Powys LEADER RDP Evaluation
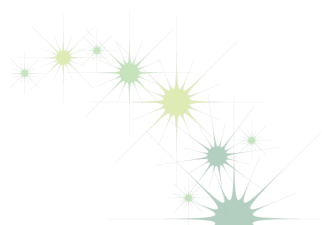# Mid Term Review

By CATALYS Ltd.
19/06/2020

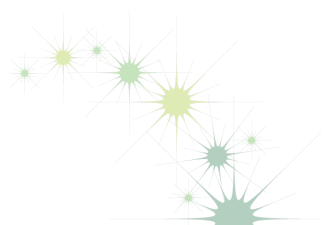# Contents

Figures, tables and illustrations

1   Introduction

The Mid Term Report (MTR) is being submitted at an unprecedented time for the global community, in the grips of the Covid-19 pandemic. At the beginning of 2020, when the MTR process began, the context was already challenging, with Brexit the principal focus and consultations on the future of post-CAP policy and support still thought likely to be our principal long term driver.

All that has changed and whilst the implications of Covid-19 are still an unknown, the MTR should be seen as an interim position, there being a need to return to review its conclusions when the post-Covid-19 landscape is clearer.

The MTR has revealed a fascinating and complex picture of a programme that is well managed and is supported by an enthusiastic and well-focused set of representatives on the Local Action Group. This means that the partners involved have created an effective platform for the delivery of LEADER in Powys.

The constraints and the complexity of the programme however, mean that these opportunities are hard to realise and frustrations exist in the LAG, in the RDP Team and in the Welsh Government that the opportunity has not yet been maximised. Covid-19 has added a massive uncertainty to the programme, the outcome of which it is impossible to predict currently.

The MTR process has demonstrated the value of bottom up approaches to local development and the value placed upon them by local partners. There is still an important role for CLLD to play in improving the lives and livelihoods of people in areas like Powys, particularly at times of great uncertainty, such as now. LEADER can help communities hard hit by the series of recent shocks to look at options and should be able to provide targeted support to assist local groups and individuals to try new ideas that will assist in recovery.

Please note that the Mid Term Review has been completed in an atmosphere of great uncertainty. It will therefore be necessary to revisit the conclusions in this review once the outcomes of the Covid-19 pandemic are sufficiently clear for recovery planning to take place. At which stage, stakeholders will be able to see more clearly the role that LEADER may be able to play in that recovery process.

2.   Policy and Strategic context

Activities under the LEADER measure must address at least one of the following Programme Focus Areas. Under Article 5 of Commission Regulation 1305 / 2013 on support for rural development by the European Agricultural Fund for Rural Development, 18 focus areas have been identified under each of the six priorities identified for rural development. These are:

1. Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas with a focus on a) fostering innovation and the knowledge base in rural areas; b) strengthening the links between agriculture and forestry and research and innovation; c) fostering lifelong learning and vocational training in the agricultural and forestry sectors.
2. Enhancing competitiveness of all types of agriculture and enhancing farm viability, with a focus on a) facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification; b) facilitating generational renewal in the agricultural sector.
3. Promoting food chain organisation and risk management in agriculture, with a focus on a) better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations; b) supporting farm risk management.
4. Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry, with a focus on a) restoring and preserving biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes; b) improving water management; c) improving soil management.
5. Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors, with a focus on a) increasing efficiency in water use by agriculture; b) increasing efficiency in energy use in agriculture and food processing; c) facilitating the supply and use of renewable sources of energy, of by products, wastes, residues and other non-food raw material for purposes of the bio-economy; d) reducing nitrous oxide and methane emissions from agriculture; e) fostering carbon sequestration in agriculture and forestry;
6. Promoting social inclusion poverty reduction and economic development in rural areas, with a focus on a) facilitating diversification, creation of new small enterprises and job creation; b) fostering local development in rural areas; c) enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas.

Activities under LEADER must similarly be linked to one of the five LEADER themes for Wales:

a) adding value to local identity and natural and cultural resources;
 b) facilitating pre-commercial development, business partnerships and short supply chains;
c) exploring new ways of providing non-statutory local services;
d) renewable energy at community level and
e) exploitation of digital technology.

A sixth theme of Co-operations to encourage transfer of experience between areas within Wales and beyond.

Activities under LEADER must also address one or more of the aims and objectives of the relevant LEADER Local Development Strategy. Projects must also tackle one or more of the cross cutting themes of:

- equal opportunities including the Welsh language
- sustainable development
- poverty and social exclusion.

The county-specific One Powys LAG objectives are:

1. encourage enterprise and entrepreneurship
2. capitalise on our natural and human resources
3. optimise collective strengths and assets to develop community solutions
4. build and broker skills
5. collaborate, cooperate, communicate and co-produce

The strategic focus is in line with the specific topics identified from previous experience of LEADER and other interventions, namely: agriculture, entrepreneurship, skills and employment, health, energy, Welsh language, education, environment, natural resources and tourism, and indicates where the LEADER programme can add value.

The LDS closely complements existing plans and economic interventions in the area. When it was originally written, those influencing its development were identified as follows:

- Regeneration Strategy for Powys (Action Plan 2014 – 2017)
- Powys One Plan 2014
- Powys County Council: Vision 2025
- Powys County Council Local Development Plan
- Unlocking the Uplands, December 2012
- Shaping a more Prosperous and Resilient Future (Department for Natural Resources and Food) Natural Resources Wales – business plan priorities and objectives Woodlands for Wales
- Common Agricultural Policy & Rural Development Plan
- Strategic Analysis of Future European Funding April 2013
- The Youth Entrepreneurship Programme (YES)
- Welsh Government Strategy for Tourism, 2013 – 2020
- Distributive Energy (small scale renewable energy)

- Energy Wales – a low carbon transition (March 2012)   Welsh-medium Education Strategy 2012 – 2017
- Welsh Language Commissioner's Strategy Plan 2013 -15
- Vibrant and Viable Places (WG New Regeneration Framework March 2013)
- Article 21 of the Rural Regulation of the European Parliament and of the Council on Support for Rural Development by the European Agriculture Fund for Rural Development (EAFRD)
- The Well-being of Future Generations (Wales) Act 2015
- The Rural Health Plan (2009): Improving integrated service delivery across Wales
- Understanding Wales' Future (2012)
- Lottery Funds: (Big Lottery Fund (Wales); People and Places; Awards for All; Heritage Lottery)

Some of these have been superseded by more recent documents, e.g. Welcome to Wales: Priorities for the visitor economy 2020-2025, along with the UK's exit from the European Union, but most remain relevant and timely.

3.   Operational Model

3.1   Communication and beneficiary strategy

The communication of the programme is key to get a wide delivery and to target beneficiaries. The Leader programme can seem impenetrable to local communities and there's a danger of only those 'in the know' accessing funds.

