Emerging findings presentations and discussions

2.30   The emerging findings were presented and discussed at a meeting of Welsh Government officials with an interest in the findings of the evaluation in September 2021.

2.31   It had been planned that the evaluation team would present the emerging findings of the evaluation for discussion at LAG meetings across Wales. In the event, this was only possible in one instance, as LAGs were not meeting within the window in which these presentations could be made. As an alternative, a presentation of the emerging findings of the evaluation was therefore recorded and posted onto the Wavehill website. A link was then distributed to LAG members via the administrative bodies. That page was viewed 66 times, with 34 unique visits to the page being recorded. Five responses were received, namely four from individual LAG members and one on behalf of an LAG.

The impact of COVID-19 on the methodology

2.32   It is important to note that the COVID-19 pandemic and its associated restrictions and lockdowns have had an impact on the evaluation, although that impact is not considered to be substantial. The principal impact was in terms of how the primary research described above was undertaken; the majority was undertaken via telephone and video (rather than in person). This is not, however, considered to have had any negative effect on the evaluation.

Limitations of the methodology

2.33   The aim of any evaluation is to build a comprehensive and robust evidence base with which to answer the research questions posed. However, any methodology used inevitably has limitations which need to be understood when considering the findings of an evaluation.

2.34   In this instance, it is important to be aware that our sample of those who have been involved with LEADER in Wales is largely self-selecting. The online survey was distributed by the LAG administrative bodies, with the respondents then choosing whether or not they wanted to participate in the research. There is likely to be a wide range of reasons as to why people (and organisations) volunteered to

participate in the evaluation, including having particularly strong feelings or opinions towards the subject and/or a specific interest in the evaluation or its findings.

2.35   It is therefore important to be aware that there is likely to be a degree of self-selection bias. For example, the decision to participate in the evaluation may reflect some inherent bias in the characteristics/traits of the participants, e.g. an individual with a particularly positive or negative experience that they wish to share. This can lead to either the sample not being representative of the population being studied or exaggerating some particular finding from the evaluation. This risk is, however, controlled via the mixed-method approach being used, which also takes into account a range of other sources of evidence (including monitoring data, the findings of the literature review, and so on). Furthermore, it is important to note that this issue is not unique to this evaluation, as a self-selecting sample is a common feature in evaluation studies of this nature.

2.36   This evaluation has not focused particularly on the outcomes of any specific projects funded by the LEADER scheme, concentrating largely on the outcomes of the LEADER process and involvement in the scheme. This is because at the time of the evaluation, a large proportion of projects supported by the current scheme were still ongoing. The outcomes of projects are also the subject of 'local' evaluations commissioned by the individual LAGs, the final reports on which will follow this evaluation, which this study has sought not to duplicate.

2.37   Finally, a lack of data has also been a constraint to elements of the evaluation (as discussed within the narrative). In particular, the performance indicators for the scheme offer limited insight into the outcomes being achieved and there is no database of LEADER 'projects' (other than the information shared via the WRN website), which had limited our ability to analyse data on the activities that had been undertaken and funded.

3. LEADER scheme budget, expenditure, key performance indicators, and administration

Introduction

3.1 This chapter provides information on the budget allocated to the LEADER scheme and the key performance indicators. The administration of the scheme is also reviewed.

<u>Key points</u>

- At £47.6m, the LEADER scheme accounts for five per cent of the total Wales RDP budget.

- Seventy-five per cent of the LEADER budget is allocated to projects, with 15 per cent allocated to 'animation' and 10 per cent to running costs.

- In financial terms, the scale of the scheme is very different across Wales, ranging from just over £5m (Powys) to just under £1m (Torfaen), based on proportionate distribution methodology, to be spent over between 6 and 8 years.

- State aid restrictions in place until May 2021 (changed to respond to the impact of the COVID-19 pandemic) removed the ability of LAGs to provide support to commercial businesses (which would constitute state aid), which they have been able to do, under appropriate cover, in previous programme periods. These restrictions are considered by many to have had a negative impact on the scope of the scheme in implementation.

- The range of different end dates in different LAG areas present challenges to the Welsh Government when considering transitional arrangements, if and when a follow-up to the LEADER scheme is being considered.

- At a scheme level, spend as of the end of March 2022 was 70 per cent.

- As the range of key performance indicators being used is narrow, their usefulness as a measure of achievement is limited.

- In most cases, the LAG administrative bodies are local authorities, but six of the 18 LAGs are administered by independent third sector organisations.

- There are a number of 'characteristics' that can be identified as being present when the administration of LEADER is considered to be most effective.

Budget and financial allocation

3.2 The current LEADER scheme in Wales has a budget of £47.6m distributed to 18 LAGs across Wales. To put that figure into context, the total budget for the Wales RDP is £842m, meaning that LEADER accounts for around five per cent of the total budget.

3.3 LEADER funding is divided into the following four pots:

- **Running costs:** these cover the activities of the principal management structures of the LEADER LAG administrative body along with basic costs such as office accommodation, ICT connection and usage, core staff and their travel costs, and any other key expenditure necessary for the LAG to operate effectively (£4.5m | 10 per cent).

- **Animation:** covering the activities of the main animation, facilitation, and capacity building within the LAG area to build the means by which ideas can be converted into deliverable projects. This encompasses mainly staff costs, travel costs, costs necessary to organise meetings and bring people together, and, where necessary, specialist technical help or consultancy (£7.1m | 15 per cent).

- **Implementation:** the main funding pot for specific and focused initiatives to be developed and delivered that will meet the objectives of the LDS. Activities might be delivered through a range of project partners, outside organisations and/or groups of people within communities (either geographic or thematic) or they might be delivered by the administrative body on behalf of the LAG itself (£33.2m | 70 per cent).

- **Cooperation:** covering projects delivered cooperatively with other LAGs within or outside of Wales (£2.7m | six per cent).

3.4   When the funding allocated to 'projects' is taken together (i.e. Implementation and Cooperation), they account for over three quarters of the programme budget.

3.5   For financial management purposes, each LAG has one overall 'project' for each one of these pots, which is a change in approach introduced for this scheme, moving away from the previous approach of allocating (and approving) funding for individual interventions as 'projects.' This change was introduced in order to reduce the administrative complexity of the financial management of the scheme, and has achieved that objective (although there is still, as discussed later, criticism of the scheme management processes).

3.6   LAGs also had the flexibility to move 'implementation' funding between the five LEADER themes as they saw fit, which was again a substantially more flexible approach than that used for the previous programme period. Overall, the LAGs have therefore had considerably more flexibility in terms of the financial management of their LEADER budget in the current period.

Budget allocation per LAG

3.7   Figure 3.3 below shows the allocation of funding per LAG area, which ranges from over £5m in Powys to just under £1m in Torfaen.

Figure 3.1: Allocation of RDP LEADER funding per LAG area

LAG area	Allocation
Powys	£5,104,001
Pembrokeshire	£4,425,000
Carmarthenshire	£4,352,001
Gwynedd	£4,335,000
Ceredigion	£3,265,015
Monmouthshire	£2,791,840
Anglesey	£2,781,000
Caerphilly	£2,643,001
Flintshire	£2,462,999
Wrexham	£2,252,000
NPT	£2,155,995
Bridgend	£1,886,000
Vale	£1,820,000
Conwy	£1,747,000
Denbighshire	£1,715,458
Swansea	£1,454,000
Merthyr	£1,211,000
Torfaen	£995,000
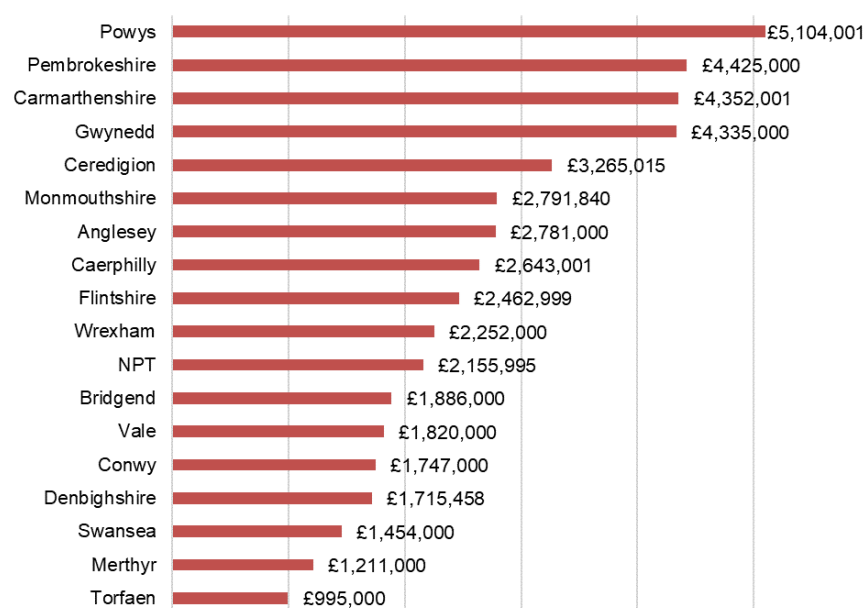
Source: Welsh Government, March 2022

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3.8   The scheme budget was apportioned to the LAGs using an 'indicative allocation methodology', wherein each LAG received a core allocation of £500,000, which is the minimum amount considered to be necessary in order to support an LAG area (based on the experiences of the 2007–2013 programme[18]). Each LAG then received an additional allocation based on a weighted apportionment calculation that accounted for: (a) 75 per cent weighting based on the rural population of the eligible wards, and (b) 25 per cent weighting based on the sparseness of the population within the eligible wards.

3.9   This is a change from previous schemes, wherein funding was allocated to LAGs on a competitive basis and split over two 'business plan' periods over the lifetime of the scheme. LAGs therefore have had much greater certainty regarding their budget over a longer timescale during this programme period, which implements a recommendation from the final evaluation of the previous scheme[19].

3.10   The views expressed with respect to the method used to allocate the budget to LAGs in the current scheme were generally positive, which was seen to be preferable to the competitive approach used in previous schemes, providing more certainty surrounding the funding available to the LAG over the lifetime of the scheme. This was not, however, always the case, with a minority of those interviewed for the evaluation expressing concern that the lack of competition had potentially reduced the quality of project activity. There is no evidence with which to support, or dismiss, this view.

3.11   LAGs have also largely been able to roll forward underspend over the lifetime of the programme, which has provided substantial flexibility in terms of the delivery of the scheme. Again, this was generally considered to have been positive, although a minority argued that the approach limited the ability to reallocate funding to LAGs who were 'successful' in terms of spending their financial allocation quickly. This argument is, however, based on using the level of spending as a key indicator of the successful implementation of LEADER, which, we would argue, would be too narrow as an approach (given the focus within LEADER on animation, developing new approaches to rural development, and so on). On that basis, the approach that

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[18] Source: Welsh Government Rural Communities - Rural Development Programme 2014–2020 LEADER Guidance Notes

[19] Wavehill, CLES and the Rural Development Company (2013) Evaluation of Axes 3 & 4 of the Rural Development Plan for Wales 2007-2013 for the Welsh Government, p. 62

has been adopted is supported. Concerns expressed by some that the approach has led to poor financial management (i.e. lower than forecast spend) by some LAGs should, however, be acknowledged (as discussed further below).

Timescales

3.12   LEADER activities started in all areas in 2015 but will run to different timescales in various areas, ending in some areas in March 2022 whilst running 14 months longer (i.e. until the end of June 2023) in other areas.

Funding restrictions

3.13   For the majority of the lifetime of the current scheme, LEADER funding could not be used to provide aid or other assistance that would constitute state aid[20]. Moreover, the LEADER measure could not be used to provide capital or revenue grants or other forms of direct or indirect assistance to commercial businesses[21]. This, however, changed in May 2021 when capital expenditure became eligible under De Minimis State Aid to allow LAGs to respond to the impact of the COVID-19 pandemic in their areas[22]. This allowed LAGs to provide support to people, businesses and organisations wanting to engage in economic activity, signposting them to mainstream Business Wales support at the appropriate point.

3.14   The state aid funding restrictions were a regular feature of discussions with LAG chairs and administrative body managers during the course of this evaluation. The restrictions were generally considered to be a major limitation of the scheme in comparison to previous iterations, during which De Minimis State Aid was permissible throughout the lifetime of the scheme, meaning that such support was provided extensively.

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[20] This means that LAGs cannot provide any kind of assistance that will reduce the normal day-to-day operational running costs of the business, enterprise, undertaking, or 'economic operator', such as subsidising staff salaries or giving financial support, directly or indirectly, towards rent, rates, energy costs, promotion, publicity, advertising, and/or any other running costs or overheads.
[21] This includes but is not restricted to: capital grants towards buildings and equipment; any form of business start-up assistance; business bursaries; and aid assistance through the provision of subsidised goods or services (e.g. machinery and/or equipment provided on loan) to a business. Direct financial support, loans, financial assistance for new product development, and other methods of indirect financial assistance to a business, such as marketing for publicity or promotional activities that are free or at a reduced rate to a business, are also not eligible.
[22] Source: LEADER Guidance Notes (gov.wales), p. 23

3.15   The rationale behind the change in approach for the current period was that a clear demarcation was needed between the support that LEADER could provide and that provided by other parts of the RDP and business support structures in Wales, with previous evaluations having identified the risk of duplication and a lack of consistency in the support being provided across Wales[23]. Furthermore, there was a desire at a policy level to focus LEADER activity upon developing and piloting new and innovative approaches to rural development, which was considered to be possible within state aid restrictions.

3.16   In some areas, the impact of this change in approach was considered to have been substantial in a number of ways. The need to explain the change in approach to local businesses and communities engaged over the course of previous programme periods was, for example, considered by some to have substantially undermined the credibility of LEADER, developed over a number of years. The inability to provide grants to businesses was described in one instance as a "real kick in the teeth", given the effort that had been made to engage with local businesses during the previous programme period. In another instance, it was also noted that LAG members had resigned from their positions directly due to this approach, considering it to have substantially reduced the value of the scheme as an intervention and, therefore, leading to their losing their motivation to be a member of the LAG.

3.17   In some areas, however, whilst acknowledging that the change in approach was regrettable, the LAG administrative body managers believed that state aid limitations, whilst restricting options, had not been overly limiting and could be "overcome with some creative thinking". This view was most prominent amongst LAG administrative body managers with the greatest experience in managing and delivering LEADER and other EU-funded schemes. It is one of a number of indications of the value of experience in the delivery of LEADER.

3.18   The change in approach from May 2021 was, as would be expected when considering the negative views noted above, generally welcomed when discussed with interviewees, albeit often also noted as being 'too late' to have any real influence on LAG activities.

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[23] Wavehill, CLES and the Rural Development Company (2013) Evaluation of Axes 3 & 4 of the Rural Development Plan for Wales 2007-2013 for the Welsh Government, p. 47

Match funding requirements

3.19   For LEADER Implementation and Cooperation projects, the maximum grant contribution from the RDP is 80 per cent of the total eligible project costs. Therefore, LAGs must secure at least 20 per cent of the total eligible project costs (i.e. the match funding).

3.20   In many cases, this means that 'applicants' who approach the LAG(s) for support are required to provide/source match funding for their proposed project. In some areas, the local authority has underwritten the requirement of match funding, although projects are still being asked to provide match funding where possible, sometimes at a higher rate than the minimum in order to provide some flexibility for projects/activities where no match funding is available. In other areas, the necessary match funding has been secured 'at an LAG level' (i.e. by the administrative body for their scheme as a whole), meaning that there is no need to source match funding for individual projects or activities.

3.21   Although considered to have been less of an issue than the state aid restrictions discussed above, the need for match funding for project activity was also identified as being an issue. In particular, LAG administration managers and chairs highlighted that it could be challenging to find match funding for new and innovative projects, as other funders preferred to support projects in which it was certain that there would be a positive outcome, rather than the new and innovative approaches being prioritised by LEADER.

3.22   The fact that the need for 20 per cent funding in Wales is lower than in many other LEADER schemes across the EC was, however, also highlighted by stakeholders during interviews; the requirement could be (and is in some countries) much higher. The wide range of ways in which the necessary match funding could be provided, including in kind as well as cash contributions, was also noted. The fact that match funding was a common requirement in funding schemes and used to demonstrate the commitment of 'applicants' when funding was involved was also made.

Expenditure to date

3.23   As shown in Table 3.1, at a scheme level, spend as of the end of March 2022 was 70 per cent with 21 months left in the lifetime of the programme. There was, however, substantial variance between the administrative bodies, ranging from 55

per cent in Wrexham to 100 per cent in Pembrokeshire (where the scheme had closed).

3.24   The range of different end dates and remaining expenditure means that the implementation of LEADER will be different across Wales over the coming months. What is more, it will present challenges to the Welsh Government when considering transition arrangements, if and when a follow-up to the LEADER scheme is being considered.

3.25   Again, it should be noted that concerns have been expressed within the Welsh Government with regard to 'poor financial management' on the part of the LAGs leading to lower-than-expected expenditure figures for several of the LAGs, with doubts as to whether the budgets allocated will be fully utilised. These lower-than-expected expenditure figures need to be recognised, although LAG administrative bodies point to challenges that they/LAGs have faced in respect of COVID-19 and staff shortages as explanations for the below profile levels of expenditure.

3.26   These challenges need to be acknowledged but are unlikely to fully explain the low levels of expenditure in some instances, which will need to be addressed as a matter of urgency if the budget allocated to the LEADER scheme is to be fully utilised.

Table 3.1: LEADER spend per administrative body and project end date, as of March 2022

Row labels	Sum of approved (£)	Expenditure to date (£)	Percentage of approved funding utilised to date	End date
Anglesey	£2,781,000	£2,005,206	72	Jun-23
Bridgend	£1,886,000	£1,468,063	78	Mar-23
Caerphilly	£2,643,001	£1,758,861	67	Jun-23
Carmarthenshire	£4,352,001	£2,928,214	67	Jun-23
Ceredigion	£3,265,015	£1,973,291	60	Feb-23
Conwy	£1,747,000	£988,126	57	Jun-22
Denbighshire	£1,715,458	£1,355,461	79	Jun-23
Flintshire	£2,462,999	£1,456,676	59	Jun-23
Gwynedd	£4,335,000	£2,858,234	66	Jun-23
Merthyr	£1,211,000	£1,115,366	92	Jun-23
Monmouthshire	£2,791,840	£2,424,593	87	Jan-22
NPT	£2,155,995	£1,808,109	84	Mar-22
Pembrokeshire	£4,425,000	£4,425,000	100	Mar-22
Powys	£5,104,001	£3,959,668	78	Jun-23
Swansea	£1,454,000	£824,992	57	Jun-23
Torfaen	£995,000	£752,184	76	Mar-22
Vale of Glamorgan	£1,820,000	£1,520,261	84	Mar-22
Wrexham	£2,252,000	£1,245,105	55	Jun-23
Total	**£47,396,310**	**£33,016,278**	**70**	-

Source: Welsh Government

Performance indicators

3.27   Table 3.2 shows the performance of LEADER in Wales at a scheme level up to the end of March 2022. The information is taken from the Welsh Government programme information management systems and, therefore, represents the most up-to-date information available. It should be noted, however, that the figures do not include some indicators which LAGs may have reported but which have not yet been processed.

Table 3.2: LEADER indicators, achievements to the end of March 2022

	Indicator	Programme target	Claimed to date	Percentage of target achieved (%)
Outputs	Number of feasibility studies	259	159	60.2
	Number of pilot activities undertaken/supported	773	453	58.3
	Number of information dissemination actions/promotional and/or marketing activities	2,055	986	38.2
	Number of stakeholders engaged	29,738	11,080	37.3
	Number of participants supported	29,057	23,989	82.5

	Indicator	Programme target	Claimed to date	Percentage of target achieved (%)
Outcomes	Number of networks established	308	168	53.9
	Number of community hubs	95	60	63.2
	Number of jobs safeguarded through supported projects	59	30	51.4
	Number of jobs created	96.5	72	72.8

Source: Welsh Government

3.28 These figures are not reported per scheme theme and, thus, cannot be used to assess performance at that level. The rationale behind this was to keep the process as simple as possible as well as to recognise that activity may cut across multiple themes. It does, however, limit our ability to use the monitoring information to assess the progress made against each of those themes.