The Powys communications strategy has several clear strands.
- The Arwain team sit within Regeneration and have extensive local knowledge and contacts. They are known in the wider community.
- The role of the Animators – going out into the community – supporting applicants to develop capacity to apply and funding readiness – and so widening access. Attending events and shows.
- The Arwain website – a dynamic and approachable website which tells the story of the Leader programme through case studies, news items and pictures. An accessible portal to the programme.
- The Regenerator – the bilingual programme newsletter stimulating engagement. Produced quarterly. Electronically but also available in print.
- The OPLAG itself – made up of one third each public private and third sector. These LAG members disseminate information about the programme through the three sectors across the county. All OPLAG members complete an engagement and communication template to ensure clear understanding of how to communicate the programme.
- Media – regular press releases and building good relationships with local media. This has come from individual projects as well as from Arwain.
- Social Media – Twitter and Facebook.
- Developing the LEADER brand/identity through direct marketing materials and use of logos.

Six key themes emerge from the LDS which are communicated clearly

3.1.1 Communicating the six themes

Fig 1: Communicating the 6 Themes

The communications campaign has four phases. The Informing phase which is front loaded at the beginning of the project, but is ongoing, seeks to inform targeted audiences about the programme and the opportunities it presents. The Project Updates – delivered through the Arwain website and The Regenerator keep engagement and interest high.

Disseminating best practise, learning and success tell the story of the positive change brought about by the programme but also offer learning for future strategic direction. The evaluation phase informs future development.

Fig 2: Process of Evaluation

3.2   Management of the One Powys Local Action Group (OPLAG)

The LAG has a maximum of thirty members – ten each from the three different sectors, Public, Private and Third. To reach quorum three members from each sector must be present at the quarterly meetings.

An Expression of Interest form is available on the Arwain website and applications are scored to ensure the LAG can work effectively. Experience of European funding programmes and a wide geographical spread are examples of criteria. The main route to being a LAG member is by recommendation and being directly approached. The LAG is not incorporated as a legal entity but has a clear Terms and Reference and Memorandum of Understanding. **Potential LAG members can complete a membership EOI on the website, or simply contact the team to discuss.**

The LAG meets quarterly. The Powys Arwain team, acting as secretariat provides papers prior to the meetings which include project reports, case studies, financial reports and grant applications. The LAG holds an annual general meeting where the Chair and two Vice Chairs are elected.

The LAG was formed from the existing Powys Regeneration Partnership and the Glasu Local Action group. The intention is for the LAG to 'work in partnership to improve the quality of life and prosperity of rural communities in Powys through locally driven rural development initiatives and projects'. It's anticipated that the role of the LAG will continue to guide regeneration in Powys beyond the life of the programme – representing the interests of as wide a cross section of the population as possible. Membership of the LAG is unpaid. There are currently 10 vacancies.

Role of the OPLAG
- Guide the strategic direction of the programme
- Provide representation and oversight from a wide geographical and interest based section of the Powys population
- Commission and manage activity

- Review and approve grant applications
- Receive and review project reports, monitoring information and case studies as provided by the Arwain team

3.3   The Administration of the LEADER programme

Powys County Council are acting as the Administrative body for the delivery of the LEADER programme, using the expertise and capacity built up by the Regeneration team. There is a 25% budget allocation for administration. The Arwain team are responsible for the delivery of the LDS through the LEADER programme in co-operation with the LAG. The staff team manage and administrate:

- EOI's and full grant application
- The communication strategy
- Financial reporting, probity and reprofiling
- Reporting to the Welsh Government
- Monitoring and case studies
- The quarterly LAG meetings
- Reporting to the LAG

3.4 Governance System

Fig 3: Governance system (NB 3 animators until Feb 2019)
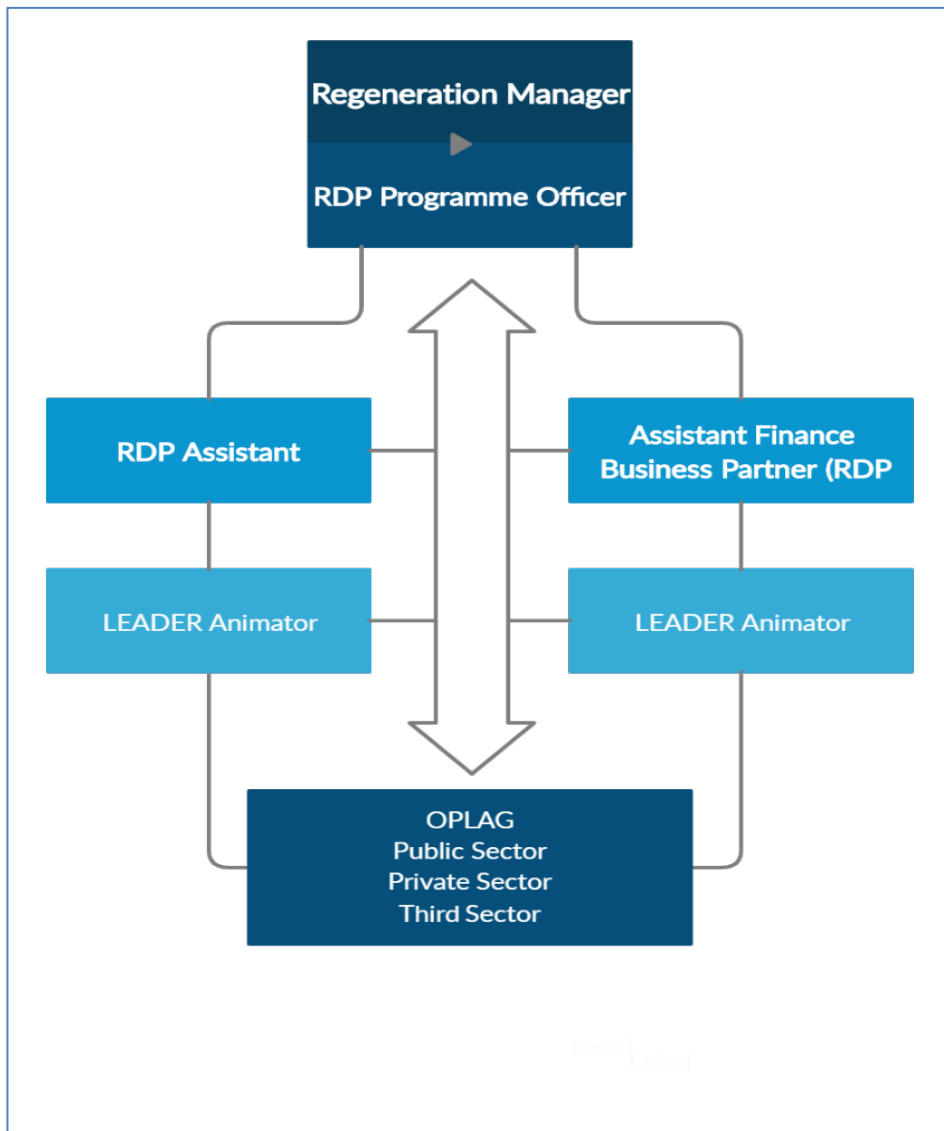
3.5 Project Process

There has been a continuous open call advertised widely through the comms strategy. OPLAG can also commission work directly, and Powys CC can be the applicant for activity the LAG is keen to see take place. This is sometimes necessary to guide the delivery of the six themes. Although the programme closed in 2019 for open applications, the LAG still had the capacity to commission projects directly, until the Covid-19 emergency. All project development is currently suspended.

EOI's are received by the Arwain team who use a scoring system to decide which projects are suitable to go through to full application. The criteria include funding readiness, capacity, alignment with the themes and geographic spread.

Full applications development is supported by Animators and the OPLAG receives all papers for review before approving or declining at a quarterly meeting. Conflicts of interest are declared.

The Arwain team monitor projects throughout delivery and produce case studies and reports for the OPLAG and for the wider public through the Arwain website and the Regenerator magazine. This also informs future programme delivery.

Fig 4: Overview of the Project Process
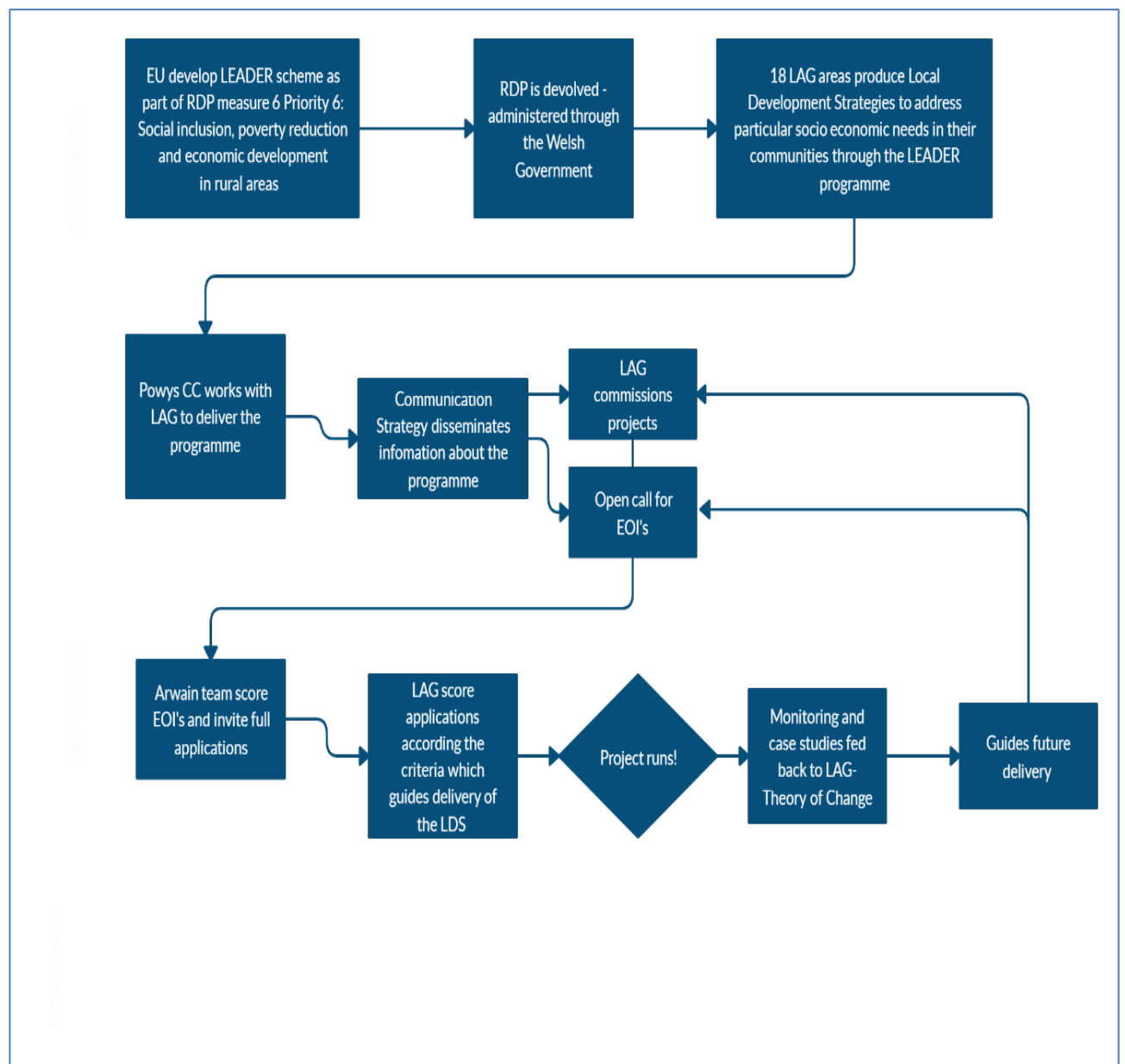
4. Monitoring Performance

4.1 Monitoring Performance

The LDS describes a Monitoring plan based on SMART principles and involving regular data capture from the outset of the programme.
Each project is made aware of the monitoring and evaluation process and assigned an Animator to support them and provide ongoing monitoring. There are specific outputs which have been set in Welsh Government guidance.

Relevant and achievable outputs and targets are agreed between the project and Arwain. Each project has a monthly meeting with an Animator to check on progress and make sure relevant records are being kept. Monitoring information is required for each quarterly claim – and the final payment/project closure doesn't take place until the monitoring information is received.

4.2 Outputs

We haven't seen the data from the monthly monitoring meetings – but we do have the Project Closure forms.   At present there are seven Project closure forms available. Many projects are in the closing phase and more project closure forms will be available soon.

Fig 5: Summary of project closure outputs data May 2020

OUTPUT	TOTAL TARGET	TOTAL ACHIEVED
No of feasibility Studies	8	6
No of networks etsablished	11	11
No. of jobs safeguarded	1.83	1.83
No of pilot activities undertaken/supported	29	20
No of community hubs created	1	1
No of stakeholders engaged	777	575
No of participants supported (awareness raising events)	855	1027
No of jobs created	1.7	1.75
No of communities benefitting	28	18
No of businesses benefitting	103	101

We will explore why some targets weren't met and unanticipated benefits of the projects. Initially, we will review the PI Summary sheet which is completed by the Animator & project, which is intended to explain variances between approved & actual PIs. This will be helpful preparation for the Beneficiary survey.
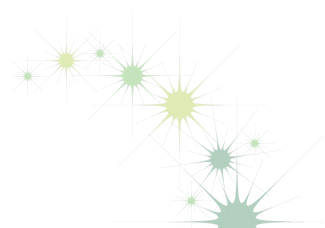
4.3   Case Studies

Case studies are a great way to tell the story of the programme. There are eleven case studies available on the Arwain website – at least one for each theme.