3.29 Outputs measure the activities undertaken to deliver an intervention. In the case of LEADER, the range of activities that are undertaken can be grouped into the following main categories:

a) LAG meetings and activities

b) Community and local stakeholder engagement (including development of the LDS)

c) Animation activities – including idea/project development, sharing of learning, and local networking

d) Delivery and/or funding of projects

e) Programme management/monitoring activities.

3.30   The list of output indicators is narrow and does not provide data with which to demonstrate activities in all of the categories identified above. For example, there are no indicators for the number of LAG meetings, which is a key part of the LEADER approach, although those data are available via LAG administrative bodies.

3.31   Similarly, only four outcome indicators are recorded, which again presents only a very narrow analysis of what the scheme has achieved and limits the usefulness of the performance indicators as a means by which to make a judgement as to the achievements of the scheme.

3.32   The small number of performance indicators being used is in contrast to the previous programme period, wherein the high number of performance indicators being used was criticised and a simpler approach with a smaller number of indicators was recommended[24]. The limited number of performance indicators being reported at a scheme level has benefits from an administrative perspective, simplifying the approach substantially in comparison to the previous scheme. We would, however, argue that the response to the recommendation has been to reduce the number of performance indicators too much, although the fact that it was anticipated that these data would be supplemented by monitoring and evaluation activities being undertaken by the LAGs based on their LDS is important and acknowledged.

3.33   The mid-term LAG-level evaluations reviewed for this report have, however, found that little monitoring data are collected by LAGs to allow the assessment of activities against the objectives of their LDS (although the LDSs do identify performance indicators). The concern is therefore that it is not possible to use the monitoring data to judge the progress that has been made in respect of the delivery of the scheme or the individual LDSs. We would, however, also acknowledge that final evaluation

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[24] Ibid., pp. 49 and 65

reports have yet to be produced at an LAG level and that it is anticipated that they will be focused on assessing the extent to which LDS objectives have been achieved.

3.34 It should be noted that no performance indicators are captured by the Welsh Government that allow for achievements against the Cross-Cutting Themes to be assessed. It is not therefore possible to comment on those issues here, although there is discussion on the implementation of those themes in Chapter 5.

Programme administration

LAG administrative bodies

3.35 The LEADER scheme in Wales includes 15 administrative bodies working with the 18 LAGs. Twelve of the 15 are local authorities. The remaining three are third sector organisations, set up originally as part of previous LEADER schemes in the 1990s: Menter Môn (administrating the LAGs in Anglesey and Gwynedd), Cadwyn Clwyd (Denbighshire, Flintshire, and Wrexham) and PLANED (Pembrokeshire).

3.36 Respondents (LAG members and staff) considered the working relationship between the LAG and the administrative bodies to be effective: 87 per cent (n=97) described the relationship as extremely or very effective. The interviews with LAG managers and chairs support this view. Positive comments described the relationship as being 'professional', 'productive' and 'efficient.'

Within vs. outside of a local authority

3.37 There has always been discussion on the different models for the administration of LEADER at a local level, with strong advocates of administration both by a local authority and by an independent organisation, and it has again been a topic for discussion during the course of this evaluation. It is important to note that the LAG is the decision-making body, whichever model is used. The role of the administrative body is just that: to administer the LEADER scheme on behalf of the LAG.

3.38 Both models (and the variances of them) have advantages and disadvantages. The strength of the local authority administration model most commonly identified is that of the links that it creates to the range of expertise within the local authority along with the ability to ensure that LEADER activities are effectively integrated with other activities being led by the local authority. Advocates of the independent approach

will usually highlight their perception that staff working for such organisations are usually more entrepreneurial in their thinking than are their local authority counterparts (who are perceived to be more cautious in their approach). The perceived ability of independent organisations to be more flexible and more responsive to changing circumstances is also often highlighted. The length of time that local authorities take to replace staff who leave the scheme is often used as an example of the more bureaucratic (and therefore slower) approach within a local authority.

3.39 The fact that local authorities are in many cases underwriting the match funding that is needed for the implementation of the scheme and ensuring that any delays in the financial administration of the scheme do not have any impact on its delivery also needs to be acknowledged and taken into account.

3.40 Evaluations have found that the administrative structure can affect how LEADER is perceived in each area. For example, within the Bridgend mid-term evaluation of the 2014–2020 scheme it is highlighted that there is a perception of LEADER as being a local-authority-led activity. Similarly, the Torfaen mid-term report from the 2014–2020 scheme reports a barrier, which is a lack of trust from farmers and those engaged with the process, at least partly due to the perception of LEADER as being local-authority-led.

3.41 The finding was different within the evaluation report from the 2007–2013 scheme in the Vale of Glamorgan, which concludes that the delivery LAG is well considered due to its perceived distance from the local authority, despite the fact that the administrative body is the Vale of Glamorgan CBC. The key to this is that the scheme was (and continues to be) heavily branded as 'Creative Rural Communities', with the team identified as working for 'Creative Rural Communities' (rather than for the local authority). They are also located in a separate office from the local authority, which again distinguishes the team from the council. This setup, which remains in place, is an example of how a LEADER scheme can be administered at 'arm's length' from a local authority. Similar arrangements have been in place in the past in Monmouthshire, where previous LEADER schemes have been administered under the 'Adventa' banner. A stakeholder interviewed for this evaluation described the setup in Powys for the LEADER II scheme as also being similar, administered by 'Menter Powys' (which was part of the local authority

but branded separately to distinguish LEADER activity from that of the council). That was also the case for the LEADER+ scheme when Glasu delivered the scheme in Powys from within the local authority.

3.42   Menter Môn is often used as an example of the potential benefit of the administration of LEADER by an independent organisation. Originally set up as a project within the local authority to deliver LEADER in 1995, Menter Môn was set up as an independent community-owned company in 1996 and has since evolved into a social enterprise that works across North Wales to deliver a range of regeneration, environmental and cultural projects for the benefit of local communities. They currently employ more than 70 people, making them an important employer in the local area in their own right. Moreover, they have attracted in the region of £100m of funding to the area since they were set up. Importantly, the 'LEADER approach' is integrated into everything that the organisation does. It is unsurprising therefore that the potential to replicate the model in other areas is often discussed.

3.43   In Gwynedd, there has been a switch in approach for the current scheme period, with the administration of the scheme moving from the local authority to Menter Môn under the 'Arloesi Gwynedd' ('Innovate Gwynedd') banner. When the rationale behind this change in approach was discussed with local stakeholders, it is said to have been motivated by their perceived ambition to take the LEADER scheme 'back to its roots' during the current period, with a greater focus on developing new and innovative approaches to rural development. Given their knowledge and experience of the LEADER approach, engaging Menter Môn to undertake the administrative function in Gwynedd seemed to then be a 'no-brainer', given also that they were already active in the area in delivering other schemes. The advantages of moving the administration of the scheme outside of the local authority in respect of a more flexible and entrepreneurial approach were, however, also recognised.

3.44   Stakeholder interviews have found that local authorities have explored the potential to set up independent organisations to administer the LEADER scheme in at least two areas. In both instances, however, the conclusion was that it was not financially feasible, and it is important to recognise that the circumstances at present are very different from those when PLANED, Cadwyn Clwyd, and Menter Môn were set up.

3.45   Our conclusion is, however, that this issue is not as black-and-white as discussions on administrating LEADER within or outside of a local authority may suggest. Our view is that there are 'characteristics' that can be identified as being present when the administration of LEADER is considered to be the most effective, and that the focus should be on creating a structure which facilitates those characteristics (be that within or outside of a local authority). They are:

- Being seen to be independent (not a local authority scheme)
- Being seen to be open (responsive) to new ideas and suggestions
- Having contacts and being able to draw on knowledge/expertise from a range of sources
- Being clear that the LAG is the decision-making body.

3.46   We have also found that the attitudes, skills and abilities of the staff are critical to the success of LEADER, perhaps even more so than the characteristics noted above, which will be discussed in the following chapter.

Administration across multiple areas

3.47   A feature of the current scheme is that the 18 LAGs are supported by 15 administrative bodies, with both Menter Môn and Cadwyn Clwyd supporting multiple LAGs[25]. Furthermore, the 18 LAGs cover the rural areas in 21 local authorities in Wales, with a number of LAGs working across neighbouring rural areas where those areas are too small to justify their own LAG. This makes this the largest LEADER scheme ever in Wales in terms of the geographical area covered.

3.48   Cadwyn Clwyd has a history of supporting multiple LAGs, having worked in Denbighshire and Flintshire previously. Wrexham has, however, been added to their 'group' for this scheme, and Menter Môn has assumed the role in Gwynedd for the first time. This development is in line with a recommendation in the evaluation of the LEADER scheme for the previous programme period (known as Axis 4), which concluded that there was a compelling argument in favour of such a model (in terms of both efficiency and the sharing of knowledge and expertise) and that the potential

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[25] Menter Môn is the administrative body for Gwynedd and Anglesey (for the first time), and Cadwyn Clwyd has that role for Denbighshire, Flintshire, and Wrexham (for the first time).

to utilise it in other parts of Wales should be explored[26]. This approach is still, however, in the minority.

3.49   Discussions for this evaluation have, in line with the findings of the previous evaluation referred to above, again found that there are substantial advantages to the approach, with clear examples of the sharing of knowledge and experience between the areas working within the model. These advantages are perhaps clearest within Cadwyn Clwyd, now working with three LAGs in North East Wales. This has allowed the organisation to pool the resources available for both the administration and animation functions. This is advantageous from an efficiency perspective, with one post of 'Coordinator', for example, covering all three areas.

3.50   The team within Menter Môn for Gwynedd and Anglesey overlaps, with 'project officer' roles split between the two areas. Cadwyn Clwyd has adopted a thematic approach (following the LDS themes), with project officers working across all three areas. For example, the team includes a National Resources Officer, Business Partnership Officer, Community Enterprise Officer, and Energy Officer. Such specialism would not be possible within a single LAG area and brings obvious benefits. There are also several examples of cooperative projects that have been developed between the three areas.

3.51   The multi-LAG approach also potentially allows for discussions on the setting-up of external organisations to facilitate LEADER (or CLLD more broadly) to be revisited, with the financial viability potentially changing when one organisation is working across multiple areas. The potential that organisations already exist that may be able to deliver the service should also not be discounted.

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[26] Wavehill, CLES and the Rural Development Company (2013) Evaluation of Axes 3 & 4 of the Rural Development Plan for Wales 2007-2013 for the Welsh Government, p. 61

Welsh Government role

3.52   A key finding of the evaluation of the previous version of the LEADER scheme in Wales (2007–2013) was that, administratively, the scheme was too complex, to the extent that administrative issues have overshadowed the whole scheme[27]. The situation seems to have improved for the current scheme, although issues are still identified.

3.53   Some of the key differences in this scheme in comparison to its predecessor during the 2007–2013 RDP have already been noted and are responding to recommendations made by the evaluation of the previous scheme. Notably, the LAGs have substantially more responsibility and more flexibility in respect of approving project activity in comparison to the previous scheme, which is generally considered to be a positive change. Furthermore, there is more flexibility (within parameters) to move funding between projects/activities within the overall 'implementation project' (as approved by the Welsh Government). This, again, is seen to be a positive development by those in a position to compare the two programme periods.

3.54   There has, however, been some criticism of the LEADER administrative process and the role of the Welsh Government, most notably relating to (a) the reporting process, (b) the claims process, and (c) the speed at which queries were dealt with and a lack of a clear point of contact.

3.55   In terms of the reporting process, the Welsh Government require four reports per quarter, one for each 'project' (i.e. running costs, animation, implementation, and cooperation). This would not seem to have been problematic, although the potential to amalgamate these four reports into one to avoid duplication has been suggested.

3.56   The criticism of the claims process centres on the issues being identified by the Rural Payments Wales (RPW) system, which is used for the process. Each claim needs to be accompanied by a report. The template for that report is, however, different from that which is used as part of the 'reporting' process to the Welsh Government, which is a cause of some frustration. A greater frustration is, however, the way in which transactions need to be individually reported, with each invoice scanned into the system and allocated an individual code. This has created what

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[27] Ibid., p. 60

was described as a substantial and time-consuming administrative burden in some instances, given that LEADER activities (which can involve a number of very-small-scale projects) can involve a large number of transactions which need to be recorded on the system individually.

3.57   Staff changes and a lack of resources within the Welsh Government were identified as having been an issue during the lifetime of the scheme, with officials having been redirected firstly to Brexit and then to COVID-19-related activities in recent years.

3.58   This had led to a change in approach within the Welsh Government. Initially, each LAG had a 'Rural Relationship Manager' who acted as their main point of contact for LEADER and attended LAG meetings; positive comments were made about that approach. However, it could not be maintained due to a lack of resources within the Welsh Government team (although it has latterly been reintroduced), leading to what was considered by many to be a very poor level of support for LAGs and administrative bodies from the Welsh Government.

3.59   A specific issue identified by several LAG administrative managers was that they did not feel as though they were being given clear-enough guidance from Welsh Government officials on state aid issues when queries were submitted, with a typical comment being: "Even now, four or five years in, we still need to go back for guidance." The response to queries submitted to the Welsh Government was also identified as being slow, leading to considerable frustration and delays in the implementation of projects.

3.60   The lack of resources within the Welsh Government, which would seem to have been varied over the lifetime of the 2014–2020 RDP, needs to be taken into account when considering this. There is also a counterargument, which is that in some instances, administrative bodies were too reluctant to make decisions based on the guidance which had been provided, which some would argue they should be making as part of their role in the implementation of LEADER. What is more, it was argued that administrative bodies had possibly not taken the opportunity to discuss administrative issues with one another, taking advantage of the knowledge and experience that existed within the network of LEADER administrative bodies in Wales.

4. Implementation of the LEADER approach in Wales

Introduction

4.1 This chapter discusses the implementation of the LEADER approach by LAGs across Wales, starting with understanding the approach and its perceived value amongst those involved. The discussion then runs through each individual element of the approach.

Key points

- The combination of local consultation with resources to realise the ideas being put forward was considered to be key to the success of LEADER and CLLD more generally.

- LDS documents present very broad strategies with an emphasis on ensuring that no potential activity is excluded (rather than prioritising activities).

- Consistent and regular attendance at LAG meetings is essential to providing continuity in decision making, understanding of ongoing activities, and so on.

- Challenges in attracting LAG members from the private sector and young people continue to be identified.

- There is some concern surrounding how and the extent to which the local community has been/is being engaged/consulted.

- The fact that LAG members are volunteers needs to be considered; there is a limit to how much time they can commit to activities.

- LAGs were found to, on average, be spending most of their time assessing applications for funding/support.

- The approach to the 'animation of the local area' varies across Wales, with some concern that there is a 'grant scheme' approach in some areas.

- Opportunities for networking and the sharing of knowledge and experience amongst LAG members and within delivery teams across Wales have not been realised.

- The opportunity to work with LAGs from across the EU offered by LEADER has not been realised as part of this scheme, with only four transnational cooperative projects.

- It can be argued that there should be a greater focus on innovation within LAG activities.

- At an impact level, the availability (and accessibility) of funding to 'mainstream' projects identified by LEADER as being effective is crucial.
- There are limited mechanisms in place to collate and share the findings of projects supported by LEADER.

Perceptions of the role and importance of LEADER

4.2 The evaluation has found that LEADER is almost universally considered to be a very valuable scheme with an important role to play in Wales. Seventy-one per cent of respondents to the online survey (119/166) described LEADER as having been 'extremely' or 'very' important in their area[28]. This positive response was consistent across all groups of respondents, although the members of staff amongst respondents were, perhaps predictably, the most positive.

4.3 Online survey respondents were asked how they would describe the purpose of LEADER in order to explore consistency regarding that issue. The most common terms used, by some distance, were 'local' and/or 'community' (n=59).

4.4 The other most common terms were:

- 'Funding' and/or 'grants' (n=33)
- 'Pilot'/'trial'/'feasibility' (n=32)
- 'Economic growth' (n=30)
- 'Rural development' (n=28)
- 'New ideas'/'innovation.' (n=25)

4.5 It is noteworthy that terms like 'economic growth' were used much less frequently than 'local'/'community'. This is consistent with the way in which stakeholders generally described LEADER with an emphasis on 'bottom-up' and 'community'. Those involved with LEADER over a number of programme periods highlighted the view that the focus on economic development had diminished over time, particularly in this current period (wherein there has been less emphasis on directly supporting businesses due to the state aid restrictions in place until May 2021).

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[28] The number of responses to this question is lower than the total number of respondents to the survey - 166 compared to 214. This is because a proportion of respondents chose not to respond to the question, which was not compulsory.

4.6   When respondents were asked to describe why they considered LEADER to be very important, the most common reasons given were:

- The projects supported (n=51)
- Financial support provided (n=26)
- Impact/success of the project (n=24)
- Nurture ideas/innovation. (n=23)

4.7   The projects supported are by far the most common reason given in explaining why LEADER is important. The in-depth interviews explored this further and found the clear view that LEADER provided funding for 'local' projects that could not be funded by other sources.

4.8   The interviews with stakeholders provided a slightly broader response to this question, highlighting in particular the engagement with the local community (which happens via the LAG and the projects supported) as a reason as to why LEADER was important. Stakeholders also highlighted the fact that LEADER involved both consultation with the local community and funding to implement ideas that were identified as being important. As one stakeholder put it, "it's consultation with a purpose — with resource to do something about the issues that are identified". This is a key point which has been regularly raised during discussions for the evaluation. The inclusion of resources to support the development of project ideas (as well as to fund them) was also identified during discussions on why LEADER was important, as per the quote below:

> "There could be other equivalent programmes, I'm sure, but the beauty of [LEADER] is the fact that [there are] local staff in place who know the area. They have an intimate knowledge of the general workings of the [area]. Together, they piece together their experience to give an overall picture."

The role of the Local Development Strategies

4.9   The LDS is an important element of the LEADER approach that is described within scheme guidelines issued by the European Commission as "the roadmap for LEADER implementation with the LAG selecting and supporting projects according to the contribution they make to the goals of the strategy."[29]

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[29] Guidance produced by the European Network for Rural Development on the development and implementation of the LDS

4.10 The evaluation has found that the LDS documents produced by LAGs are thorough and detailed. The strategies set out within the LDSs are all generally very ambitious in terms of the actions that are proposed for the LEADER scheme. This is, at least partly, because the documents were prepared as part of a 'bid' to gain LEADER status. This is also likely to have influenced how the LDS documents generally are designed to be broad to ensure that no potential activity is outside of the scope of the LDS, rather than to prioritise actions. Its usefulness as a guide on how LEADER funds should be utilised is therefore somewhat limited; most ideas and project proposals will fit within the LDSs. The need for a more focused approach from this point onwards (with limited funding now available) is regularly highlighted in LAG mid-term evaluation reports and there are a number of examples of LAGs which have updated their LDS substantially in response to such recommendations.

4.11 The way in which the LDS has been used by LAGs is important. Is it a document that 'sits on the shelf' or is it regularly referred to? It is clear that LDS documents are used/referred to by LAGs during discussions on projects and activities which they wish to support. However, interviews with LAG chairs as well as the findings of LAG-level evaluations suggest that the question discussed by LAGs when considering project ideas or applications for support is usually 'Does this project fit with the LDS?' (rather than 'How will this project contribute to achieving the objectives of the LDS?').

4.12 The subtle difference between those two questions is important. Most projects will fit with the LDS, but will most projects contribute to achieving the objectives of the LDS? We would argue that for the LDS documents to achieve their purpose, the latter is the question that should be asked.

Combining LEADER themes and local priorities

4.13 LEADER in Wales has both scheme themes and an LDS that requires local priorities to be identified. This creates a process in which LAGs are seeking to support projects that fit within both scheme themes and the priorities within their LDS:

> "The themes […] the LDS refers to them. The projects refer to the five themes, but then we don't look. To do LEADER well, you shouldn't start with themes — you should start with [the] challenge [that you] want to address. The themes shouldn't define [solutions]."

4.14   Such a situation is not insurmountable. However, the value of including themes needs to be considered. The way in which they are used is also important, with themes often reported as being used to provide a guide as to how LEADER funding could be used (rather than a more formal part of the application process).

4.15   The scale of the LEADER scheme in each area also needs to be considered. As noted in Chapter 3, the amount of funding for LEADER is not substantial when compared to other schemes and programmes both within the RDP and more generally. Whilst the LDS documents often make reference to other programmes and schemes (indeed, LEADER guidance makes the point that the LDS can be used as the 'roadmap' for multiple funding streams), they are actively being used for the purposes of managing LEADER funding only. There is an argument that the amount of funding in question (at least in some of the financially smaller LAGs) does not justify the need for such a comprehensive LDS to be developed (which does require a substantial amount of resources).

4.16   The number of strategies that already exist at a local authority and regional level also needs to be considered. For example, in Ceredigion, there is an economic development strategy for the county[30] as well as the strategy for the Mid Wales Growth Deal[31]. Is there a need also for a specific strategy to guide the implementation of LEADER? Or is the role of LEADER to contribute to the implementation of those already existing strategies? The amount of funding in question has an influence on this question and it may be that the need is greater in some areas than in others. Across the board, however, it could be argued that it could be more effective (and more efficient) to ask LAGs to develop a set of values and principles by which they will manage the allocation of LEADER funding, rather than to develop an LDS, especially in a situation in which the scheme is working within set themes.

4.17   The assumption here is that LAGs are set up based on local authority area boundaries, of course, which has not always been the case for LEADER in Wales[32]. The potential to change the area covered by LAGs was not a common topic for discussion with stakeholders during interviews for this evaluation, although it was raised by a minority who were concerned that LAGs in some areas were working for

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[30] Boosting Ceredigion's Economy - A Strategy for Action 2020-35
[31] Documents - English - Growing Mid Wales
[32] Please refer to the Technical Report.

a large geographical area which included quite different areas. In those instances, the argument was that LAGs would be better able to represent the community if they were considering a smaller area. The logic behind that argument is clear. However, the likelihood that LAGs operating across a smaller area would be more expensive to administer, especially if the scheme is to cover the same geographical area as currently, also needs to be considered. Where this issue was discussed, the general view was that a local-authority-based approach provided the correct balance with the potential for LAGs to set up groups responsible for smaller areas if they so wished, which was also noted.

The role of the Local Action Groups

LAG meetings and attendance

4.18　LAG-level evaluation reports for the current programme period have found varying levels of engagement with LAGs in different areas. Some areas have regular high levels of attendance at LAG meetings, while others are found to have suffered from low attendance. Concerns are expressed with regard to this and, in particular, the need to keep abreast of local decisions and project developments; poor or inconsistent attendance could lead to a reduced understanding of the activities ongoing in the area, lessons learnt, and so on. The Anglesey and Carmarthenshire mid-term reports for 2014–2020 both noted that there was low attendance at meetings and that more could potentially be done to drive consistent attendance within the LAG.

4.19　Evaluation reports also consistently highlight lower representation of some sectors, particularly the private sector. Whilst LAGs can function on lower proportions of members from some sectors, to generate greater awareness of current local issues and sufficiently represent each sector throughout LEADER activities, a balanced LAG is essential. The Powys mid-term evaluation for 2014–2020, for example, reported that they had 10 vacancies in their LAG at the time of writing, and although their representation structures were not outlined in the report, it suggests that there was the potential for an imbalance within the LAG decision-making processes and delivery due to reduced representation.

4.20　The administrative bodies provided information to the evaluation team on the number of meetings and attendance by LAG members. There have been regular meetings of the LAGs across Wales. The average number of LAG meetings

reported was 26.7 (with a range of 18 to 40). The average LAG member attendance was 11.4 (with a range of 9.0 to 13.6).

Table 4.1: The number of LAG meetings and attendance by members, split by sector – May 2015 to December 2021

LAG area	Number of meetings	Average total attendance	Private sector members	Public sector members	Voluntary/ third sector members
Anglesey	26	9.0	2.3	2.7	4.0
Bridgend	24	9.1	2.8	2.0	4.3
Carmarthen	23	9.9	2.1	3.5	4.2
Denbighshire	23	10.4	2.0	3.8	4.6
Flintshire	23	11.0	2.7	4.2	4.0
Wrexham	23	11.1	2.3	4.2	4.6
Merthyr and RCT	35	11.1	2.2	4.9	4.8
Caerphilly	18	11.1	3.1	3.5	4.5
Ceredigion	40	11.4	2.5	2.8	6.1
Gwynedd	25	11.5	4.8	2.5	4.2
Swansea	32	11.6	2.3	5.6	3.7
Torfaen	23	11.7	3.2	4.8	3.7
Neath Port Talbot	35	12.1	2.5	3.8	5.8
Monmouth & Newport	26	12.5	3.6	4.9	4.0
Pembrokeshire	31	12.5	4.6	3.5	4.4
Powys	26	12.9	2.3	3.7	6.8
Conwy	23	13.3	7.0	5.1	1.3
Vale of Glamorgan	24	13.6	3.5	4.5	5.7
Average	*26.7*	*11.4*	*3.1*	*3.9*	*4.5*

Source: Analysis of data provided by LAG administrative bodies

4.21 Table 4.1 shows the data for each LAG area and the average attendance per sector (as represented by the members). It shows that whilst there are variances between the areas, meetings, on average, are attended by more representatives from the voluntary/third sector (4.5 per meeting) than by members of the public (3.9 per meeting) and private (3.1 per meeting) sectors. These figures suggest that LAGs are dependent on a relatively small group of individuals to provide the necessary representation.

4.22 This finding is in line with feedback from LAG chairs and managers that identified the challenges in recruiting LAG members from the private sector, which is also a common finding in LAG-level mid-term evaluation reports (see below). It also possibly explains, to some extent, the perception that LEADER has become less

economic in its focus, with more members, on average, representing the voluntary/third sector.

About LAG members

4.23   Seventy-nine respondents to the online survey were LAG members representing a sector or attending LAG meetings in an advisory capacity. A large proportion of LAG member respondents were from the third sector (47 per cent), which has potentially skewed the responses discussed below and, therefore, needs to be noted (private sector, 22 per cent; public sector, 31 per cent). However, as noted above, attendance data for LAG meetings also find that, on average, LAGs have more representatives from the third/voluntary sector attending.

4.24   The survey found that LAG members have substantial experience, with 19 per cent reporting being members for 10 years or more, and 55 per cent reporting 5 years or more of experience. There was, however, also a large proportion of 'newer' members, with 45 per cent reporting being a member for less than 5 years. This suggests that there is a mix of new and experienced LAG members in Wales.

4.25   To explore the representativeness of LAGs further, an additional short online survey was sent to LAG members via the administrative bodies to collect further information on members' backgrounds. One hundred and twenty-five responses were received from 17 of the 18 LAG areas.

4.26   In terms of the sectors which respondents represented in the LAGs, 44 per cent represented the public sector, 39 per cent the voluntary/third sector, and 17 per cent the private sector, which needs to be taken into account when considering the findings.

4.27   The age groups of respondents to that survey are shown in Figure 4.1, with the 45+ groups representing 78 per cent of respondents (including 23 per cent over the age of 65). This supports the suggestion made during interviews for the evaluation (and identified by LAG-level evaluations) that LAGs have struggled to attract members from younger age groups.

Figure 4.1: The age groups of respondents to a survey of LAG members in Wales
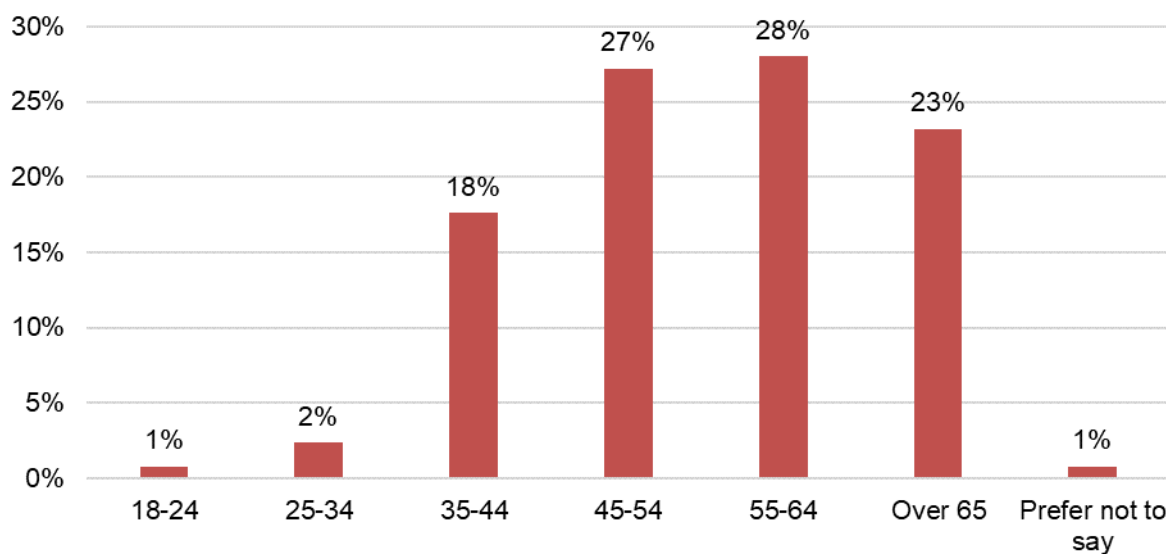
N=125

4.28   Engaging more young people is a key issue highlighted in a number of LAG-level evaluation reports. For example, an action point for Torfaen in their mid-term report for 2014–2020 was to look more closely at Cross-Cutting Themes and engage young people and those within harder-to-reach groups.

4.29   Perhaps unsurprisingly, given the age groups and sectors represented, the vast majority of respondents were employed (83 per cent), with 15 per cent identifying as being retired. Only two per cent identified as being unemployed. Whilst some of those from the public and voluntary sectors may have roles that engage with the unemployed (e.g. providers of support), the figures suggest that LAGs may not be able to reflect the views of that group in rural areas.

4.30   Respondents were evenly split between males (49 per cent) and females (50 per cent), which is positive. In terms of ethnicity, the group is, however, almost entirely white (97 per cent), suggesting that the LAGs generally have limited representation from ethnic minority groups. These figures are, however, consistent with the demographic profile in the rural parts of Wales[33]. Finally, the vast majority (76 per cent) also did not have any physical, sensory, learning, or mental health conditions, or illnesses that have lasted, or are expected to last, 12 months or more.

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[33] Ethnicity by area and ethnic group (gov.wales)

Understanding of the role of the LAG and its perceived effectiveness

4.31   Respondents to the online survey were asked to comment on how effective they believed the LAG were when undertaking their key roles. The views expressed were generally positive, albeit never very positive (Figure 4.2). The response was most positive in terms of encouraging and developing ideas and projects. It was least positive in terms of consulting with the local community and being representative of the community, although it is important to note that the majority of respondents were still in the two most positive categories for those issues, suggesting that this is not considered to be a big problem.

4.32   This is consistent with the view of a small group of stakeholders during interviews who expressed concern regarding how the local community were engaged/consulted with as part of LEADER and how representative the LAG were of the local community. Specifically, there was some concern amongst a small group of stakeholders with regard to how LAG members consulted with others within the sector that they represented. In discussions with stakeholders, this question was often followed up with 'To what extent is the LAG representative of the local community?'. Moreover, there was some concern that LAG members could be motivated by personal interests (e.g. securing funding for their own organisation), rather than by the development of the local area more generally. The term 'closed shop' was also used to describe some LAGs. These concerns were, however, expressed by a minority of stakeholders.

4.33   These issues were explored further during the follow-up in-depth interviews with LAG members and other stakeholders. In the main, these interviews supported the positive views being expressed that highlighted how the LAG brought together representatives from a range of different backgrounds to discuss issues. Some concerns were, however, apparent that highlighted the need to be aware of issues surrounding the representativeness of the LAG and the ongoing consultation process.

4.34   The fact that LAG members are attending meetings on a voluntary basis (they are not compensated for their participation) does, however, need to be taken into account and there is inevitably a limit to how much time a voluntary member of the LAG can be asked/expected to commit to the role. This also underlines the

importance of the role of the staff in terms of undertaking 'consultation' activities on behalf of the LAG as part of the animation role, as discussed later.

Figure 4.2: Online survey respondent views on the effectiveness of which LAG/scheme roles had been implemented
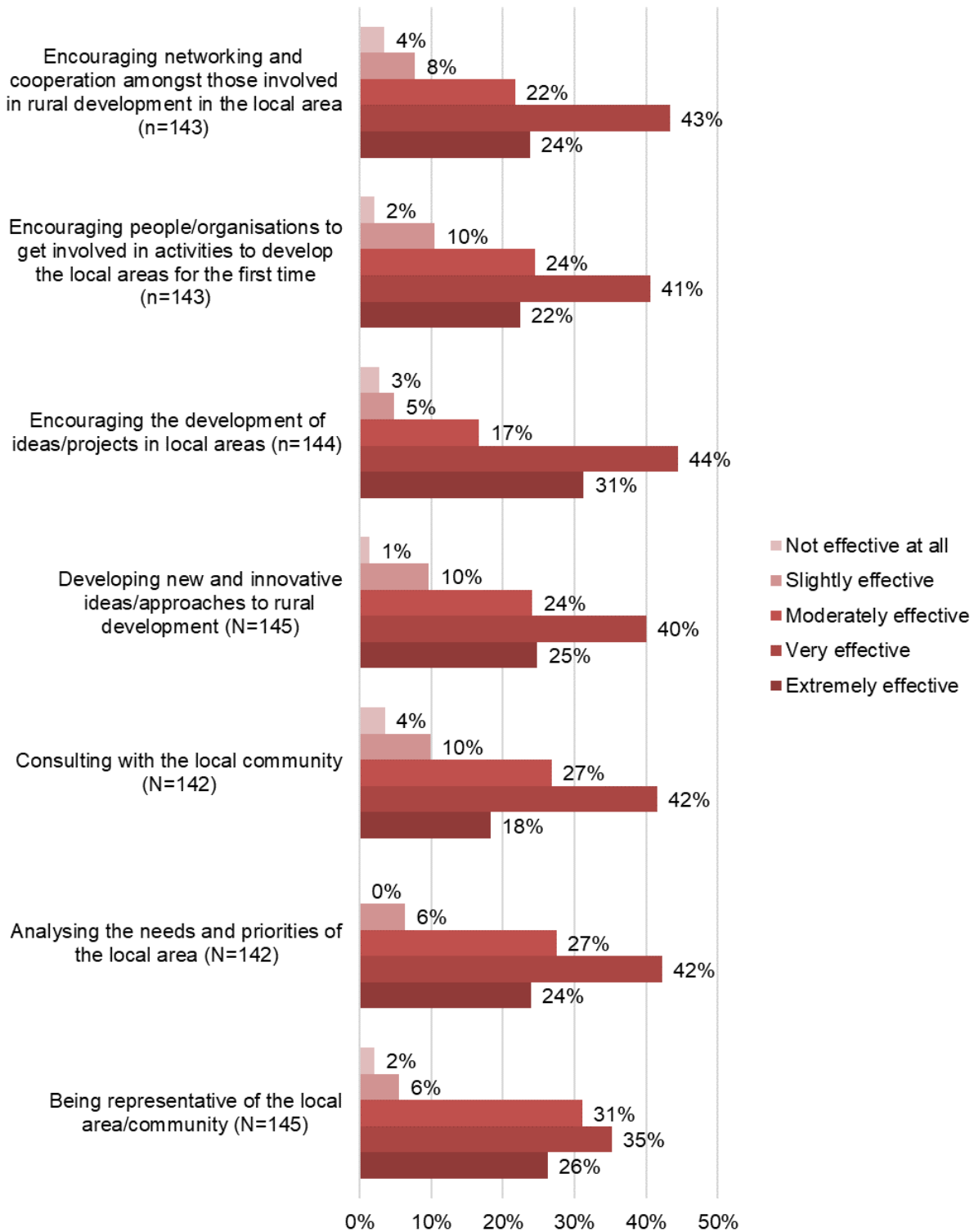

Base: All respondents (no. of responses ranges from 142 to 145, depending on the response rate to each question). Please note that percentages may not add up to 100 due to rounding.

The allocation of time to key activities

4.35   Online survey respondents were asked to estimate the proportion of time that the LAG spent undertaking a specified list of activities[34]. It was found that the two main tasks that LAGs have been spending their time undertaking are: (a) assessing applications for support/funding, and (b) discussing the needs of the local areas and priorities for the scheme (see Figure 4.3). We would consider this to be positive, given that these tasks are a key element of the role of the LAGs. However, the relatively high standard deviation, as illustrated in the graph by the error bars, does indicate the variance between responses to this question.

Figure 4.3: Proportion of time the LAG spent on key activities, as identified by online survey respondents, mean ± standard deviation (shown by the error bars)
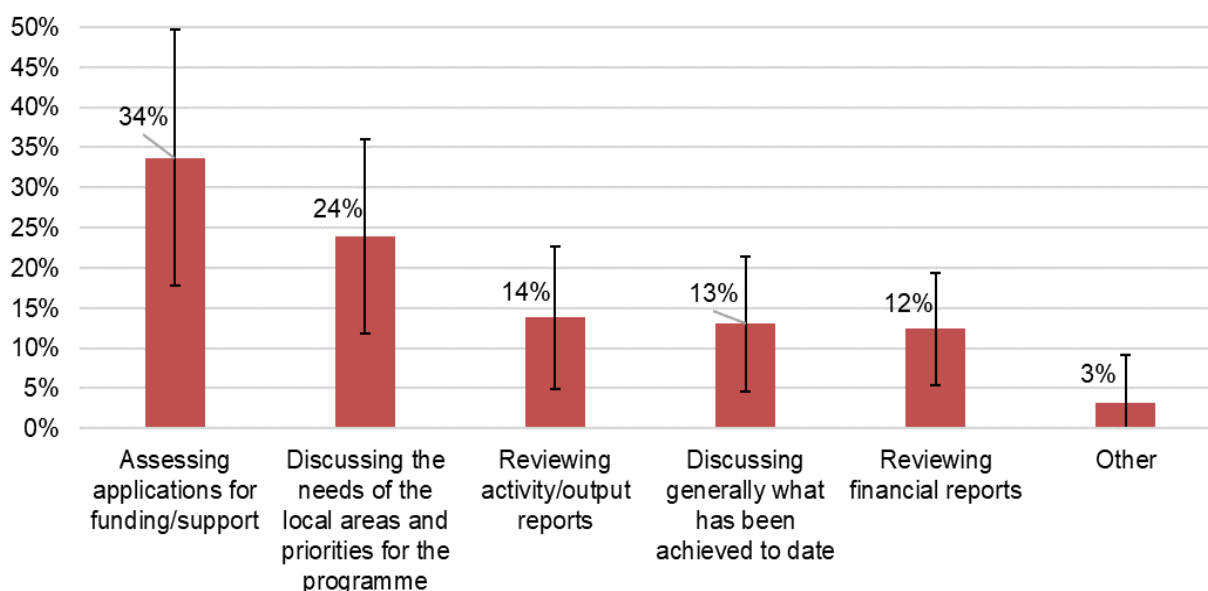
Base=76

4.36   On average, 13 per cent of the LAG time was being spent discussing what had been achieved to date. This could be interpreted as being relatively low, given the emphasis on piloting new and innovative approaches and, by definition, therefore, learning from them. This may, however, reflect the timing of this evaluation, and the proportion of time spent on that activity will (or should) probably increase going forward.