Fig 6: Case Studies produced

Theme	Case Study projects
Facilitating pre- commercial development, business partnerships and short supply chains	Elan Gives Back
Exploring new ways of providing non-statutory services	The Play Hub
Renewable energy at community level	Our Futures People
	Saving The Planet One School At A Time
Exploitation of digital technology	Llandrindod Wellness
Adding value to local identity and natural and cultural resources	Wyeside, Building the Future
	Rodney's Pillar
	Welsh in the Outdoor Activity Sector
	River Friendly Severn
	Severn Water Integration Management Project
	The Urdd Eisteddfod Digital Reading Book 2018

4.4   Reporting to the LAG

Due to time pressures at the LAG meetings the data/reports from the monitoring meetings wasn't made available. All case studies and project closure reports are available on the Arwain website.

Visits to projects have been scheduled but there was a very low turn-out by LAG members, (who are all volunteers) due to competing time pressures so this was abandoned.
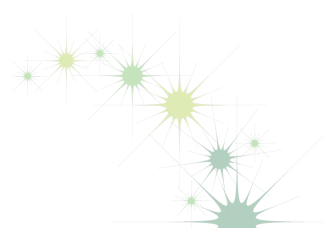
5.   The Evaluation Framework

5.1   Introduction

The evaluation methodology was set out in the proposal, and is included again for completeness. Our overall approach is to design and deliver an evaluation that is relatively straightforward, transferable and transparent and the methodology has been developed with this intention in mind. A four stage process is being followed, as set out in the following diagram, which encompasses all the stages set out in the brief.

Fig 7: Methodology Overview
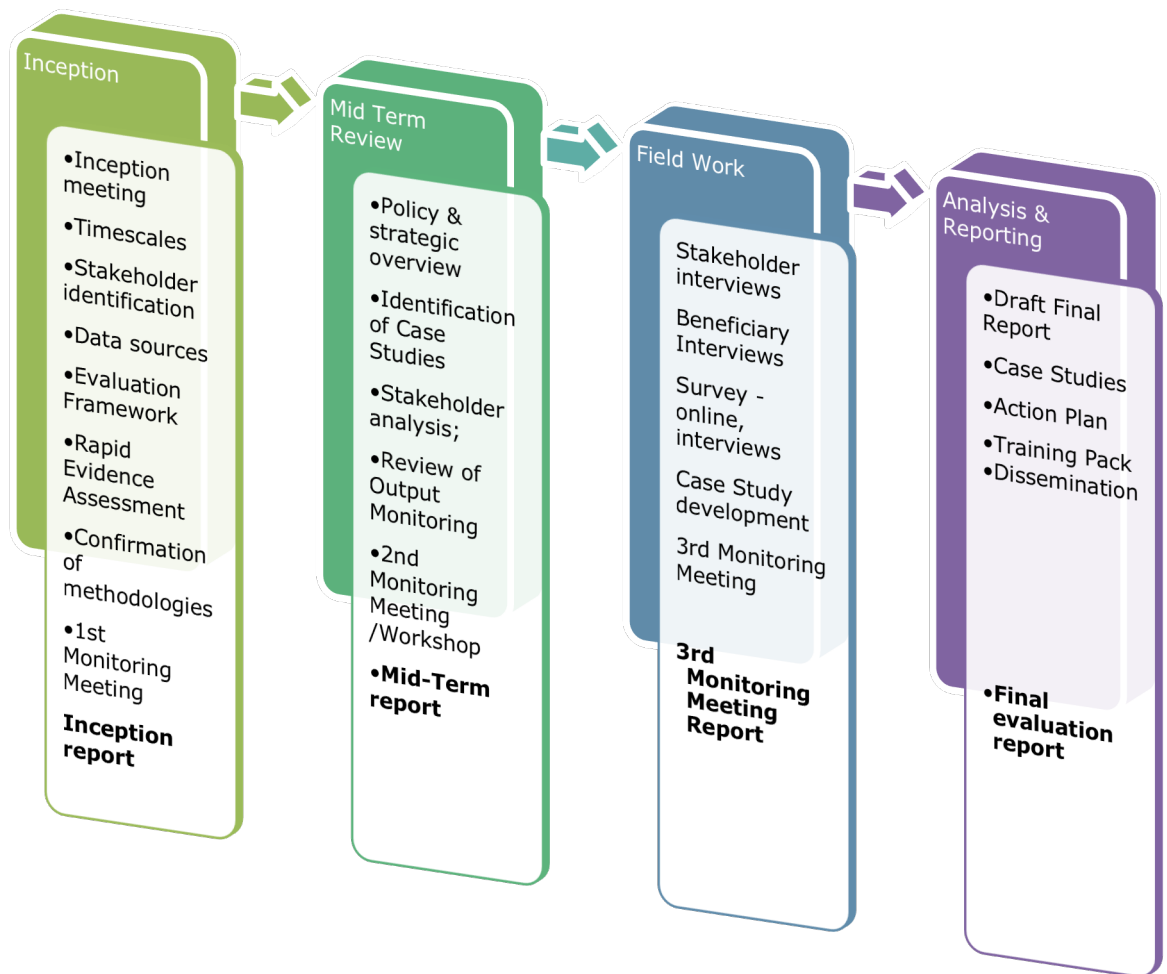
The "Evaluation Framework" will encompass:
- The methods to be used
- The evidence that needs to be collected and when this should be collected
- The questions to be asked
- What the evaluation will evidence and report on
- How the lessons are to be used
- What steps need to be put in place now to ensure availability of evidence

5.2   From the LDS to the Theory of Change

The evaluation will follow a mixed methods approach. This has been developed to ensure that it meets the requirements of the programme. The programme requirements were first set out in the LDS and the intention now is to bring those intentions into the evaluation.

Fig 8: Process of evaluation from LDS

Input	Financial support	Indicator: amount of funding provided	Source of information: Management data
Activity	Signposting service for beneficiaries	Indicator: Number of locations where advice is available	Source of information Management data
Output	Support provided to the beneficiary by the organisation to which he/she was referred	Indicator: Number of beneficiaries supported	Source of information Management data
Outcome / Result	Beneficiary has additional skills	Indicator: The number of beneficiaries gaining an additional qualification	Source of information Management data of partner organisations of survey of beneficiaries
Impact	Skills levels in the region increase	Indicator: Skills levels of the local population	Source of information NOMIS data

The evaluation is being conducted along lines to understand its economy, efficiency and effectiveness through understanding how the programme has been implemented and how the inputs are leading to the intended impacts.

It is important to track these effects through a clear understanding of programme function and intention. The figure below shows the way that programme logic is interpreted through evaluation and the purpose of the different judgements, i.e., Efficiency is the measure of how well the inputs translate into direct programme results. Effectiveness is the measure of how well this then translates into the outcomes and impacts for which the programme has been created.

One important dimension to make clear is that whilst the programme can lead directly to its intended outputs, because these are more directly within the programme's direct control, whether they translate into outcomes is beyond the
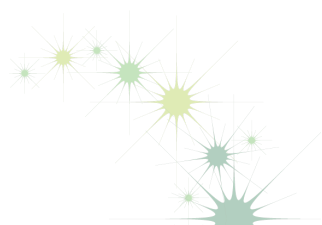
direct control of the programme. For example, the programme can provide a beneficiary with a skill or an asset, but cannot make the beneficiary use it, nor can they control if they will use it for the intended purpose.