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[34] Respondents were asked to use 'sliders' to indicate what percentage of the LAG time was spent undertaking each task (up to a total of 100 per cent). The cumulative total could not be higher than 100 per cent.

4.37 Again, the limited time available for LAG meetings (and the preparation that needs to be undertaken in advance) also needs to be taken into account. There is a limit to how much time LAG members are asked to commit to meetings and so on, given that they are undertaking the role on a voluntary basis.

4.38 The need to limit the length of meetings and ensure that all of the necessary issues are effectively discussed has led a number of LAGs to set up subgroups within the main LAG, which was generally considered to be an effective approach to working. These subgroups were usually thematic, examining specific types of project applications or discussing applications for funding in more detail on behalf of the main LAG. Again, however, the time demands that this can place upon LAG members were of concern.

Animation activities

4.39 As noted in the introduction, animation can encompass a range of activities including empowering or supporting local groups and organisations to develop and implement projects (in line with the LDS) or more general activities focused on the local area, such as enhancing the awareness of local heritage and associated opportunities.

4.40 Online survey respondents were positive when asked to assess how effective the LAG/LEADER were when undertaking activities that fall within the 'animation' remit, including:

- Developing new and innovative ideas/approaches regarding rural development (65 per cent responded with extremely or very effective, base=145)
- Encouraging the development of ideas/projects in the local area (75 per cent responded with extremely or very effective, base=144)
- Encouraging people/organisations to get involved in activities to develop the local area for the first time (63 per cent responded with extremely or very effective, base=143)
- Encouraging networking and cooperation amongst those involved in rural development in the local area. (67 per cent responded with extremely or very effective, base=143)

4.41 The approach in each area would, however, seem to differ somewhat between LAGs across Wales, with some concern that in some parts, LEADER was operating

'too much like a grant scheme'. A number of the LAGs have operated 'open call' approaches in which they invite applications from groups with project ideas that fall within the relevant themes. However, generally, that approach includes officers working with the projects to develop their ideas and alongside other activities to engage with the local community. Concerns do, however, exist, and some LAGs undertake a more proactive approach, although the number of resources available (particularly in terms of staff) will have an influence on the approach that is adopted. The two quotes below, from the online survey, describe the different approaches:

> "We work flexibly and support project development. We don't accept fully worked-up application forms for projects, as that would be just a grant scheme. Rather, we want groups to come to us with their ideas, or issues, and we build projects around these together. This approach leads to more capacity building, social capital, and means communities are the driving force in the process."

> "The animators were grant fund managers at the end of the day, and the programme was far too bureaucratic to allow the true spirit of LEADER to function."

4.42   There are also examples of LAGs that are developing their own project ideas to deliver the objectives within the LDS. In some instances, the delivery of those projects is then commissioned, whilst in others, staff employed on behalf of the LAG by the administrative body deliver the projects. This 'internal' delivery approach (which is the predominant approach in Gwynedd, for example) offers several advantages. For example, it can be argued that it encourages greater innovation. Moreover, it provides greater control over the delivery of the projects from an administrative perspective.

4.43   However, such an approach also means that less of the funding available is distributed to groups in the local area because projects are delivered 'in house'. This also reduces the potential to use the funding to develop project delivery capacity within those external organisations.

4.44   Some would also argue that such an approach is not necessarily 'community-led' or 'bottom-up'. However, the counterargument is that the LAG is set up to be representative of the community. The group can also develop ideas based on information that has been collected from the community via consultation and animation activities as well as the findings of other pilot activities that have been

funded by LEADER in the area. The approach is therefore, we believe, valid within the LEADER approach, subject to effective consultation and animation activities with the local community.

Mini case study: other projects 'animating' local communities

There are a number of programmes and schemes in Wales that work with communities to develop ideas and projects. The following are merely a few examples.

Rural Futures is a 7-year programme running since 2017 and funded by the National Lottery Community Fund, which supports communities to develop their own ideas with which to tackle some of these challenges and to make the most of local opportunities - whether it is the landscape, the history of the area, or the skills, knowledge and energy of residents[35]. Run by Severn Wye and the BRO Partnership, the programme is supporting 14 communities across rural Wales.

The primary focus of the Welsh Government's **Local Places for Nature** programme is upon engaging communities to participate in the process of creating places for nature, not merely to be passive recipients or observers of nature. The intention is to deliver 'nature on your doorstep' using a 'bottom-up' approach. It is not prescriptive as to what communities may wish to pursue supporting 'community-led activity', attending to 'everyday places.' The annual programme provides largely capital investment, funding more than 500 community projects annually, each one creating a local place for nature.

The **Voice of the Woodlands (Llais y Goedwig)** project was first established in early 2019[36]. Its goal is that by its conclusion in 2022 it will have increased the number of communities who have access to woodlands in Wales. The project is supported through the RDP Enabling Natural Resources and Well-being scheme (ENRaW) and funds 'on-the-ground' support for community woodlands groups through its six regional development officers. These officers work directly with members, landowners, and new community woodlands groups to support them in a range of capacities.

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[35] Home – Rural Futures
[36] Llais y Goedwig (Voice of the Woodlands) (fsc-uk.org)

Staff and team structure

4.45   LAG-level evaluation reports are generally very positive about the quality of staff, the key role that they play in supporting the LAG, as well as their delivery of the animation role. Comments from LAG managers highlight how important it is to have good (and experienced) staff in place to manage/deliver and undertake the animation role, which is described as being 'specialist' and needing a very specific skillset. The need for the local community (including local interest groups) to 'trust' the animation team and have a positive relationship with them is also essential.

4.46   The team structure for the delivery of LEADER also varies across Wales not only based on the amount of funding available (which varies substantially, as discussed previously), but also, as discussed in Chapter 3, depending on whether the administrative body is working across multiple LAGs, which has allowed staff to be shared between areas.

4.47   There is also a mix in terms of whether LEADER posts within the administrative bodies are full- or part-time. In some instances, the team is composed exclusively of full-time members of staff. But there are examples of teams (which are usually larger in number) that include a number of part-time roles, often shared with roles in other schemes. Again, this underlines the variances in how LEADER is delivered across Wales. It is not, however, unexpected or criticised, as it reflects the scale of the activity and how the delivery of LEADER has been integrated into other activities/structures in each area. The variance (and the associated strengths and weaknesses) does, however, need to be recognised.

Continuity, training, and continuous professional development

4.48   The value of experience and continuity amongst the staff delivering LEADER is very clear. There are examples across Wales of staff who have been involved in LEADER in some capacity for a considerable amount of time and with a very deep understanding of the approach and how it is best delivered because of that; experience is beneficial in any role. It is, however, especially so in LEADER, wherein there is a focus on building relationships within the local community and developing new and innovative approaches to rural development. The ability to maintain staff within the teams delivering LEADER is therefore important.

4.49   Staff training and development are also important. The evaluation has not explored this issue in detail. It is, however, unclear as to how much training (or continuous professional development) activity takes place within the LEADER structure in Wales, specifically relating to the knowledge, skills and experience needed to implement the LEADER approach, and specifically, from a staff perspective, to deliver the animation role. We are aware of only one administrative body that offers specific training in this respect (Menter Môn). It is not an area in which the Wales Rural Network has been active, for example. The potential and opportunity for administrative bodies and LEADER teams to learn from one another is also clear, with some areas/organisations having now been involved with the approach for over 20 years. Again, however, this would not seem to be generally taking place, with the exception of some limited networking activity between administrative bodies at a regional level.

4.50   Staff inevitably move on, especially when schemes draw to a close and staff move due to the job insecurity to which this can lead. Indeed, previous evaluation reports have identified the need to make early decisions on ongoing funding for LEADER activities when schemes are drawing to a close. The current scheme period is no different.

4.51   The situation is also amplified as the current programme period and scheme draw to a close due to Brexit and there being no new EU Rural Development Programme (or successor LEADER scheme) in Wales. An early decision on whether funding will continue to be provided to the LEADER groups is therefore important.

4.52   Accepting that staff move on, organisational learning also becomes important (the process of creating, retaining, and transferring knowledge within an organisation) and there should be an emphasis on ensuring that this takes place both within LAGs and within the administrative teams/bodies.

Project feedback on the support received

4.53   A key function of the animation role is to provide support to organisations accessing LEADER support, and the feedback from recipients of that support is consistently positive (as reported in numerous mid-term LAG evaluation reports).

4.54   Fifty-one respondents to the online survey for this evaluation were involved in the delivery of projects supported by LEADER. The most common types of support that they had received were:

- Advice and/or assistance regarding applying for LEADER funding (n=40)
- General advice on developing a project (n=32)
- Assistance when implementing a project funded by LEADER (n=26)
- Assistance with promoting a project. (n=21)

4.55   Of those, 84 per cent described the support as being very or extremely useful (53 and 31 per cent respectively). This is very positive feedback. The impact of this advice and guidance is discussed in the following chapter.

Awareness of LEADER activities in other areas

4.56   The online survey found that awareness of the activities being undertaken by other LAGs was found to be low amongst respondents (Figure 4.4), even for activity within Wales. Forty-one per cent of respondents were only slightly familiar or not familiar at all with the activities and projects being undertaken by LAGs in other parts of Wales. Awareness was very low regarding LAG activities in other parts of the UK and Europe.

4.57   This is an important finding, supported by findings in the LAG mid-term evaluation reports. Networking and cooperation are key features of the LEADER approach. Both, however, require awareness of what other LAGs are doing. An awareness of ideas being developed and piloted in other areas is also a key driver of innovation within the scheme.

Figure 4.4: The familiarity of online survey respondents with projects being undertaken by LAGs in other parts of Wales, the UK and Europe
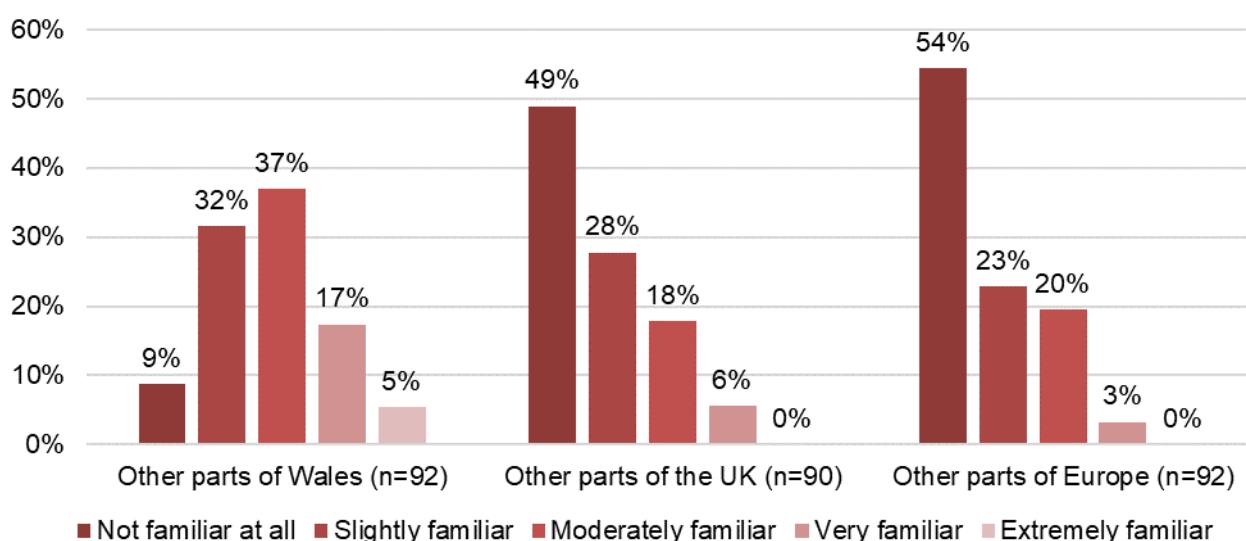
Note: Percentages may not add up to 100 due to rounding

4.58   A range of mechanisms for sharing information between participants in the LEADER scheme have been available. The most obvious of these is the Wales Rural Network, which has shared information relating to the LEADER projects in Wales and case studies via its website. Furthermore, there have been some networking activities, although the potential for more such activities has been curtailed by the COVID-19 pandemic. At an EU level, there is also a European Network for Rural Development which provides extensive information on LEADER projects and activities from across Europe via its website. The finding on the levels of awareness of LEADER activities in other areas, however, suggests that these approaches have not been successful.

4.59   The in-depth and stakeholder interviews suggest that there is awareness that information on activities in other areas is available, albeit not being utilised. A key reason for this is that LAG members (and staff) are very much focused on activity in their own area, with little if any time being available to explore how LEADER is being delivered and projects in other areas. Again, the fact that LAG members are volunteers with limited time available needs to be taken into account, as does there being a high demand for staff to work with projects/stakeholders in their area. The lack of awareness of activity in other areas would, however, seem to be a substantial missed opportunity, especially given that this is the final time that Wales will participate in the EU-wide LEADER scheme.

Cooperation

4.60   As noted above, cooperation between LAGs and areas within the scheme is a key feature of the LEADER approach. Indeed, each LAG in Wales has been allocated a specific budget for cooperative projects which can be used for cooperation within or outside of Wales.

4.61   The rationale behind the inclusion of cooperation as an element of the LEADER approach is that it adds a wider dimension to local development in rural areas. Cooperation also goes further than networking by involving local people and LAGs in working with others to undertake a joint project. Furthermore, cooperation is not limited within the scheme guidelines to LEADER and can involve similar groups under a different element of structural funds.

4.62   Cooperation has been a feature of the LEADER scheme in Wales. Seventy-one cooperation projects have been undertaken in Wales as part of the current scheme,

around 10 per cent of the total number of projects. Only four of these projects are, however, 'transnational' projects involving LAGs from outside of Wales.

4.63   A substantial amount of the cooperation in Wales that has taken place is with neighbouring LAGs. The rationale behind this is clear in terms of taking the opportunity to address the same opportunity of need across a larger area than any single area could do in isolation. The convenience of working with neighbouring LAGs is also clear, especially if the same organisation is the lead administrative body for those LAGs; Cadwyn Clwyd has, for example, supported/delivered several cooperative projects, working across the three LAGs that it is servicing. However, there are much fewer examples of LAGs in Wales working with groups from farther afield. As discussed in the following chapter, it is also apparent from a review of the projects that have been implemented in each LAG area that opportunities for cooperation have been missed, with a number of examples of similar projects being delivered in isolation.

4.64   As noted above, only four transnational projects have been undertaken as part of the LEADER scheme in Wales. This must be considered to be a substantial opportunity that has been missed to work and share experiences with LAGs from other parts of the EU. Due to the UK's exit from the EU, this could/may be the last LEADER scheme in which Wales participates (as part of a European programme), meaning that such opportunities may be much fewer in the future.

Innovation

4.65   The focus on innovation within LEADER is based on the argument that doing more of the same is unlikely to enable an area to reach its full potential and that new solutions to existing problems should be sought. The objective is to encourage and support new, forward-looking and entrepreneurial approaches and solutions to local issues and share and transfer that experience. LEADER therefore provides a risk-free environment in which projects can progress and develop in unexpected ways or even 'fail'; all outcomes are permitted and considered to provide opportunities to learn.

4.66   The examples of projects provided in Chapter 5 demonstrate that the scheme has been successful in supporting a number of innovative approaches to rural development. This is positive. However, discussions with stakeholders and those involved in the delivery of LEADER with regard to the levels of innovation within the

scheme suggest that innovation is often seen to be a box that needs to be ticked to fund projects (rather than a key feature of LEADER). As such, the level of 'innovation' within the project is the minimum that is needed in order to 'tick the innovation box'. This means that in practice it is often defined in its most basic form — 'an activity new in this area' which is unlikely to meet the ambitions of LEADER in respect of supporting 'new, forward-looking and entrepreneurial approaches'.

4.67   It is, however, also important to note how the EC define innovation within the guidance on CLLD. The definition is deliberately broad and also acknowledges that not all activity can be 'innovative':

> "In this context, the Commission has left the definition of innovation in CLLD deliberately open, rather than trying to define it "up front", which, by definition, limits the scope for local creativity. Innovation can involve new services, new products and new ways of doing things in the local context (Article 32(2)(d)). Of course, not everything in the strategy has to be innovative, as partnerships will often have to build trust by showing that they can also fulfil certain short term basic needs."[37]

4.68   LDS documents are generally ambitious in terms of how they describe the innovation that LEADER will seek to support. In practice, however, the approach is generally more conservative. The approach is also often reactive and it is argued in several mid-term evaluation reports that more could/should be done as part of the animation activities being undertaken to support/facilitate the development of new and innovative ideas in the local area. In Gwynedd, for example, workshops and training have been provided, designed to use creative thinking techniques to support the development of project ideas.

4.69   The potential for innovation to become a barrier to engaging with LEADER does, however, also need to be considered, as acknowledged in the EC guidance on CLLD (as quoted above). This was highlighted during discussions with LAG staff who emphasised that engaging with community groups in particular was often a process in which the need to think innovatively needed to be introduced at the right time and build the confidence/capacity of groups first. The priority is often to realise

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[37] Guidance on Community-Led Local Development for Local Actors (2014). European Structural and Investment Funds Guidance for Member States and Programme Authorities Guidance for Beneficiaries, p. 28

projects that the community consider to be important, whether or not they may be innovative.

4.70   LEADER-funded projects are often supported as 'one-off' pilots. Innovation is, however, more often than not an iterative process with ideas undergoing several versions and prototypes. There would seem to be very few examples of pilot projects that have been funded by LEADER through multiple iterations in which projects are adjusted (or evolve) based on what has been learnt.

Mini case study: examples of other innovation schemes in Wales

Infuse (which stands for Innovative Future Services) is a £5.6m ESF-funded programme supporting local authorities in the Cardiff Capital Region in accessing new skills, methods and tools that improve their capacity and capability to innovate[38]. It is delivered through three 'Labs' that have specific workstreams:

- *The Adaption Lab* – Running for 6 weeks, participants are provided with information and tools helping them to understand how to adopt or adapt innovations successfully to suit their context and needs.
- *The Data Lab* – Running for 6 weeks, this workstream covers the importance of data ethics, the different types of data, and how these can help to inform decision making and introduce participants to what is made possible by applying data science techniques.
- *The Procurement Lab* – Running for 6 weeks, participants learn how to maximise the impact of public spending to achieve their broader strategic goals. The Lab will provide tools and techniques, which can be used by anyone in an organisation, with which to ensure that the greatest 'value' is achieved when commissioning or purchasing goods and services.

European Innovation Programme (EIP) Wales is providing funding to 46 projects from across Wales which are trialling innovative techniques and technologies at a practical level within farming and forestry businesses[39]. The scheme is composed of groups that bring together a variety of different people including advisers, researchers, businesses and NGOs. By bringing people together with different expertise, the intention is to create opportunities to draw from different experiences, introduce new ideas, and use the latest knowledge to tackle problems. *Innovation*

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[38] Infuse: Innovative Future Services | Y Lab
[39] European Innovation Partnership (EIP) Wales | Business Wales (gov.wales)

Brokers play a key role in the scheme in supporting the groups. They are supported by a *Knowledge Exchange Hub* which provides supporting research to applicants on their project ideas. This is a crucial aspect in ensuring that proposed projects build on existing research that has not been applied in practice on Welsh farms or forestry sites previously.

Assumptions, barriers and enablers

4.71 The development of the Theory of Change for LEADER for this evaluation identified several important assumptions, key enablers, and barriers that need to be overcome if the scheme is to achieve the desired outcomes and impact. These are spread across each stage of the Theory of Change, beginning with the willingness of communities, businesses, individuals, etc. as well as their ability to become involved in the scheme. If those groups are not willing and/or able to become involved, the scheme cannot function.

4.72 Other assumptions, barriers and enablers identified within the 'theory' include:

- The community's 'ability' to develop innovative project ideas/proposals
- Awareness of the LEADER scheme/delivery organisation amongst target groups (and the support that it can provide)
- Local and national stakeholder support for the scheme
- The knowledge and experience of the support team (delivering animation activities, etc.)
- The knowledge and experience of LAG members and their willingness/ability to engage with the scheme
- 'New thinking' at an LAG level. (to support the development of innovative ideas, etc.)
- Capacity in the local area to manage and deliver projects effectively.

4.73 A number of these factors relate to the team in place to support the delivery of LEADER (within the administrative organisation). The ability of those teams to deliver their role (as enablers) is therefore crucial to the implementation of LEADER. The willingness and the ability of LAG members to engage are also important.

4.74   The development of the Theory of Change has, however, identified two key factors that are essential if the theory is going to be effective. Firstly, at the outcome stage, the existence of a loop back from the learning generated via the pilot and innovative projects supported by LEADER into activity is crucial; learning is only effective if it is shared and then acted upon. Secondly, at an impact level, the availability (and accessibility) of further or continued funding to 'mainstream' projects identified by LEADER as being effective is crucial. Again, if this is not possible, the activities which are developed (piloted) by LEADER will not lead to the broader impact that the Theory of Change anticipates as being possible. Linked to this is that mainstream policies/funders have awareness of projects and ideas piloted/tested as part of LEADER.

Sharing information and lessons learnt

4.75   It is a concern that there would seem to be no mechanism in place to collate and share the findings of the 700+ projects that have been developed as part of the current scheme. It is recognised that the WRN is one such mechanism and regularly shares information and case studies from across the RDP on its website and through social media, newsletters, and so on. However, the case studies are (to date) only for a minority of LEADER projects in Wales (although we recognise that many projects are still ongoing), and the database of projects used for this evaluation is largely populated with information provided after projects have been approved, rather than upon completion. LAG members and stakeholders in the individual areas will have awareness of what they have funded and will hopefully increasingly focus on reviewing the lessons learnt and so on. However, the lack of awareness of activities in other areas leads to concerns that learning from across Wales will not be effectively shared.

4.76   It is also worth noting that it is extremely difficult to find any information on projects that have been delivered as part of previous LEADER schemes in Wales; there is no source of information on the projects and activities that have been tested and piloted as part of previous LEADER schemes in Wales, which is a substantial issue if the objective of LEADER is to develop and pilot (and then share) new and innovative approaches to rural development.

5.   A review of projects funded by the LEADER scheme

Introduction

5.1   The most comprehensive database of the projects implemented or funded by LEADER in Wales is held on the Wales Rural Network (WRN) website and it is these data that are used for the analysis in this chapter. The focus of the discussion in this chapter is upon the range of projects supported by LEADER in Wales, rather than their outcomes, which are discussed in the following chapter.

<u>Key points</u>

- More than 700 projects have been supported by LEADER in Wales (spread across the five themes).

- The range of projects is substantial, with a number of innovative ideas being piloted amongst what could be described as more 'traditional' local development projects.

- The number of projects supported under Themes 4 (renewable energy) and 5 (digital technology) is lower than under the other themes. There are, however, projects under the other themes that have elements of renewable energy and technology.

- Projects have been delivered which directly address the 2014–2020 RDP and the Welsh Government Cross-Cutting Themes and Cross-Cutting Objectives, with a number of projects supporting the development of the Welsh language being apparent.

- There is activity within the scheme that delivers each of the well-being objectives identified within the Programme for Government.

- Projects have been developed specifically to address the challenges created by the COVID-19 pandemic, building on the contacts that LAGs have in place as a result of the implementation of the LEADER approach.

- There were opportunities for further cooperation amongst LAGs, with very similar projects being delivered by LAGs in different areas.

Number of projects and themes

5.2   As of June 2021, 720 LEADER projects were recorded on the WRN database. The table below shows the distribution of those projects per theme.

Table 5.1: Number and percentage of LEADER projects per theme

Programme themes	Number	% of total
1) Adding value to local identity and natural and cultural resources	233	32.4
2) Facilitating pre-commercial development, business partnerships, and short supply chains	152	21.1
3) Exploring new ways of providing non-statutory local services	179	24.9
4) Renewable energy at the community level	86	11.9
5) Exploitation of digital technology	70	9.7

Source: Analysis of data held in the WRN database

5.3   Theme 1 is the most prominent with more than 200 projects and 30 per cent of the total. Themes 4 and 5 are well below the other three in terms of the number of projects, reflecting challenges that interviews with LAG chairs and administrative body managers identified in respect of those themes, possibly due to their specialist nature. It should, however, also be noted that projects often fit into multiple themes but are allocated into the one that is most fitting. For example, there are transport projects in Theme 1 which also have an element of renewable energy. Moreover, there are projects in all themes that exploit digital technology and, thus, could have fitted into that theme but have been allocated elsewhere based on the outcome that they are trying to achieve.

Activities supported – project examples

5.4   One of the challenges in evaluating LEADER is the substantial range of projects that have been funded. A list of project examples under each theme and from across Wales can be found in the Technical Report. They have been selected by the evaluation team to reflect the range of activities undertaken and supported, drawing on the information on the projects provided via the WRN website. The list of examples is long. However, the only way in which to truly appreciate the range of activities being supported by LEADER is to review such a list and we would encourage readers to take the time to read the list in full in order to appreciate the scope of the activities undertaken as part of LEADER.

5.5   In addition, 14 case studies of 'projects' supported by previous iterations of LEADER in Wales can be found in the Technical Report. These have been included to illustrate legacy and longer-term outcomes that support from LEADER in Wales has generated (as discussed further in the following chapter).

Supporting innovative and pilot projects

5.6   LEADER has supported a very wide range of activities across all five scheme themes. The range of new and innovative approaches being piloted is also apparent and positive. The following are only examples of particularly innovative projects being delivered under each theme, with further examples provided in the Technical Report.

Theme 1: Adding value to local identity and natural and cultural resources

- **Snowdonia Giving** – Gwynedd: A pilot scheme in which visitors are invited to contribute a small amount in addition to their bill at attractions, restaurants or accommodation.
- **3,000 BC – Lets Rock!** – Caerphilly and Blaenau Gwent: The aim of the project is to develop an innovative, practical 2-day programme that engages and helps to build self-confidence amongst vulnerable groups and is based on Welsh prehistory.

Theme 2: Facilitating pre-commercial development, business partnerships, and short supply chains

- **The Academy of Tomorrow** – Ceredigion: Pilot workshops in a number of priority sector areas for young people. The aim is to develop innovation and creativity, promoting entrepreneurship and cultivating confidence and resilience.
- **Ffiws – Maker Space** – Gwynedd: A project to set up 'maker spaces' in towns in Gwynedd in order to demonstrate technology and develop a community of makers across the county.

Theme 3: Exploring new ways of providing non-statutory local services

- **Cardi Care** – Ceredigion: A pilot project to investigate whether a toolkit, developed by the award-winning Solva Care, is able to be used by other rural communities as a basis of emulating and duplicating the successful community care model that is currently in place in Solva, Pembrokeshire.
- **Pre-school Rural Support Scheme** – Conwy: Piloting a new way of delivering support to children with additional learning needs and their families to access early years education and childcare provision in a local setting.

Theme 4: Renewable energy at the community level

- **Electric Car Scheme** – Gwynedd: A pilot exploring the potential to place electric vehicles in businesses in order for them to be used by the businesses and tourists.
- **Saving The Planet One School At A Time** – Powys: Working with schools to help them to build a long-term vision and begin to make the changes required to set themselves on a path to becoming a zero-emissions school.

Theme 5: Exploitation of digital technology

- **Robotics in the Community** – Monmouth and Newport: A pilot for an outreach community education programme to help technologically vulnerable people to adjust to new technologies.
- **Augmented Reality (AR) Development Project** – Denbighshire: A project to develop and pilot a number of AR platforms which could be rolled out across the North East Wales area. The objective is to increase the dwell time of visitors to the region.

Delivering the RDP Cross-Cutting Themes and Cross-Cutting Objectives

5.7   Discussions with managers of the LAG administrative bodies and the LAG chairs confirm that each of the LAGs is aware of the Cross-Cutting Themes (CCTs) and the European Commission's Cross-Cutting Objectives within the Wales RDP and the need to address them within their activity. Processes were, as would be expected, in place to allow individuals within the community to engage with the scheme in the language of their choice and to ensure that equality, diversity and inclusion practices were followed. Projects have also been delivered and supported as part of the LEADER scheme that will directly contribute to each of the CCTs and Cross-Cutting Objectives, illustrating the value of the LEADER approach in that regard. The following are examples of relevant projects that fit under each CCT and Cross-Cutting Objective. Innovation is a Cross-Cutting Objective but is already covered above[40].

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[40] It should be noted that the focus here is upon supported projects designed to address these themes. The outcomes of these projects have not been assessed as part of this evaluation.

5.8 The Equal Opportunities and Gender Mainstreaming CCT aims to reduce injustice and promote social cohesion. A number of projects in the WRN database make specific reference to equal opportunities and/or gender mainstreaming as part of their objectives. They include:

- **Eat, Drink, Be Local** – Denbighshire: A project to facilitate pre-commercial development, business partnerships, and short supply chains for local food by increasing collaboration between farmers, food producers, the hospitality sector, the retail sector, and local educational/training institutions. The project specifically promoted equal opportunities, sustainable development, and training for young people at risk of leaving education and not in employment or learning.
- **Here for You** – Ceredigion: A free online counselling service for those aged 16–30 years who work/live in isolating industries and locations. The pilot included the use of a currently employed pool of counsellors to provide a breadth of experience, ages, genders and languages.

5.9 The Welsh language is a prominent theme within projects supported. Examples focused on the language include:

- **Welsh in Business** – Caerphilly and Blaenau Gwent: A project to engage and work with employers and organisations to support, facilitate and increase the use of the Welsh language and motivate the use of the language as a tool for promoting economic activity and development within the area.
- **Welsh in the Workplace** – Ceredigion: A 2-year pilot study to engage and work with rural employers and organisations to support, facilitate and increase the use of the Welsh language in employment.
- **Developing Bilingual Communities** – Denbighshire: A pilot project to establish voluntary groups where they do not exist, or to strengthen and support existing groups, and to support more social activities for bilingual communities.

Sustainable Development

5.10 Sustainable development is described in Welsh Government guidance on the CCTs as a crucial element in ensuring that programmes and operations meet social, economic and environmental objectives simultaneously[41]. A high-quality, attractive

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[41] WEFO - Integrating the Cross-Cutting Themes across the 2014-2020 European Structural Funds

environment is described as playing a key role in enticing and retaining people to live and work in Wales, as well as providing quality of life for Welsh residents.

5.11   Again, many of the projects already introduced above make a contribution to the implementation of this theme. The following are further examples of LEADER-supported projects that specifically identify sustainable development within their aims.

- **Cambrian Futures** – Ceredigion, Powys and Carmarthenshire: This cooperation project is delivered by the Cambrian Mountains Initiative. The range of activities undertaken include work within local communities and businesses to build the economy of the area in a way which benefits from and supports the distinct cultural and high nature value landscape of the area. The project is also investigating the establishment of the area as a 'Parc Natur' based on the French Parcs Naturels, an innovative model designed to promote and embed sustainable development in the area.

- **Ty Coch Waterway Park** – Torfaen: A feasibility study to develop proposals for the 'waterway park' concept. The project forms part of the regeneration strategy for the canal, which will be an exemplar of sustainable development in practice embodying the principles of the Well-being of Future Generations Act.

5.12   We would also note that the LAG for rural Swansea have incorporated 'one-planet principles' into their LDS as part of a refresh of the plan in 2020. The LDS now incorporate priorities to address climate change by placing sustainability and community resilience as the fundamental element of their work. They introduce a new way of working and thinking, which will be required from those who wish to engage with LEADER in Swansea.

5.13   These and other projects also fit within the European Commission's RDP Cross-Cutting Objectives of innovation, environment, and climate change mitigation and adaptation. Other projects to highlight include:

- **Feasibility study to investigate viability of Community Carbon Offset Project** – Swansea: A study to support the development of a community-led, not-for-profit, social enterprise offering carbon offsetting through the planting of community-grown, local-provenance trees.

- **Green School Challenge** – Vale of Glamorgan: This project aimed to work with schools to develop an interest in green energy, whilst raising the profile of the

'Green Community Energy' theme in the wider community. Utilising the Eco Schools Energy Module, the project created an inter-school energy challenge: pupils conducted energy audits in their own homes and communities.

- **Strategic Management of Natura 2000 Sites** – Bridgend: A 3-year project to develop the sensitive and strategic management of the Kenfig National Nature Reserve site to reduce habitat loss and ensure that the ecosystem becomes more resilient towards the pressures of the changing climate and the increase in visitors.

Delivering Welsh Government priorities

5.14 The priorities of the Welsh Government as set out in the Programme for Government 2021–2026 are set out in Chapter 1, and the review of projects supported by the LEADER scheme found that activities fit with many of those priorities. The priorities that are most applicable to the LEADER scheme are:

- Protect, rebuild and develop services for vulnerable people
- Build an economy based on the principles of fair work, sustainability, and the industries and services of the future
- Build a stronger, greener economy as we make maximum progress towards decarbonisation
- Embed a response to the climate and nature emergency in everything that is done
- Push forward towards a million Welsh speakers, and enable tourism, sports and arts industries to thrive
- Make cities, towns and villages even better places in which to live and work.

5.15 The projects already highlighted in this chapter can make a contribution to one or more of these priorities, with further examples being provided in the Technical Report. We would, however, highlight the following as prominent examples of the potential role of LEADER in achieving economic development objectives *at a local level*:

- **Be Nesa Llŷn (What Next Llŷn)** – Gwynedd: For this project, several business people have come together as a group with a vision to strengthen the economy of Pen Llŷn, with an emphasis on encouraging young people to remain in the area by setting up their own businesses. Initially, the intention is to establish a loan fund to provide direct assistance to young people setting up in business,

but the group also wants to capitalise on the skills and expertise of individuals in the group to act as mentors.

- **Sustainability Skills Cluster** – Powys: The project brings together six partners (Mid Wales Manufacturing Group, Centre for Alternative Technology, NPTC Group of Colleges, Black Mountains College, Skill Shop, and Young Farmers Cymru) to work collaboratively to establish a Sustainability Skills Cluster for Powys.

- **Rural Business Networks** – Wrexham: The aims of this project are to bring the business community together to share best practice, develop short supply chains, stimulate entrepreneurship, encourage inter-trading, and improve business sustainability within the rural economy.

- **Unique Streets** – Gwynedd: A pilot to identify ways in which high streets and town centres can compete with shopping centres and online retailers to increase visitor numbers to the area and, in turn, contribute to increasing local spending. Projects may include art installations, hosting a series of activities, and interactive/digital developments.

Tackling Poverty and Social Exclusion

5.16 Tackling poverty and social exclusion is a European Commission and Welsh Government commitment focused on actions with which to create employment and progression opportunities and help for people to access those opportunities. Examples of LEADER-supported projects that fit within this theme include:

- **Local Energy Co-operative Implementation** – Denbighshire: Fitting under a number of the CCTs, this project is piloting the creation of a local energy club — a club of households that group together in an area in which there is also local energy generation (e.g. hydro-schemes and solar schemes). Each club member has a 'share' of the energy generated locally. At times of low demand, and where energy is also generated locally, club members will be charged a lower rate. The model fosters a connection between energy users and local energy generation, and tackles fuel poverty by allowing lower electricity prices.

- **Community Food For Thought** – Pembrokeshire: A pilot outreach service to tackle child poverty and in-work food poverty by introducing a rural support kitchen service to four test areas and allow a large number of

parents/grandparents to access the support for family food ingredients and training service.

- **Naturefix for Health and Wellbeing** – Ceredigion/Merthyr/Neath Port Talbot: A cooperation project to bring together a partnership of organisations working in the field of outdoor nature-based health and healthcare providers interested in green social prescribing. The aim is to pilot the development of new digital resources as a tool for sharing experience and learning over geographical distances and in times of isolation or lockdown.

Responding to the COVID-19 pandemic

5.17 A number of LAGs have introduced new projects and undertaken actions in response to the COVID-19 pandemic in 2020–2021. This followed a request from the Welsh Government to consider how they could support communities in light of the COVID-19 crisis. The extent to which LAGs introduced activities with which to directly address the impact of the pandemic varies across Wales, with LAGs working in cooperation with their local partners and addressing gaps in support. In some instances, however, a substantial number of actions have been introduced.

5.18 For example, the **Connect to Wellbeing** project was developed in Merthyr Tydfil as a direct response to the COVID-19 crisis. The project supports vulnerable people who are isolated and/or in poor health or hardship. It includes a Volunteer Coordinator who recruits community volunteers to assist with transporting people to the centre as appropriate and provide new well-being services virtually. Other examples include:

- In Neath, a local football team which plays an important role in its community by offering a place in which adults and children can enjoy a fun, safe environment in which to exercise was supported to ensure that they could reopen in line with COVID-19 requirements.
- In Flintshire, funding was provided for a Development Coordinator to offer advice and support and drive innovation in local food and drink businesses to recover from the pandemic.

- The **COVID-19: Community Action Organisations Support Project** is a cooperation project in Denbighshire, Flintshire and Wrexham exploring new ways of providing non-statutory basic services for vulnerable people, people in poverty, and people sick and isolating during the COVID-19 pandemic and the accompanying lockdown.

5.19   The evaluation of the implementation of LEADER in Gwynedd and Anglesey has considered the impact of the response of Menter Môn, the administrative lead for those areas, to the pandemic. It found that Menter Môn was able to respond quickly and introduce support to the local community to mitigate the impact of the pandemic (specifically the impact of actions undertaken to control the spread of the virus) in Gwynedd and Anglesey. One of the reasons as to why it was able to do this was the extensive networks that it had in place via the LAGs and the projects that it was delivering, many of which were supported by LEADER. Furthermore, the organisation was able to develop and implement ideas for supporting the local community effectively and quickly due to the 'LEADER mindset' within the organisation (which encouraged innovation and creative approaches to problem solving) as well as what was described as a 'can do' attitude within the organisation.

Missed opportunities for cooperation

5.20   Our review of LEADER projects finds that there are opportunities for further cooperation amongst LAGs, with very similar projects being delivered by LAGs in different areas. For example, both Anglesey and Monmouthshire & Newport LAGs have supported projects under Theme 5 that consider the feasibility of using technology known as 'television white space' as a means of improving broadband connectivity in rural communities. A number of LAGs have also explored the benefits of Wi-Fi in towns and villages.

5.21   These are the types of projects that the 'cooperation' element of LEADER is designed to bring together. There are a number of examples of cooperative projects. However, there is potential for greater cooperation between LAGs in Wales. The missed opportunity to cooperate with LAGs from across the EU, as noted in the previous chapter, should also be noted here, with only four transnational projects funded as part of the current LEADER scheme.