The upper broken line in the figure below shows the limit of the programme's control. It is the purpose of the evaluation to understand what has gone on within the programme's control (broadly also referred to as the "**Formative**" aspects of the evaluation) and whether these actions have had the intended impacts (broadly, the "**Summative**" aspect of the evaluation.). The **Mid Term Review** is primarily concerned with the Formative elements.

Fig 9: Evaluation Process – judgements and programme effects
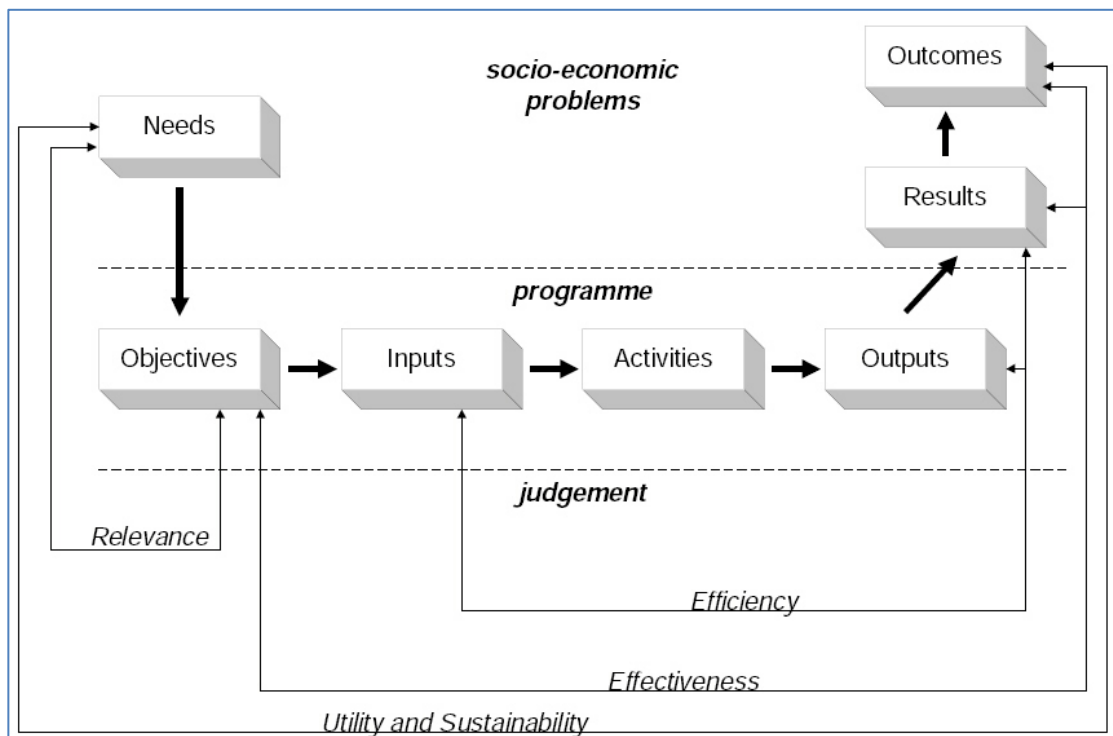
Additionally, the approach we will adopt is based on the Theory of Change, an example of which is shown below. The first draft of the OPLAG Theory of Change (ToC) aims to follow a similar format, given that users can be reassured this is already regarded as Good Practice by the Leader practitioners and the Evaluation Helpdesk.
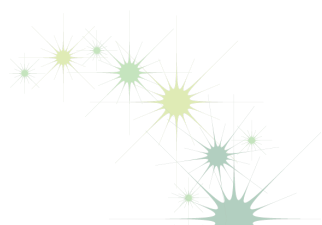
Fig 10: Example of Theory of Change from Austrian LEADER Programme, presented at EENRD Good Practice Workshop, Rome Oct 2019
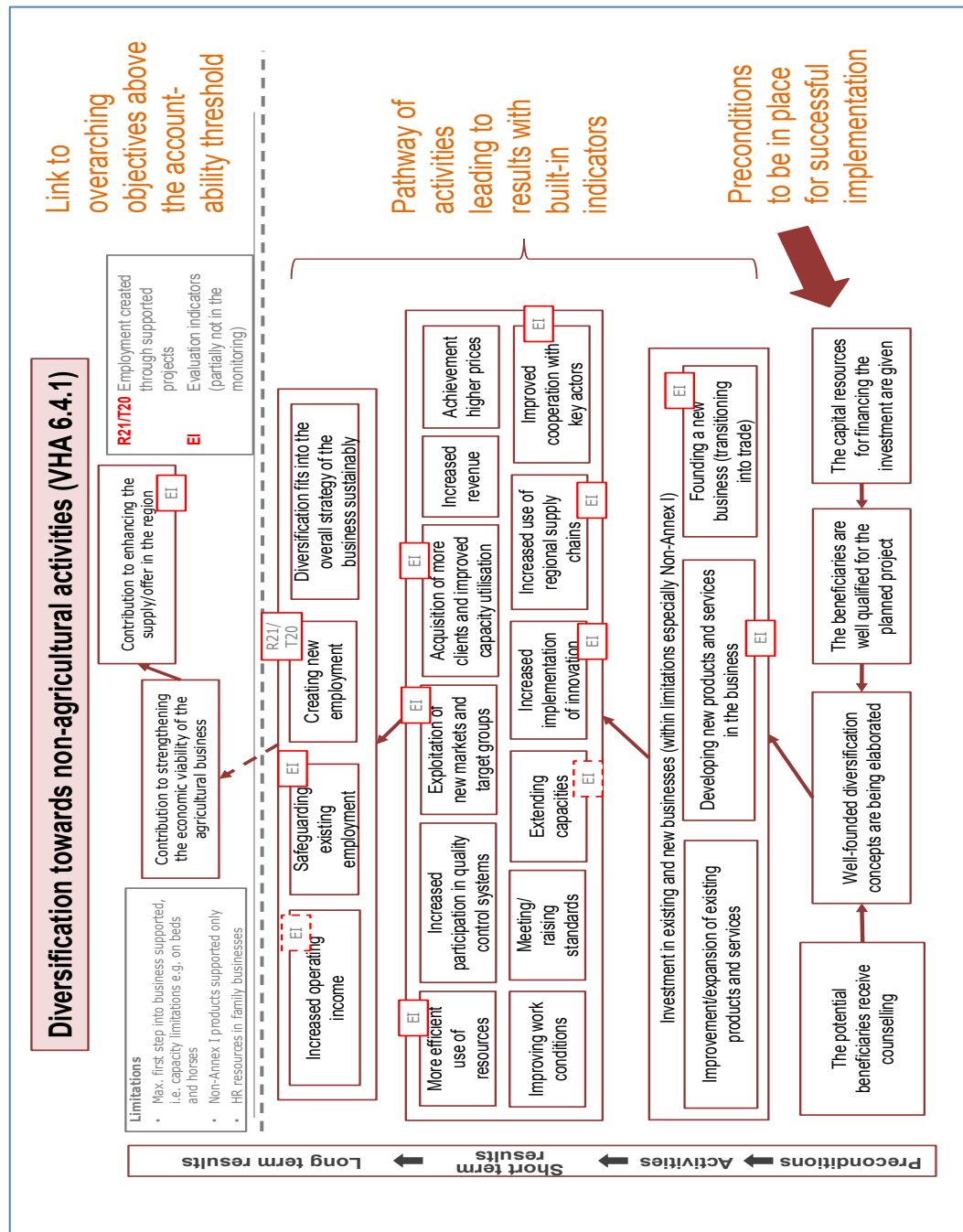
The logic in the ToC promoted by European Evaluation Network for Rural Development (EENRD) has been followed for the draft ToC shown on the following page. Please note, this has simply been created by using the elements within the LDS, together with an adaptation of the Preconditions presented in the Austrian example.