6.   LEADER outcomes, added value, and impact

Introduction

6.1   This chapter discusses the outcomes and added value of LEADER in Wales. It begins by reviewing the guidance on how the 'added value' of LEADER should be assessed, before moving on to the evidence collected in relation to those outcomes as part of the evaluation.

Key points

- Guidance on the added value of LEADER describes the 'components' of the approach as being 'intimately intertwined' and forming 'an inseparable whole'.

- The added value is said to manifest itself in (a) improved social capital, (b) improved governance, and (c) enhanced results (better projects). The evaluation has found evidence of each of these outcomes generated by the scheme in Wales.

- Case study evidence for projects supported by previous LEADER schemes in Wales demonstrates the longer-term outcomes that the types of projects and activities that are taking place as part of the current LEADER scheme can have. Importantly, they also illustrate how activities piloted by LEADER can lead to further developments and outcomes.

- The outcomes of LEADER need to be considered with an understanding of the role that the scheme was designed to have within the Wales 2014–2020 RDP (wherein it is described as being positioned at the heart of the RDP 'journey').

- Generally, the view of stakeholders interviewed for this evaluation was, however, that the links between LEADER and other RDP schemes had not been strong enough.

Assessing the added value of LEADER

6.2   European Commission guidance on the evaluation of LEADER/CLLD[42] identifies three main 'components' when discussing the added value of LEADER. These effectively merge the seven aspects of the LEADER approach into three main outputs/activities:

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[42] Guidelines Evaluation of LEADER/CLLD; European Evaluation Helpdesk for Rural Development, European Network for Rural Development (2017)

a) *The implementation of the scheme/strategy*, i.e. the projects and the results and impacts that they produce.

b) *The scheme/LAG delivery mechanism*, i.e. the set of rules, procedures, and administrative arrangements which ensure that strategic objectives become concrete actions on the ground.

c) *Capacity-building support/animation*: The support that managing authorities provide to encourage and enable the beneficiaries, directly or via the Wales Rural Network, as well as the LAG capacity to animate (i.e. all of its operations which are not directly project-related, aiming to raise the awareness, readiness, cooperation, and networking capabilities of local people to contribute to developing their area).

6.3   Importantly, all three of these 'components' are described as being 'intimately intertwined' and 'forming an inseparable whole'. Essentially, the guidance is stating that the added value/outcomes of LEADER come from the implementation of the whole approach, including its management and delivery — not merely from the projects that it funds, which is an essential point in respect of understanding LEADER and the added value of the approach.

6.4   Also important is that EC guidance defines 'the added value of LEADER' more broadly than what the projects will achieve, with an emphasis on the LEADER method — "the benefits are obtained through the proper application of the LEADER method, compared to those benefits obtained without applying this method".

6.5   That added value is said to manifest itself as the following outcomes:

- *Improved social capital*: described as a multidimensional concept which includes features of social organisations (such as networks, norms, and social trust) that facilitate coordination and cooperation for mutual benefit.

- *Improved governance*: the institutions, processes and mechanisms through which public, economic and civil society stakeholders articulate their interests, exercise their legal rights, meet their obligations, and mediate their differences to manage public affairs at all levels in a collaborative manner.

- *Enhanced results and impacts* of scheme/strategy implementation, as compared to performance without the LEADER method.

6.6   The evaluation has sought to explore the evidence for each of these outcomes (as discussed below).

Improved social capital

6.7   EC guidance anticipates that improvements in social capital will be achieved by triggering the behavioural change of key actors and/or the population at large. These behavioural changes could relate to:

- Mental models and beliefs required (motivation, self-esteem, etc.) in order to engage in a behaviour.
- Abilities and capacities of individuals and groups (trust, cooperation and networks).
- New opportunities (i.e. access to resources and social support, skills, knowledge, and advice).

6.8   There are ways in which to evaluate the types and direction of behavioural changes. Behaviour may be (i) increased, (ii) decreased, (iii) enhanced, (iv) improved or even (v) maintained (despite negative pressures). The types of behaviours that we would expect to see change are, however, not necessarily clear.

6.9   Potential indicators for improvements in social capital may include:

- Improvement in mutual support and trust between key stakeholders (at a national and local level), leading to changes in behaviour such as an increase in the number of collaborative projects.
- Enhancement of the participation of all stakeholders in the design and implementation of LEADER/CLLD, as demonstrated by, for example, a sustained high level of attendance at LAG meetings (see Chapter 4).
- An increase in the effectiveness and efficiency of communication between stakeholders (leading to more cooperative activities, for example).
- Enhancement of the capacity (knowledge, skills and information) of stakeholders involved in LEADER/CLLD implementation (e.g. strategic planning, monitoring, and evaluation).

6.10   These things are not, however, changes in behaviour themselves; rather, they are things that (could) influence behaviour. The real behavioural change would be in the working practices of the individuals involved, e.g. the development of more cooperative projects or different types of projects. In other words, behavioural

change leads to tangible changes in the structure and variety of activities in the area in question.

6.11   The majority of LAG members who responded to the relevant questions in the online survey (n=64) identified some impact in terms of improving working relationships with other organisations in the local area, with 45 per cent stating 'definitely yes' and 30 per cent stating 'probably yes' (a total of 75 per cent).

6.12   The following are typical comments made to explain this positive impact, with the opportunity to meet with people and organisations with which they may not otherwise have engaged being prominent:

> "It has provided a networking opportunity across the sectors represented on the LAG and has been used as a conduit of information that might not otherwise have been circulated across all sectors."

> "It has strengthened ties with some organisations that I previously had very little to do with."

> "It has impacted on ability to access information and advice from local government."

> "Being on the LAG helps me to keep in touch with agencies across the county and with new ideas and initiatives"

> "I am a Partnership Officer and being a member of the LAG has meant that I have engaged with other members of the LAG, familiarising myself with them as colleagues and their work areas. This has led to further collaboration across other work and projects, as well as collaborating on LAG project proposals. I have found the LAG to be really useful as a network and in informing other projects that may have similarities to those trialled or piloted through the LAG, which has led to positive stakeholder engagement across all work areas."

6.13   All survey respondents, regardless of how they had been involved, were asked whether they or their organisations had developed new skills or capabilities as a result of involvement with the LEADER scheme. Thirty-seven per cent (n=174) of survey respondents stated that their organisation had developed new skills as a result of their involvement with LEADER. Furthermore, 52 per cent stated that they personally had developed new skills as a result of their involvement. A relatively large proportion, i.e., 33 per cent, said 'no' to both options, which supports the

previous finding that a group of those involved in LEADER in Wales are highly experienced as organisations and individuals. Their involvement is, however, important to the delivery of the scheme and providing examples from which others can learn.

6.14   The types of skills and capabilities identified as having been developed were most frequently related to project management, including developing partnerships, collaboration, and networking. The following are examples of the comments made:

"Understanding partnership work and ability to develop integrated programmes. Capabilities in relation to engagement of communities and supporting community-led local development."

"I have learnt about wider issues in terms of rural communities, and my knowledge has increased as a result of learning and listening to other people's expertise within the LAG."

"I have discovered the value of engaging with local groups and the skills, knowledge and experience the groups have collectively. Also the positive energy gained while empowering people with the ability to make positive changes to their communities."

"My organisation has developed a process that can be used to engage young people, and have created an awareness of a project and approach that could be used further, as well as widening a local network. On a personal note, it has provided me with the knowledge on how best to develop the project further and how best to be flexible in a vocational arena and support young people in making further choices."

"My understanding and knowledge of issues relating to food and agriculture in the area has significantly increased."

6.15   The ability of the LEADER approach to engage individuals and organisations in rural development for the first time was often noted during discussions surrounding the impact of LEADER with stakeholders. It is also a key objective of the animation activities undertaken and, therefore, was explored as part of the online survey of those involved with the programme.

6.16   It found that 11 per cent of project respondents stated that they had had no previous experience of rural development activities or projects prior to their engagement with

LEADER, demonstrating that the scheme is indeed engaging with a new group of 'actors' (n=57). It could be argued that this figure should perhaps be higher, although a further 51 per cent stated that they had had 'a little' experience. However, 39 per cent stated that they had had 'a lot' of previous experience.

6.17 One reflection on this finding is that LAGs (and the LEADER scheme generally) are, at least to some extent, caught between a need to support 'good' projects and a need to engage with new projects/organisations via animation. For example, experienced groups are more likely to submit well-developed applications for support. They may also be able to use their experience to develop more innovative project ideas than their less experienced counterparts. Those types of applicants are therefore an important part of any LEADER scheme, alongside a new group of participants.

6.18 The fact that 85 per cent of those with no or little previous experience stated that involvement with LEADER had encouraged them to be more involved in rural development in their area in the future (n=34) is, however, an important finding, although the relatively small number of respondents needs to be taken into account.

6.19 More broadly, 61 per cent of respondents stated that they would 'definitely' recommend becoming involved in a rural development activity in some way to a friend or colleague, with a further 29 per cent stating that they probably would (n=150)[43]. Furthermore, 75 per cent stated that they were more likely to recommend becoming involved in rural development in some way to a friend or colleague as a result of their involvement with the LEADER scheme (n=150). These are positive findings that suggest that the LEADER scheme has been/is fostering involvement in rural development in Wales and, therefore, meeting the objectives of Priority 6 of the RDP 2014–2020 Strategic and Thematic Objectives[44].

Improved local governance

6.20 Improved local governance may be expressed by:

- the readiness to broaden the decision-making processes by including wider parts of the communities and more stakeholders, respecting social, geographical, institutional and gender balance

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[43] Our definition of 'rural development' encompassed 'any activities (projects, etc.) designed to improve the quality of life and economic well-being of people living in a rural area'.
[44] See the Technical Report.

- the ability and capacity to accept shared leadership of the area

- the capacity to manage funds from various public and private sources

- strengthening the capacity to build partnerships and cooperative management, an active role in shaping multilevel governance, etc.

6.21 Potential indicators include:

- Development of innovative governance practices

- Improved coordination between different levels of governance

- Improved quality of interactions between relevant institutions

- Improved quality of interactions between public and non-public stakeholders.

6.22 Respondents to the online survey of those involved in LEADER in Wales were asked whether the existence of LEADER had had a positive impact on local governance in their area. Forty-eight per cent stated 'definitely yes', with a further 35 per cent stating 'probably yes' (n=92). Only 11 per cent stated 'probably not', although no respondents stated 'definitely not'. In-depth interviews explored the perceived impact on local governance further. The most common improvements identified were:

- Enabling local and consensus decision making

- Networking/sharing information and, thereby, encouraging those involved to consider issues from different perspectives, outside of their day-to-day work/breaking down barriers, silos, and so on.

6.23 We have discussed the positive impacts identified in respect of improved networking and partnership working above, and they were again noted in discussions on improvements in local governance. Other improvements identified include:

- Learning from the successes of LEADER and integrating those lessons into other local structures such as the community council

- Getting money to the right places

- Encouraging people to become involved in decision making

- Increasing the understanding of the value/impact of different sectors within the local economy (and therefore improving decision making).

Enhanced results – better projects

6.24   The discussion above is mostly focused on outcomes that are generated via the implementation of the LEADER process. The projects funded by LEADER are, however, important and identified by survey respondents as being the key reason as to why they think that LEADER is important. The critical outcome identified for projects is that of enhanced results, but what does this mean?

6.25   One aspect is that projects are/should be better (more effective) because they have been developed/funded via the LEADER approach. This would include improvements to the project as a result of the advice/support that they receive during the development phase via project officer support (animation) and from the LAG as part of the appraisal process. If they are better projects because of this engagement with the LEADER approach, the results that they generate (e.g. the benefit to the business or individual supported) should be better than they would otherwise have been.

6.26   A second aspect is that we would expect LEADER to be supporting projects that could not happen if the scheme did not exist. For example, animation activities could engage individuals or groups for the first time, which means that they would not have committed, developed ideas or implemented projects if LEADER did not exist.

6.27   The focus on innovation is also relevant here. LEADER is designed to support innovative and pilot projects that would not be funded by other schemes — to try new things and learn from the process. Even if innovative projects are not a success, they should lead to learning and improve project results.

6.28   Learning outcomes are, however, only generated if further activity is undertaken — to share that learning via, for example, networking. For LEADER, there is, therefore, an ongoing loop between outputs/activities and outcomes, with outcomes feeding back into activities on an ongoing basis, as illustrated below.

Figure 6.5: Illustration of an outcome–output loop within a Theory of Change model
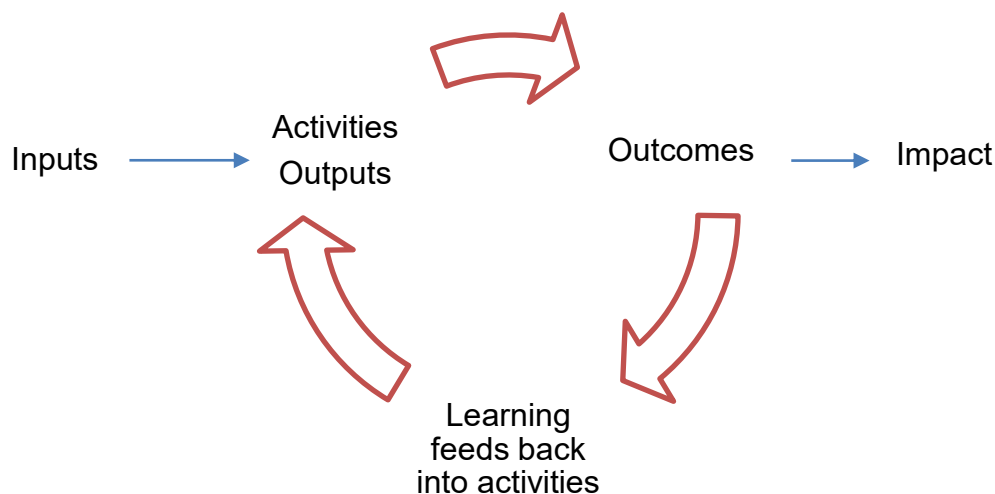

Perceived overall impact in an area

6.29   Survey respondents were asked to rate the impact of LEADER in their area against a number of potential impacts, using a scale of 1 (not at all) to 5 (to a great extent). As shown in Figure 6.2, the two impacts that respondents perceived to be the greatest were:

- 'Getting people/organisations involved in rural development activities for the first time' — rated 5 (to a great extent) by 28 per cent of respondents; and
- 'Increasing organisations' knowledge, skills and abilities' (i.e. capacity building) — rated 5 (to a great extent) by 26 per cent of respondents.

6.30   'Economic' impacts, specifically in terms of jobs and setting up new businesses, are rated the lowest in terms of their perceived impact, with state aid issues identified as being a key restriction on activity, as discussed in Chapter 3.

Figure 6.6: Survey respondents' perceived impact of LEADER activities against key potential impacts on a scale of 1 (not at all) to 5 (to a great extent)
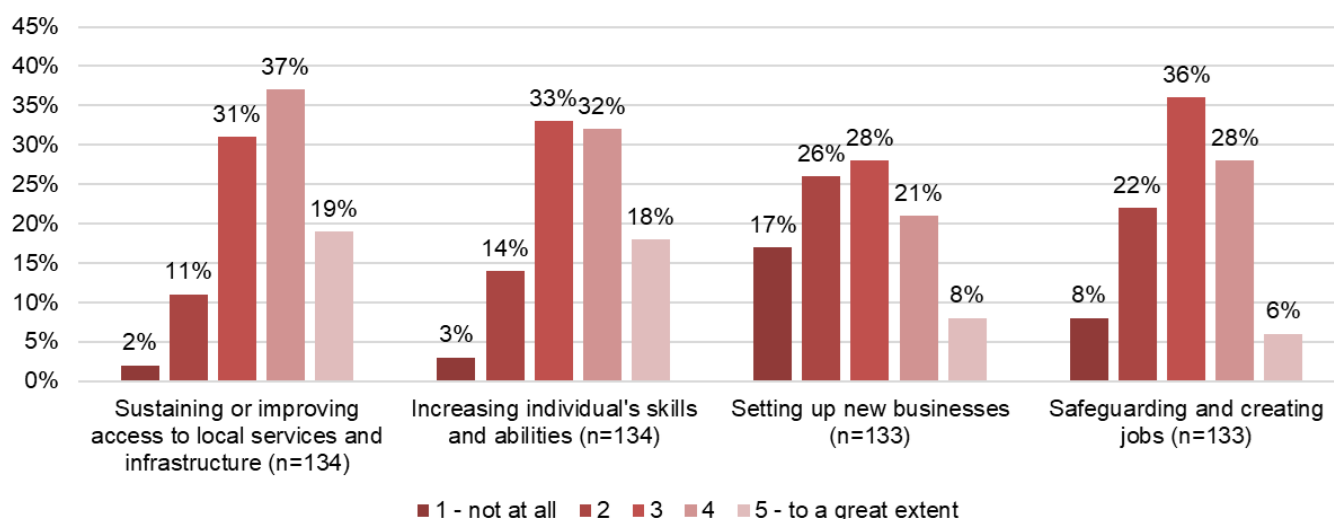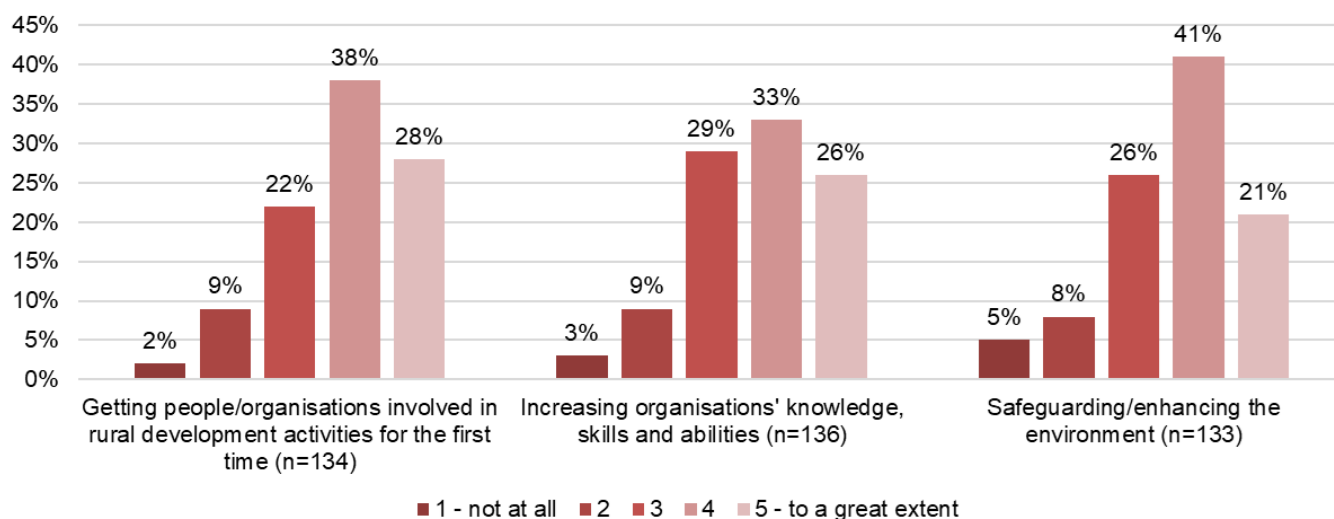
n = number of responses to each statement

The impact on supported projects

6.31   The online survey received 77 responses from projects/organisations that have received support (financial and/or non-financial) from the LEADER scheme (with some having delivered projects in multiple areas). The response represented a wide range of types of projects supported, but the most common types were environmental/nature-related (n=15) and learning/training projects (n=8).

6.32   The feedback on the impact of the support provided was positive, although not all respondents answered questions regarding the support received, as they had not been directly involved:

- 75 per cent stated that the project or activity had changed as a result of the support that they had received (total number of respondents: 52).

- 36 per cent stated that the project or activity was 'much better', with 46 per cent 'somewhat' better, as a result of the advice (total number of respondents: 50).

- Fifty-six respondents had received financial support, of whom 43 per cent stated that the project would not have happened in any way without that support. A further 45 per cent stated that it would have progressed but at a smaller scale or only some elements of it.

- 26 per cent stated that they were referred or signposted to other potential sources of funding (total number of respondents: 57), with just under half of those stating that the referral/signposting had led to something.

6.33   The relatively low number of respondents to these questions needs to be taken into account. However, these findings are consistent with those of mid-term evaluation reports commissioned by individual LAGs reviewed for this evaluation.

Longer-term outcomes

6.34   The outcomes discussed above will develop 'capacity' within the rural areas and this will have a long-term impact if they lead to behavioural change. For example, positive development in local governance as a result of LEADER may result in long-term/permanent changes. Another example would be individuals engaged in 'rural development' for the first time via LEADER becoming involved on a long-term basis. This may be by developing further projects or even by engaging in different ways, such as by becoming members of the community council. These are potentially important impacts. Furthermore, there is the fact that the survey has found that a proportion of those involved in LEADER today have been involved for up to 10 years or more[45].

6.35   It is, however, also important to recognise that there is uncertainty in relation to the long-term impact of LEADER activity as well as the sustainability of such impact, which is inevitably influenced by several factors such as the availability of ongoing/continued funding. This is especially the case in the current situation, wherein LEADER funding in Wales, for the first time since the 1990s, will not continue beyond the current programme period.

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[45] Forty-seven per cent of staff and 19 per cent of current LAG members responding to the survey had been involved with LEADER for 10 years or more (n=34 staff and 53 current LAG members).

6.36   Projects will also lead to impact both directly and indirectly. For example, projects engaging with businesses will conceivably lead to a positive economic impact within the area. The scale of the interventions that LEADER commonly funds, however, means that such impacts are unlikely to be substantial. This is, however, not to say that there is no impact. There may, for example, be a noteworthy impact for an individual business or for communities in which projects have taken place. That impact is, however, unlikely to be substantial enough to witness a sustained change in the area. Achieving such an impact is not, however, the primary purpose of LEADER.

6.37   Importantly, LEADER also has an impact via the projects and activities that the LEADER approach has tested and/or initiated which have subsequently been funded by other sources (often referred to as being 'mainstreamed'). Those projects/activities may not exist (or would have taken longer to develop, not be as effective, etc.) without the support provided to them by LEADER during the pilot/prototype stage. Their ultimate impact can therefore be directly linked to LEADER support even if the 'mainstream' version of the project is funded by another source.

6.38   A weakness in the analysis of projects supported by the current LEADER scheme in this report is that it has not been possible to assess their outcomes in any meaningful way. As discussed in Chapter 3, the limited number of performance indicators being used for LEADER at a scheme level means that they provide little insight into the outcomes being achieved. Primary research at such a level is also not practical for a scheme-level evaluation. Furthermore, projects are also, in a number of instances, still active.

6.39   This 'gap' will be addressed by evaluations commissioned by individual LAGs which will examine the outcomes of LEADER in their area and will be undertaken over the coming months. However, even for those reports, the nature of many LEADER projects as pilots of new and innovative approaches to rural development means that outcomes may not become apparent for some time after the scheme has come to an end.

6.40   To try to address that issue, case studies have also been prepared that review the outcomes and legacy of projects developed and supported as part of previous

LEADER schemes in Wales. Those case studies can be found in the Technical Report, but we note some key points below.

6.41   **Morlais** is a major Menter Môn project which aims to benefit local communities and the economy and help tackle climate change by using renewable energy to generate clean low-carbon electricity. Morlais is not a LEADER project. However, the roots of the Morlais project can be traced back to a study of the potential for turbines in the Menai Strait supported by previous LEADER schemes. It is therefore an example of how a major project, in this case with the potential to create around 100 jobs, can evolve from small-scale innovative and pilot activities by a LEADER group.

6.42   The fact that Morlais is being delivered by Menter Môn is also important in terms of maximising the local impact of the development. Moreover, the existence of Menter Môn as an organisation is also an outcome of the LEADER scheme in Wales — the organisation was originally set up as a project within the local authority to deliver the LEADER scheme in 1995. At present, they employ 70+ people in offices in Llangefni and Porthmadog, making them an important employer in the local area in their own right. It is also worth noting that since its establishment, Menter Môn has attracted in the region of £100m of funding to the area. PLANED and Cadwyn Clwyd have a similar long history with LEADER in Wales and have evolved as organisations to develop a range of projects and schemes in their local area.

6.43   **Halen Môn** is an example of a successful business that was supported during its initial development by LEADER. At present, the business employs more than 20 people from the local area, and Halen Môn can be found in more than 22 countries across the world, as well as on the tables of some of the world's top restaurants (like The Fat Duck), and is a vital ingredient in Green & Blacks chocolate[46] and Piper's Crisps[47]. Along with more than 100 of the nation's best delicatessens in the UK, Halen Môn supply Marks and Spencer, Waitrose, and Harvey Nichols. Support was provided by Menter Môn and the LEADER scheme in the very early days of the business in the form of two small grants — £3,000 to undertake product development work and £3,000 to help develop a brand for the product. This support is described today by partner and founder David Lea-Wilson as having been

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[46] Green and Blacks
[47] Pipers Crisps

"completely essential" to the setting-up of the business. Such support could be provided to a food business today via sources other than LEADER and from other parts of the RDP. At the time, however, such support was not generally available, with LEADER breaking new ground by supporting food businesses in this way.

6.44   This is an example of how activities undertaken by previous LEADER schemes in Wales have today become 'mainstream'. Indeed, some stakeholders argue that much of the support provided to the food and drink sector in Wales has its roots in LEADER, with the potential for a food centre in Ceredigion initially being explored as part of a study visit to Ireland that was funded by LEADER[48].

6.45   This also includes the development of food festivals across Wales. Cadwyn Clwyd, in partnership with a range of other local stakeholders, developed the first **Llangollen Food Festival** in 1997. The aim was to provide a platform for local food and drink producers to test the market, showcase their products directly to consumers, and shorten their supply chains. The idea came from discussions with a local food forum that Cadwyn Clwyd were facilitating at the time, and Llangollen Food Festival is currently one of the longest-running food festivals in Wales. Cadwyn Clwyd have also supported the development of **Cittaslow Mold**[49], which supports local initiatives such as the Mold Food and Drink Festival and the Daniel Owen Festival.

6.46   Fast-forward to today and whilst there continues to be a focus on the food and drink sector within LEADER, there is also a new focus on piloting innovative approaches in areas such as community renewable energy and the utilisation of information and community technology in rural areas. The work in those areas does resemble that which was taking place in the food and drink sector in the 1990s and 2000s.

6.47   The case studies also include other examples of support provided by previous LEADER schemes to microbusinesses. **Out to Learn Willow** is a business based in Ogmore-by-Sea. It was one of the early projects financially supported by Creative Rural Communities (CRC) under LEADER (2007–2013) in the Vale of Glamorgan. It is a case study that demonstrates how small-scale support to a new business from

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[48] Food Centre Wales was set up in Ceredigion in 2006 and is currently still a key element of the support provided to food and drink businesses in the area.

[49] Cittaslow is an Italian word meaning 'slow town'. The movement began in 1999 when four Italian towns pioneered the idea of developing the Slow Food concept to include all aspects of life in towns with fewer than 50,000 people. They wanted to enhance local quality of life by adopting environmental, cultural and community objectives.

LEADER has had a positive economic spinoff impact over time. This includes support for new start-ups, local employment, and collaborative activity with other craft producers. The ongoing relationship between the business and the CRC team has been an important factor in the positive outcomes that have been achieved.

6.48 **Perfect Pitch** is another case study from the Vale of Glamorgan. It was a pilot project that ran in the summer of 2012 and focused on sites near the Glamorgan Heritage Coast. There were only three existing camping and caravanning sites operating in the area at the time, and demand was predicted to be higher than normal due to the National Eisteddfod being held in the Vale that summer. The key objectives of the project were to meet the anticipated increase in demand, raise the profile of camping in the Vale of Glamorgan, promote the area for tourism, and deter fly camping by providing alternative sites. Five farm/landowners and two existing campsites took part in the pilot, taking 246 bookings in total during the pilot and hosting more than 700 campers, and four of the five pilot sites are still operating (as of 2021). The pilot also led to a toolkit being produced which aimed at businesses exploring new ventures in an example of how the findings of a LEADER pilot can be shared more widely.

6.49 Staying with the visitor economy, the **Anglesey Coastal Path** runs for over 200 km. Since 2012 it has formed part of the 1,400km Wales Coast Path, but the origins of the Anglesey Coastal Path date back many years earlier, thanks to the work of LEADER in the area. Between 1998 and 2003, Menter Môn was instrumental in developing local community projects into an idea for an 'Anglesey Coastal Path'. LEADER was the vehicle through which the idea was seeded, building on the local work that had already been completed. Evidence from Menter Môn and its pilot phase work was then used to support the promotion of the wider Wales Coast Path[50].

6.50 Now a well-known concept, **credit unions** were beginning to gain recognition in urban parts of Wales in the mid-1990s as an ethical alternative to high street banks, more in tune with the needs of the communities which they serve. Although establishing in urban Wales, credit unions in rural Wales in the mid-1990s were unheard of. Menter Powys, the LEADER group in Powys at the time, became aware of the work of credit unions in rural Ireland. LEADER's transnational dimension

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[50] Natural Resources Wales (2013). Evaluating the benefits to business of the Wales Coast Path

helped to establish a connection with credit unions in Mitchelstown in County Cork and in Tallow in County Wexford. Menter Powys employed a development officer who undertook research and produced a feasibility study. A Steering Group was established, composed of local people with an interest in exploring rural credit unions. The Robert Owen Credit Union based in Newtown was the first rural credit union in the UK. Credit unions went on to be formed in Brecon, Builth Wells, Llandrindod Wells, and Knighton.

6.51 **Hermon** and the neighbouring communities of Glogue and Llanfyrnach are three relatively small villages (population of around 300) in North Pembrokeshire. In 2006, Pembrokeshire County Council closed the village school and local people feared the impact that this closure would have on local life, with the school having provided a focus for families and the wider community. They turned to the local LEADER scheme for help, delivered by PLANED.

6.52 PLANED supported the Hermon community, using LEADER to develop a comprehensive business plan to buy the school as the basis for 'Canolfan Hermon'. A total of 196 shares were sold, raising £49,000, with additional funds coming from the Welsh Government's Community Facility Activities Programme (CFAP). The old school site was bought by the community and in September 2013, Canolfan Hermon was officially opened. At present, Canolfan Hermon has small offices to rent, meeting rooms, and the main hall to hire. Moreover, it is home to Cylch Meithrin Hermon. This case study is another example of how having support 'on the ground' in local communities via LEADER has helped to make things happen. Furthermore, it is an example of how long-term such support needs to be, with the school closing in 2006 and reopening as Canolfan Hermon in 2013.

6.53 Finally, the **Community Mapping Toolkit** developed by the LEADER team in the Vale of Glamorgan provides an example of a pilot, once found to be effective, that is rolled out across a local authority. This is a toolkit developed to help local communities to engage and find out what is going on in their community as part of their delivery of the LEADER scheme, publishing the final version in March 2017[51]. The piloting of the process in rural parts of the Vale is considered within the council to have been extremely effective and successful, so much so that the toolkit and

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[51] A copy of the Community Mapping Toolkit can be found here: Community Mapping Toolkit (valeofglamorgan.gov.uk)

process are currently being used by the council across the county in urban as well as rural settings. It is therefore an example of how a process developed and piloted by LEADER can be 'mainstreamed' across a local authority and also in urban settings. What is more, it is an example of how close links between a local authority and a LEADER group can facilitate the mainstreaming of a successfully piloted process.

6.54   Other case studies that can be found in the Technical Report include:

- A Mobile Information Technology Training Unit, named the TeleCabana, funded by a number of sources but developed with the resources provided by LEADER in the early 1990s.
- Support provided by LEADER in Denbighshire to set up a community shop, i.e. Siop Gymunedol Pwllglas.
- Support provided by LEADER in Powys for the early development of The Quilt Association and The Minerva Arts Centre.
- Two thematic networks supported by LEADER in Pembrokeshire: the Pembrokeshire Sustainable Agriculture Network and the Pembrokeshire Community Buildings Network.

6.55   Together, these case studies (although they cannot be considered to be a representative sample of projects supported by LEADER in Wales) illustrate the longer-term outcomes that the types of projects and activities that are taking place as part of the current LEADER scheme can have. Importantly, they also illustrate how activities piloted by LEADER can lead to further developments and outcomes. Moreover, they can demonstrate the value of providing certain types of support which can subsequently be developed into 'mainstream' support in Wales.

The role of LEADER within the Wales RDP

6.56   The outcomes of the LEADER scheme need to be considered within the correct context. Specifically, they need to be considered with an understanding of the role that the scheme was designed to have within the RDP for Wales 2014–2020. LEADER was not in its current format designed to be a 'standalone' scheme, although it is often discussed in such a context.

6.57   LEADER (and the CLLD approach) is described within the Wales RDP document as being positioned at the heart of the RDP 'journey' for potential RDP stakeholders,

beneficiaries, communities and businesses. Furthermore, the LEADER scheme is said to have been designed primarily to draw together communities, stimulate and build the capacity of those communities, and challenge them to produce change. In some cases, LEADER can provide funding directly for projects, such as those of a pilot nature, and signposting to appropriate funding can be provided in others[52].

6.58   The RDP document makes numerous references to the links between the LEADER scheme and the other elements of the programme, illustrating that LEADER was not designed to operate in isolation. A link to the ESI Funds is also identified within the RDP Wales document, as shown by the quote below:

> "LEADER Local Action Groups will help to stimulate innovation and successful LEADER pilots may lead to applications to the ESI Funds for support. ERDF and ESF will not, directly, be used for CLLD but instead will be operating in partnership with regional stakeholders as discussed in the previous section. These groups will have their own mechanisms for encouraging and coordinating local engagement. These regional and urban partnerships will offer the potential for, where evaluation findings show it is appropriate, the scaling up of successful pilot actions through the LEADER approach or local schemes to regional demonstration operations."[53]

6.59   There is no data that can be used to effectively assess how many projects have progressed from LEADER to other aspects of the RDP, although there are examples. Generally, the view of stakeholders interviewed for this evaluation was, however, that the links between LEADER and other RDP schemes had not been strong enough. That is not to say that the routes described in the RDP do not exist, with the Tourism Product Innovation Fund (TPIF), the Timber Business Investment Scheme (TBIS) and the Food Business Investment Scheme (FBIS) all potentially available to support follow-ups to LEADER projects.

6.60   The Rural Community Development Fund (RCDF) was, however, a key part of the intended approach, designed to provide a clear mechanism for village renewal and basic service projects and ideas that had been successfully developed and piloted as part of the LEADER approach. However, the RCDF was closed during 2018.

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[52] United Kingdom - Rural Development Programme (Regional) – Wales, Welsh Government (version 3.1), Adapted March 2019, p. 1,304
[53] Ibid., p. 1,434

6.61   The reasons for this were discussed in the 2018 Enhanced Annual Implementation Report (AIR) for the Wales 2014–2020 RDP[54], including perceived issues in the design of the scheme which led to a lower-than-anticipated number of projects and expenditure levels. In particular, a complicated application process for a scheme targeted at providing support to community groups was highlighted. The fact that the scheme provided only capital funding was also highlighted as a constraint. Furthermore, the AIR refers to a need for support amongst community groups applying for RCDF funding which could not be addressed by staff employed as part of the LEADER scheme. Stakeholders, however, felt that rather than closing the scheme, changes could have been introduced in order to address the issues identified; the main barrier to the progression from an Expression of Interest to a full application was felt to be the complexity of the process and, in the opinion of stakeholders, this could have been addressed. The scheme was, nevertheless, closed, leaving a gap in the routes for further funding within the 2014–2020 RDP for a substantial group of LEADER projects.

6.62   The closure of the RCDF scheme was regularly raised during the course of interviews for this evaluation, specifically in relation to the lack of opportunity, as a result, to fund and further develop projects developed and piloted as part of LEADER. Whilst there are other routes available for projects piloted by LEADER, stakeholders felt that these would not be as effective as the 'direct route' designed to be offered by the RCDF.

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[54] 2018 Enhanced Annual Implementation Report (AIR) for the Wales RDP, p. 127

7.   Conclusions and recommendations

7.1   This final chapter presents the conclusions of the evaluation, making a number of recommendations. The evaluation had two overarching objectives: to assess (a) the implementation of LEADER in Wales in the current programme period, and (b) the contribution of LEADER to local development in rural areas since it has been applied in Wales. This necessitated a focus on the current iteration of the scheme, with stakeholders from LAG areas across Wales being engaged in a range of different ways. It also, however, required a look back at previous iterations of the scheme in Wales. This again involved engagement with stakeholders, but was also addressed via a review of relevant literature and, to explore the longer-term outcomes, the development of case studies for activities previously funded. As ever, there are limitations in respect of the evidence that this evaluation has been able to collect and upon which it has been able to draw. Nevertheless, we hope that the evaluation has addressed both of its overarching objectives.

7.2   It should be noted that, in line with the brief for the evaluation, some of the recommendations that are being made apply to the management and delivery of the current scheme, while others are more forward-looking. For ease of reference, those that apply to the current scheme are recommendations 9, 11, 12 and 13. Furthermore, as of the time of writing, there is no commitment to any continuation of a LEADER scheme in Wales beyond the lifetime of the current Rural Development Programme (2014–2020), i.e. the end of 2023. Where recommendations are being made as to how any future scheme could be designed or managed, they are made to inform discussions surrounding any such developments or future activity. They should not be read as an indication that there will be a new LEADER scheme in Wales when the current programme period comes to an end.

Programme budget and expenditure to date

7.3   With a budget of £47.6m, LEADER is not a small-scale scheme. However, it accounts for five per cent of the total Wales RDP budget. The funding is also spread across 18 LAGs (21 local authority areas) and across 6 and 8 years of activity. There is a considerable range between individual LAG budgets, from a high of just over £5m in Powys to just under £1m in Torfaen over the lifetime of the scheme.

7.4   At a scheme level, spend as of the end of March 2022 was 70 per cent, with LEADER projects running until June 2023 in some areas, but ending much sooner in others. This level of spend is lower than could have been expected at this stage (especially given that this includes an extension to the scheme lifetime). The impact of the COVID-19 pandemic on activities does need to be taken into account, but concerns have been raised within the Welsh Government with regard to the financial management of the LAGs and their ability to utilise the funding that has been allocated according to the agreed profile.

7.5   The fact that the scheme ends as early as March 2022 in some areas creates a problem for the Welsh Government, who will need to make a decision on plans for the future of LEADER (or CLLD) activity in Wales in the very near future to avoid any gap in activity in some areas.

7.6   **Recommendation 1:** The Welsh Government should make a decision on the future of LEADER/CLLD in Wales as quickly as possible.

Performance indicators and the monitoring process

7.7   The number and the range of performance indicators being used for LEADER in Wales are small, in response to criticism of the complex monitoring system in place for the previous programme period. Whilst the system is certainly simpler, the narrow list of indicators limits the usefulness of the data as a means of judging the performance of LEADER as a scheme and method.

7.8   **Recommendation 2:** A more comprehensive list of performance indicators should be considered as part of any future scheme, but still considering the need to avoid a monitoring system which is overly complicated.

7.9   LAGs (via their administrative body) have more financial control as part of the current LEADER scheme than previously. Furthermore, they have greater certainty regarding their budget due to the move away from the competitive process used for the allocation of funding in previous LEADER schemes in Wales. These are generally regarded as positive developments. There remains, however, criticism from LAGs of the administrative burden within the financial management process, which needs to be acknowledged.