Fig 11: (Next Page) Draft OPLAG Theory Of Change

Long Term Issues and Outcomes

Contribution to maintaining resilience of the people, the natural environment and the way we use it, the way we work together in communities and between sectors.

Addressing the issues of rurality, our communities poor access, services and facilities, pockets of poverty and financial inequality, the economy in respect of skills and employment.

Opportunities are to be found in using our natural, cultural and heritage resources to create new economic and social opportunities, developing more enterprising communities, innovative and strategic approaches, learning from others and sharing our experiences.

Addressing threats posed by changes to the funding environment, political change, changes in the wider economy, climate change, actions that unbalance the demography of our communities and increased competition from other areas for tourism.

Outcome Indicators

Increased Operating Income

Safeguarding existing employment

Creating New Employment

Diversification promotes beneficiary sustainability

Cross Cutting Programme issues: Innovation, Welsh Language, Gender

Programme Indicators

R.24 Jobs created through supported projects

LD-CL.002 Number of Networks established

LD-CL.001 Number of Feasibility Studies

LD-CL.003 Number of jobs safeguarded through supported projects

LD-CL.004 Number of pilot activities undertaken/supported

LD-CL.005 Number of Community Hubs

LD-CL.006 Number of information dissemination actions/promotional and/ or marketing activities to raise awareness of the LDS and/ or its projects.

LD-CL.007 Number of stakeholders engaged

LD-CL.008 Number of participants supported

PI-LAG.001 Number of young people participating in the project

PI-LAG.002 Number of case studies/impact reports produced

PI-LAG.003 Number of staff participating in training

Programme Objectives

Adding Value to local identity and natural and cultural resources

Facilitating pre-commercial development, business partnerships & short supply chains

Exploring new ways of providing non-statutory local services

Renewable Energy at Community Level

Exploitation of Digital Technology

Cooperation

OPLAG LDS Objectives

Encourage enterprise and entrepreneurship

Capitalise on our natural and human resources,

Optimise collective strengths and assets to develop community solutions,

Build and broker skills,

Collaborate, co-operate, communicate and co-produce.

Preconditions

Potential beneficiaries have access to Informaton, Advice and Guidance

Well-founded diversification concepts are being elaborated

The beneficiaries are well qualified for the planned project

The capital resources for financing the investment are provided

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⊗ Longer term outcomes ⊗ Prorgramme Results ⊗ Activities ⊗ Preconditions

5.3   Evaluation questions

At the Formative stage of the evaluation, the questions are focused on process. In particular it focused on the following 6 areas:

Performance monitoring
Communication
Delivery
Governance
Resources
Scope for process improvements

The evaluation team have consulted Welsh Government, the LAG Chair and Programme Team staff, formally on these 5 themes. In addition, we have attended LAG meetings and held meetings with the Programme Team.

5.3.1   Performance monitoring

Appears to be an area of strength for the programme and the LAG are confident in the quality of the work done in this area. On the one hand however, there is a sense of overload from LAG members, with so much information shared, whilst at the same time, the LAG would welcome a greater sense of focus on critically important data with regard to successes as well as challenges.

State Aid has been really challenging for the programme and has deterred and confused many potential applicants. Private sector engagement has been particularly set back.

There is a question whether the team have been provided with the facilities and tools for measuring and monitoring and driving long term change. The programme has been set up to deliver this, but it is hard to do and the LAG need tools that enable them to have a clear view of what is happening on the ground as well as the more technical aspects at which the team excel.

The most significant issue for the programme is that Performance Indicators weren't set until it was too late for applicants to take full account of them in their project plans.   Final formal guidance for PIs only emerged in late 2018 and for any project that was conceived, designed or programmed before that date this was far too late, given the definitions they had been operating to before this date had been far less demanding. This has turned upside down the view of the programme as viewed through its PIs. The projects prior to this date were doing well and over achieving in a number of areas. Once the redefined PIs were in place, many of the programme's achievements were set to one side and in some areas, e.g., Community Hubs and Networks, it is now very difficult to evidence any achievements at all.

5.3.2 Communication

Good communication is always at the heart of successful Rural Development. The Arwain team have worked hard to develop tools and have produced:

- A well-designed bilingual newsletter/magazine – Regenerator.
- A slick website with good content, e.g., the case studies, which help to bring the programme to life.
- Occasional stands at shows.
- Regular social media through Facebook, although a Twitter account has been established, it does not appear to have been recently used.

Communication to the LAG is in the form of the formal project reports, which tend to be long and difficult to digest for LAG members, given their only formal contact with the programme is at the quarterly board meeting. The reports received by the LAG also lack key information, such as the closure reports, or monitoring information from individual projects. As the closure reports are probably the richest source of information about programme achievements, this is a missed opportunity. In general, the project team see a lot of good feedback from projects, for which a good means has not yet been found for sharing with the LAG.

The final phase of a project is really important communication opportunity, which appears not to be optimised currently. It can become a difficult period, as beneficiaries struggle to meet the PI definitions in finalising project reports. This has meant that relationships have become strained at times as, rightly, the programme team retain the final payment until all PI data has been provided.

There is a sense that the communication has been sufficient, but hasn't pushed the boundaries and this may contribute to a relatively low profile and a sense that the successful grant recipients tended to be those in the know, rather than having sought out groups whose needs may have been greater, but are less well connected to the grant networks.

5.3.3 Delivery

The fact that the programme has been run over 7 years has meant that perhaps for the first time with this sort of programme it has been possible to focus on long term change.
Animation is seen as crucial and it is almost impossible to do too much of this in sparsely populated areas such as Powys.

The focus of animation on direct support to early and mid-stage applicants has perhaps been at the expense of wider promotion. The focus of animation within the community and project development continuum is a critical decision for a programme. Focus too early in the process and inputs can be too scatter gun. Focus too late in the process and there is a danger the programme tends to be accessed more by those "in the know", with fewer new contacts made. LEADER should

facilitate and foster change, that is self generated from the bottom up and active, inclusive and creative communication is always at the heart of successful LEADER programmes.

The fact that there is a direct comparison to be made with respect to animation between the LA led approach and the external agency approach means that community and MA will be looking at this issue carefully and looking for messages about the pros and cons of the different approaches.

5.3.4   Resources

Take up of funds, particularly by the Voluntary and Community sector has been good, and the case studies are showing that where money is being spent it is having the sort of multi-layered benefits that LEADER funds are intended to have.

Another area of well appreciated work is in Community Asset Transfer, although the Local Authority has halted CATs for the time being. The future direction of the programme is likely to be in the role played in communities of such assets and whether more creative approaches might be facilitated as part of the longer term response to the Covid crisis.

The take up of Theme 4&5 resources have not been so good, which is understandable, given the constraints on business engagement. These two themes need more informed facilitation. Animators feel their skills are too generic to provide the all-round support needed, particularly if applicants aren't particularly technically adept. This is a skills gap. Projects in these themes also have longer lead in times and time is now running out.

Smaller projects have been deterred by the one size fits all application process. More community-scale action could have been fostered had there been a community chest type approach, where small projects could have been fitted within the precepts of a scheme.

Powys is seen as being very competent and well organised with regard to administration in comparison with other LEADER Groups in the South, West and Central area. This is an area of real strength for PCC, which is demonstrated by the fact that other areas ask for advice on processes. They are also known for their rigour in collecting output information, as they are known as the only area that hold up the final claims until all the information is in. None of these are bad traits.

WG are generally critical of LEADER in Wales spending too much on feasibility and too little on advancing to the next stages. LAG feel that some of the more effective work has been on feasibility.
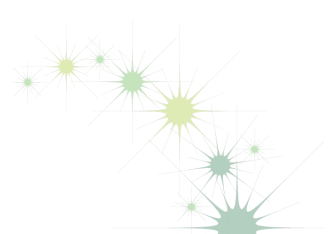
5.3.5　Governance

The LAG is well motivated and there are good quality people on the group. The infrequency of meetings however mean that a lot of time at every meeting is taken up with explanations. There is great respect for the work done by the team and trust and confidence is high. The LAG however does not have sufficient time nor is it sufficiently well developed as a body to have a strategic grasp on the programme and does not feel as if it is driving change through the programme.

A more distilled version of the LDS would have helped LAG members to have a focus on the purpose of the programme. Quarterly meetings do not enable the group to develop sufficient understanding of each other or the programme. It is unlikely this will change in the near future, as LAG members are busy with their day jobs, and participation receives no payment from the programme, so commitment will always have limits, however it is worth bearing in mind for future programmes. Re-jigging agendas so there was more time for review and reflection would also help.

5.3.6　Process improvements

Potential improvements have been referred to throughout this section. One of the underlying messages is simplification. The application process (or at least access to resources) needs to be simplified for the smallest groups; the fund is inaccessible to them as it is currently run.

The programme team do a great job in keeping in touch with projects as they progress through implementation, but the wealth of information collected is not being distilled for communication to the LAG, or more widely. A shift in emphasis in the time allocated to this process so more was spent on sharing useful information with other projects, the LAG and the wider stakeholders would be time well spent.

Another innovation by the programme team which has been well appreciated are the Best Practice workshops. The projects have really appreciated the opportunity to share perspectives, they have also appreciated the message that it is OK to fail.

The Case Studies are a great way of getting over the depth and quality of what the programme is doing. The fact that a good number have been produced is a credit to all involved. Interestingly, none of the projects most often quoted by the programme team and LAG members are included within the current set of case studies. Write ups for Seed to Saucepan, Muddy Care, Community Asset Transfer and the Corn Exchange feasibility would be good additions.

There is a clear need to simplify the information that the LAG is expected to process. Although there are requirements for certain levels of reporting to be made through the LAG in order for the governance requirements to be met, this needs to be set alongside the ability of LAG members to absorb detailed information which is not their day job. Simplified reporting or overview reporting is also required, so that LAG

members can take in the status information quickly and focus their time and attention on those areas where there are problems, or need for intervention, e.g., through a dashboard or RAG rating, as is being trialled at the next LAG meeting.

6   Self-assessment

The Local Action Group undertook a self analysis exercise using balanced scorecards at their meeting on 26th February 2020. The four charts below present the main results. 10 LAG members were present to complete the exercise and represented public, private and third sectors.

6.1   The Balanced Scorecard

The methodology followed for this exercise is a well-established evaluation technique and is commonly used to undertake self-assessments, particularly where partnerships are involved in delivery. The objective was to provide the LAG with a tool with which they could evaluate their own function and performance.

The approach adopted was to develop 4 overall "domains" of operation, which were chosen to correspond with the main activities of the partnership. These were:

- Partnership working
- Focus and Impact
- Planning and delivery
- Capturing performance – review, refine, reflect

The scorecards then ask the respondent to consider a series of subsidiary questions in relation to aspects of each of these domains. The results can then be analysed in a number of ways – overall, domain and sub-domain.

Fig 12: OPLAG Self-Assessment - Weighted totals for the four main domains & overall total

Weighted totals
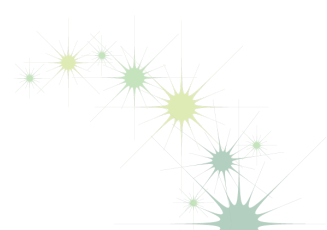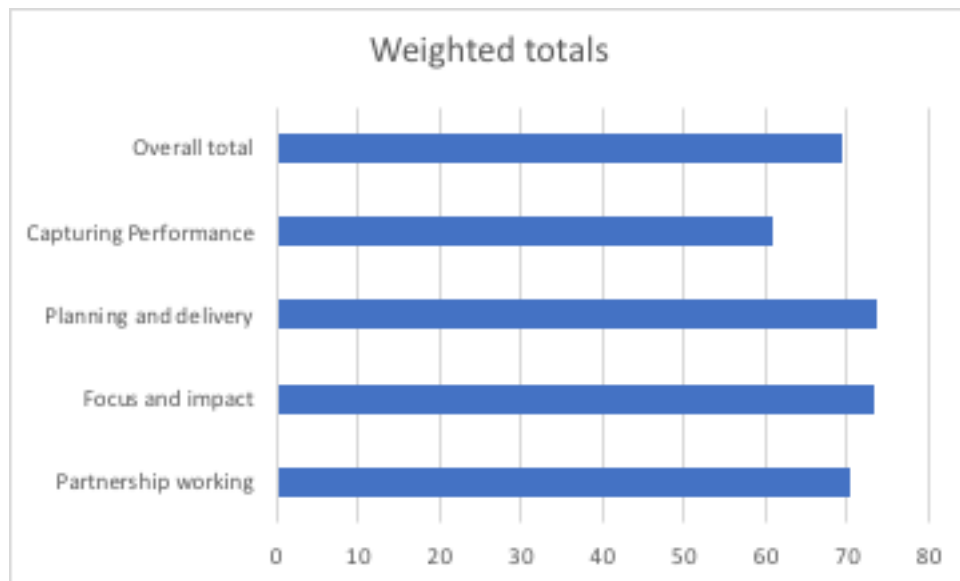
6.2   Overall self-assessment

The assessment is structured on 4 domains and it is instructive to look first at the overall assessments at this level. Each of:

- Partnership working
- Focus and impact; and
- Planning and Delivery,

all have very similar ratings above 70%. Significantly, the area where the levels of approval are lowest are for Capturing Performance. The LAG clearly feels there has been insufficient focus on reflection and review to date in comparison with the other aspects. This is worth consideration, as the LAG plans its next activities. It is also worth asking the LAG whether the work they have already done in focusing on areas for gap filling and priorities for project development may already be addressing this perception.