7.10   Although not in place throughout the lifetime of the scheme (due to resource constraints within the Welsh Government), the role of the Rural Relationship Manager as a single point of contact between LAGs/administrative bodies and the Welsh Government was considered to be an effective approach which facilitated communication between both parties.

7.11   **Recommendation 3:** The non-competitive approach and simplified financial management approaches have been effective and should be maintained as part of any future scheme that has LAGs and CLLD as the main delivery mechanism. Any financial monitoring processes in place should be as simple as possible and complemented by an effective means of communication between the funder and the delivery body. Having a Relationship Manager in place for the LAG/administrative body should be considered as part of any potential future scheme, possibly with an increased emphasis on facilitating networking and cooperative activities (see later recommendations).

State aid restrictions

7.12   The state aid restrictions in place until May 2021 were a constant topic of conversation with LAG chairs and staff. The restrictions were removed to respond to the impact of the COVID-19 pandemic, but whilst the restrictions were in place, they removed the ability of LAGs to provide support to businesses, which they had been able to do in previous programme periods. There is a clear rationale behind why state aid restrictions have been in place, and the risk of overlap with other business support mechanisms has been addressed while the restrictions have been in place. This has, however, come at a cost to the LAGs who feel frustrated that they have not been able to continue to build and capitalise on relationships built during previous programme periods. This lack of continuity in the type of support that LAGs have been able to provide across programme periods is considered by many to be important.

7.13   The question is whether the risk of overlap and duplication in respect of support to businesses was substantial enough to justify this perceived impact on the work of the LAGs. Furthermore, was there a more effective way of addressing the risk? On balance, there is a stronger argument that continuity should have been maintained and that the risks could have been controlled in a more effective way; opportunities

to continue to provide support to businesses via LEADER during the current programme period have been lost.

LAG-level administration

7.14   In most cases, the LAG administrative function is carried out by a local authority. A third of the LAGs in Wales, however, receive administrative support from independent third sector organisations — Menter Môn, Cadwyn Clwyd, and PLANED. Evaluations have found that there are advantages and disadvantages to both the local authority and independent 'models' — as they are often referred to by stakeholders. Of more consequence than the rather black-and-white debate surrounding which 'model' is most effective, we would argue, is the fact that there are clear 'characteristics' that can be identified as being present when the administration of LEADER is most effective, which include:

- Being recognised as an LAG-led, independent scheme/approach (i.e. not 'delivered by' or run as part of the local authority).
- Being seen to be open (and responsive) to new ideas and suggestions from any sources (i.e. not a 'closed shop').
- Having strong networks in place and being able to effectively cooperate with other schemes and draw on the knowledge and expertise from a range of sources in the area (including within the local authorities).

7.15   We have also found that the attitudes, skills and abilities of the staff are critical to the success of LEADER, perhaps even more so than the characteristics noted above.

7.16   Having identified these characteristics, is it possible to use the learning to inform LEADER and other activities involving Local Action Groups going forward?

7.17   **Recommendation 4:** There are a number of characteristics that are associated with effective administration of LAGs and delivery of the LEADER/CLLD approach. The potential to provide further guidance, drawing on those findings, as to how the administrative body for an LAG should be set up (within and outside of any future LEADER scheme - they are applicable to any approach that includes LAGs) should be considered going forward, emphasising the key characteristics identified.

7.18   A feature of the current LEADER scheme is that the 18 LAGs are supported by 15 administrative bodies, with both Menter Môn and Cadwyn Clwyd supporting multiple

LAGs. There are also examples of LAGs crossing local authority area boundaries, e.g. the Vale of Usk LAG (which covers Monmouthshire and rural Newport). The evaluation has found that there are clear advantages where the administrative support is provided to multiple LAGs by the same organisation, including economies of scale and the ability to share resources across multiple areas (including officers). Furthermore, we see no reason as to why such an approach cannot potentially be used more widely.

7.19 **Recommendation 5:** Opportunities for the same organisation to provide administrative support to multiple LAGs (or to perform specific functions on behalf of multiple LAGs) should be explored as part of the design of any future LEADER/CLLD scheme in Wales.

Implementing the LEADER approach

Local Development Strategies

7.20 The LDS is presented in LEADER/CLLD guidelines as a key part of the approach. In Wales, the LDS has two functions: (a) to set out how LEADER will be managed and delivered, and (b) to set out priorities for LEADER in the area. The LDSs prepared by the LAGs present very broad strategies with an emphasis often on ensuring that no potential activity is excluded (rather than guiding what activity should be undertaken).

7.21 The role played by the LDS in the current programme (specifically function 'b') could, however, be achieved by a much simpler set of values and principles (based on the LEADER approach) that guide the activities/priorities of the LAG, with the strategy being set out in other documents that already exist for the area or region.

7.22 **Recommendation 6:** If a new CLLD scheme is developed, the potential to replace the need for LAGs to develop and deliver an LDS with a set of values and principles that guide how LEADER/CLLD funding is utilised by an LAG should be considered - with the 'local strategy' being provided by other strategies that exist within the local authority areas and/or regions in which the LAGs are active.

Local Action Groups

7.23 LAGs are central to the LEADER/CLLD approach, and consistent and regular attendance by members at meetings is essential to providing continuity in decision making, understanding of ongoing activities, and so on. LAG-level evaluation

reports have expressed concern regarding gaps in LAG membership and poor levels of attendance in some instances. We have found that the average attendance at LAG meetings in Wales is 11.4 members per meeting, with voluntary/third sector representation being the highest (4.5) and private sector the lowest (3.1). These figures suggest that LAGs are dependent on a relatively small group of individuals to provide the necessary representation.

7.24   The contribution that volunteers make as members of LAGs across Wales is important to recognise - LEADER/CLLD cannot operate effectively without these contributions.

7.25   The challenges in attracting LAG members in general, but particularly from the private sector and young people, continue to be identified, having been a regular theme in evaluation reports relating to LEADER over the years. The question is why these issues continue to be raised. Should they have been overcome by now, especially given the emphasis within LEADER on developing new and innovative solutions to longstanding problems? The fact that these are very difficult issues to overcome needs to be recognised. Nevertheless, alternative approaches to engaging LAG members, particularly from groups that have been difficult to engage with, should be explored going forward.

7.26   **Recommendation 7:** New ways of attracting LAG members from the private sector and younger age groups should be explored. These should include ways in which those groups could be engaged without having to become 'full' members of the LAG, e.g. having an LAG specifically for young people, examining the local issues that are important to them. The potential to use new technologies and engagement platforms as part of the process should also be explored.

7.27   It is positive to find that LAGs include a mix of members with considerable experience and relatively new members, identified in EU published materials on LEADER as something that is needed in order to 'refresh' LEADER activities and thinking at an LAG level.

7.28   Most members are found to be in the 45+ age range, which is probably not unexpected. Indeed, the age range is broader than may have been expected, given some concern that stakeholders expressed regarding the diversity of LAG members in terms of their age (there is some concern that LAGs are dominated by older age groups). There is an even split between male and female members, which is

positive. Less positive is that LAG members are almost entirely white (97 per cent). There is little diversity in terms of ethnicity, although this is a reflection of the situation in rural parts of Wales. However, it could be argued that increased diversity is needed and would be a positive development.

7.29 **Recommendation 8:** There should be an emphasis on engaging a more ethnically diverse group of people in LEADER/CLLD activities and LAGs in the future.

7.30 Whilst views were generally favourable, there was some concern surrounding how the local community were engaged/consulted with as part of LEADER and how representative the LAG was of the local community, which should be recognised.

7.31 The fact that LAG members are attending meetings on a voluntary basis (they are not compensated in any way for their participation) needs to be recognised. Some members are attending meetings as part of their jobs, particularly those from the public sector. However, there is always a limit to how much time they can commit to LAG activities (within and outside of meetings). Expectations in the role that they can undertake (and the time that they can commit) need to be taken into account. These include expectations regarding the extent to which LAG members are expected to consult with the sectors that they 'represent' in the group. If they are 'professional' representatives (e.g. they represent the third sector or a group of businesses), the question is valid. However, the role of the individual outside of the LAG needs to be taken into account.

7.32 This is an issue that needs to be considered alongside the need to explore how LAG members are attracted to the groups. The evaluation has found that LAG members benefit from their involvement with LEADER, particularly in terms of learning and networking. Maximising (and promoting) those benefits is potentially an important part of attracting and maintaining LAG members and creating value for the time that members need to commit to the process. It is also potentially a means of amplifying the outcomes generated by the CLLD process/scheme, as the host organisations/employers/businesses of LAG members would benefit as a result.

7.33 **Recommendation 9:** Ways of increasing the benefit derived by LAG members as a result of their participation in the scheme should be explored and then used as a basis for attracting new members to the groups. These could include a greater emphasis on training/learning activities for LAG members (and staff), which, we would argue, is something that can potentially start now, as the current scheme

draws to a close. For example, training could be provided on creative problem-solving methods and/or community engagement practices. We would also suggest that such training/learning could potentially be extended beyond those directly involved in LEADER and across those involved in rural development in Wales as a means of encouraging networking and the sharing of learning.

Animation of the local area, networking, and cooperation

7.34   Survey respondents and stakeholders were generally positive about LEADER's ability to encourage the development of ideas/projects in the local area. The approach to the 'animation of the local area' does, however, vary across Wales, with some concern that there is a 'grant scheme' approach in some areas. Variance in the approach is not unexpected. The approach is influenced by the structure of the team set up to deliver the scheme, which also varies across Wales (influenced by the number of resources available as well as the structure of the team).

7.35   Differences in the levels of experience within delivery teams (and in the organisation as a whole) also need to be taken into account, with staff in some areas having been involved in LEADER for a considerable amount of time, albeit relatively inexperienced in others. This knowledge and experience are, however, at risk as we approach the end of the current programme period without a clear plan in place for any succession to the LEADER scheme in Wales (see Recommendation 1).

7.36   The evaluation has also found limited LEADER/CLLD-related training activities taking place across Wales. For example, little training has been provided to staff or LAG members on methods for effectively engaging with the local community or supporting the development of innovative thinking in communities. Such training could also be provided in a way which facilitates networking amongst the LEADER teams and LAG members from different parts of Wales.

7.37   **Recommendation 10:** The potential to introduce training (and mentoring) for those involved in the delivery of LEADER/CLLD activities in Wales should be explored with an emphasis on effective delivery of animation activities and developing new and innovative approaches to rural development. Any such training should be part of networking activities undertaken with an emphasis on creating opportunities for staff and LAG members involved in CLLD to share their experiences and learn from one another. Again, we would also suggest that there is potential to broaden any

7.38   Networking is a key feature of LEADER, including amongst staff involved in the delivery of the scheme. However, opportunities for networking and the sharing of knowledge and experience within delivery teams across Wales have generally not been realised. Some level of regional networking has taken place, but that would seem to have been limited.

7.39   The evaluation has found that awareness of LAG members and staff of activities of other LAGs is low, even of activities in other parts of Wales. Networking and cooperation are key features of the LEADER approach, but both, however, require awareness of what other LAGs are doing. It is also a key driver of innovation, as well as a key feature of LEADER. The low levels of awareness of LEADER activity in other areas are therefore of concern and mean that a key feature of the scheme has not been realised in Wales.

7.40   The rationale behind the inclusion of cooperation as an element of the LEADER approach is that it adds a wider dimension to local development in rural areas. Cooperation also goes further than networking by involving local people and LAGs in working with others to undertake a joint project.

7.41   There has been cooperation within the scheme in Wales, with 71 cooperation projects supported (around 10 per cent of all projects). A substantial amount of that cooperation has taken place with neighbouring LAGs effectively delivering what could be described as regional projects. Only four of those projects have been with transnational partners, which means that there is an opportunity available to LAGs as part of the LEADER scheme.

7.42   **Recommendation 11:** There should be an increased emphasis on networking and cooperation in the future, including over the remaining lifetime of the current LEADER scheme. This should include a greater emphasis on sharing the learning from the projects supported by LEADER both within the LEADER structure and with others involved in rural development in Wales.

The projects supported

7.43   More than 700 projects have been supported by the current LEADER scheme in Wales. The range of projects and activities is substantial, with several innovative

ideas being piloted amongst what could be described as more 'traditional' local development projects.

7.44   One of the challenges in evaluating the LEADER scheme is the substantial range of projects that have been funded. A long list of project examples has been provided, as this is the only way in which to truly appreciate the range of projects.

7.45   Our review of the projects supported finds that activities have been undertaken that deliver against each of the Welsh Government and European funding Cross-Cutting Themes, which is positive. LEADER-supported projects also deliver a number of the objectives set out within the Programme for Government in Wales, demonstrating the potential role of a LEADER/CLLD scheme in delivering national strategic objectives, as further discussed later.

7.46   Opportunities for further cooperation amongst LAGs have, however, been missed, with very similar projects being delivered by LAGs in different areas. This also suggests that the potential for economies of scale and greater efficiency via more cooperation has been missed. This is, however, possibly unsurprising, given the limited levels of knowledge of LEADER projects across Wales amongst LAG members and staff previously noted.

7.47   It can also be argued that there should be a greater focus on innovation within LAG activities, with more support being provided to help communities and local organisations to think creatively and develop new and innovative ideas, linked to the previous recommendations relating to training and networking amongst those involved in LEADER/CLLD in Wales.

7.48   The development of the Theory of Change for LEADER has found that two factors are key if the theory is going to be effective. Firstly, at the outcome stage, the existence of a loop back from the learning that is generated via the pilot and innovative projects supported by LEADER and into activity is crucial; learning is only effective if it is shared and then acted upon. Secondly, at an impact level, the availability (and accessibility) of funding to 'mainstream' projects identified by LEADER as being effective is crucial.

7.49   **Recommendation 12:** LAGs should ensure that they effectively capture the learning from projects that have been funded as part of the current programme period. A process should also be put in place to collate and share that learning with those involved in rural development across Wales (not restricted to LEADER), with

7.50 Linked to the aforementioned, LAGs were found to, on average, be spending most of their time to date on assessing applications for funding/support and discussing the needs and priorities in the local area which are central to their role. Less time was spent to date on reviewing and discussing what had been achieved. Whilst the timing of the evaluation may have influenced this, we would expect more time to be spent on this role going forward, given the focus on new and innovative approaches to rural development.

7.51 **Recommendation 13:** LAGs should ensure that they have sufficient focus on reviewing the projects that have been supported and capturing the lessons learnt (and so on) for the remainder of the lifetime of the current LEADER scheme. Collecting and sharing this information should be a priority.

Outcomes and added value

7.52 The combination of local consultation with resources to realise the ideas being put forward was considered to be key to the success of LEADER and CLLD more generally, as was the long-term nature of the support being provided, which has existed in Wales since the 1990s. The guidance on the added value of LEADER (as produced by the EC) describes the 'components' of the approach as being 'intimately intertwined' and forming 'an inseparable whole'. This essentially states that the added value of the scheme is generated by the implementation of the approach *as a whole* and cannot be replicated by the implementation of individual elements of the approach.

7.53 This supports the views expressed by stakeholders when discussing the value of LEADER, with the evaluation team describing the scheme in terms of (to paraphrase) 'consultation with a purpose and the potential to realise suggested ideas', for example. This is important because there are examples in Wales of other schemes and projects that might implement elements of the LEADER approach (most often in terms of community engagement) but not the approach as a whole,

which is key. LEADER is a specific approach to local development and should not be considered merely 'a scheme'.

7.54   The added value of LEADER is said to manifest itself in (a) improved social capital, (b) improved governance, and (c) enhanced results (better projects), and the evaluation has found evidence of each of these outcomes being generated by the scheme in Wales. The impact of the individual projects and the scheme is, however, always local and is hardly ever what could be described as 'spectacular'; that is not the role of LEADER. The outcomes of LEADER also need to be considered with an understanding of the role that the scheme was designed to have within the Wales 2014–2020 RDP, wherein it is described as being positioned 'at the heart of the RDP journey' and designed as a route into the RDP for communities and stakeholders who may not access the programme via other routes. Critical to this, as recognised in the Wales RDP document, are the connections between LEADER and other elements of the RDP. Generally, the view of stakeholders interviewed for this evaluation was, however, that the links between LEADER and other RDP schemes had not been strong enough, with no clear route for projects successfully piloted via the LEADER approach to progress further.

7.55   Case studies for projects and activities funded during previous programme periods in the main report demonstrate the longer-term outcomes that LEADER activity can generate. The benefits of continuity in respect of the organisation delivering LEADER over a long period are also apparent.

7.56   As noted previously, projects delivered as part of the LEADER scheme directly address the RDP and Welsh Government Cross-Cutting Themes, with several projects, for example, supporting the development of the Welsh language. This demonstrates the role that LEADER can play in achieving programme/national-level objectives and, importantly, drawing local communities directly into the development and delivery of such projects. Moreover, there is activity within LEADER that delivers each of the Welsh Government's well-being objectives, and the way in which LEADER is delivered is completely aligned with the 'ways of working' as set out in the Well-being of Future Generations (Wales) Act 2015[55]: long-term, integration, involvement, collaboration, and prevention.

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[55] Well-being of Future Generations (Wales) Act 2015

7.57   An important question that this evaluation has not been able to address is the 'value for money' of the LEADER scheme in Wales. Value for money is a judgement as to the optimal use of public resources to achieve stated objectives[56]. Assessing the value for money of LEADER is, however, challenging. A key reason for this is that LEADER is a scheme within a broader programme. As such, there is an argument that its value for money should not be seen in isolation, but rather should be understood and assessed as part of the scheme's role within that larger programme. As discussed in this report, the LEADER scheme was designed to provide a route into the RDP community groups and projects that could, following their engagement with LEADER, progress into other elements of the RDP. Furthermore, projects successfully piloted by LEADER could then be funded on a larger scale by other elements of the RDP. What is more, the LEADER scheme is still active, meaning that we do not have final data in respect of expenditure or outputs.

7.58   Undertaking any kind of cost–benefit analysis of LEADER is also challenging due to the wide range of activities funded and/or undertaken. This leads to a lack of consistency in terms of 'benefit' (outcomes), which makes analysis difficult. The need to consider the outcomes of projects funded over the longer term also needs to be considered. In terms of cost-effectiveness, calculations such as the cost per LAG or by project are possible, as can be found in this report, but comparing those figures to those of other schemes or programmes is challenging due to the unique nature of the LEADER scheme.

7.59   As noted previously within this conclusion, with a budget of £47.6m, LEADER cannot be considered to be a small-scale scheme. However, it accounts for five per cent of the total Wales RDP budget, meaning that it is a relatively small element of the programme. The funding is also spread across 18 LAGs (21 local authority areas) and across 6 and 8 years of activity, meaning that a considerable amount of activity has been funded as part of the scheme. If we use the target of 773 pilot projects to be implemented as the primary output of the scheme, it represents a cost of £61,500 per project. That figure would, however, not take into account the outcomes of the process of delivering the LEADER approach, which, as discussed previously in this conclusion, is important when considering the added value of the

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[56] Source: The Green Book, p. 52

approach. Whilst quantifying the benefit is difficult, LEADER is an approach that generates multiple outcomes because of the way in which it is delivered and also via the activities that it funds.

7.60 **Recommendation 14:** LEADER should be seen to be an approach to CLLD more broadly and not as a standalone programme or scheme. LEADER/CLLD should be considered to be a mechanism/method for delivering governmental priorities in Wales, including those within the Well-being of Future Generations Act, going forward at a broader level than merely as part of any future rural development programme for Wales. The LEADER approach should, however, be delivered 'in its entirety' and not diluted. This includes a commitment to the provision of long-term funding to LAGs to deliver LEADER/CLLD activities.