6.3   Domains

6.3.1   Partnership

There is a clear conclusion to be drawn from this exercise is that the partnership has a high degree of trust, but does not express a similar level of empowerment. Other highly rated characteristics are Community engagement and equal status/esteem. These are "good things" to be rated highly, as it evidences a process of engagement and relationship building that has clearly been successful. On the other hand, the partnership scores itself less well on empowering its representatives and the induction.

Fig 13: OPLAG Self-Assessment exercise – Partnership domain.

Partnership Working

Category	Score
Weighted Totals	
Induction	
Mutual understand-ing	
Trust	
Community engagement & ownership	
Empowered representat-ives	
Spreading of partnership working	
Action orientation	
Leadership behaviour and practice	
Shared commitment	
Equal status and esteem	
Shared vision	
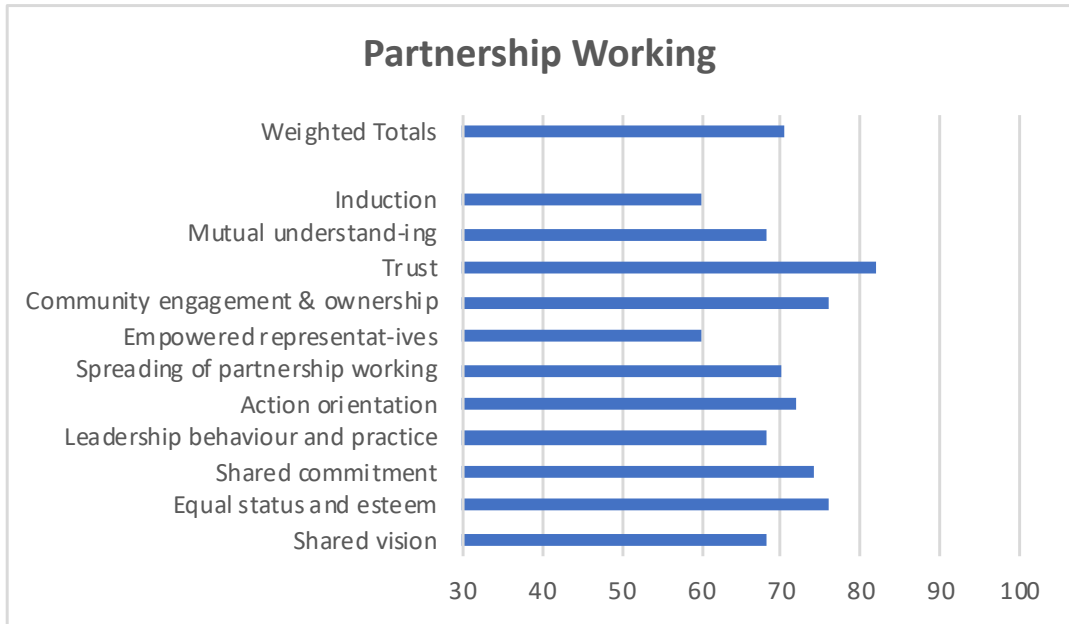
6.3.2   Focus and Impact

The partnership scores itself highly for use of evidence, realism and prioritisation, with the lowest relative score given to joining up. This again points to a partnership that is well founded in terms of its direction, although there are clearly doubts in at least some minds that they are making (lateral) connections.

Fig 14: OPLAG Self-assessment review of Focus and Impact

Focus and Impact

Category	Score
Weighted Totals	
Totals	
Sustain-ability	
Impact	
Joining up	
Baseline and targets	
Realistic	
Priorities	
Objectives	
Agreeing focus for action	
Evidence	
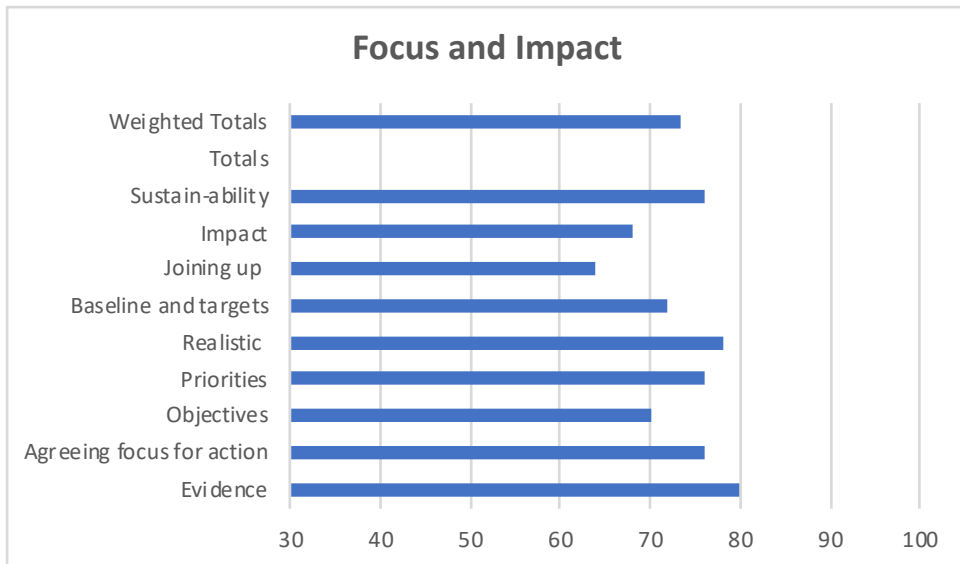
6.3.3 Planning and Delivery

A generally high level of scoring across all factors in this domain shows that the LAG feel this is an area of strength, which in turn probably reflects that the group feels this is where a lot of its time is focused.

The most highly rated area was Risk Assessment, whilst no area received a rating that could be described as low.
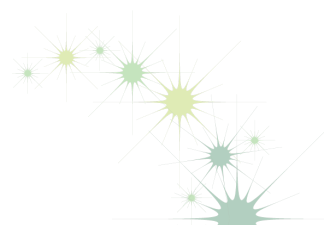
Fig 15: OPLAG Self-assessment review of Planning and Delivery

6.3.4   Capturing Performance

By comparison with other areas, the partnership gives itself lower ratings consistently across the board for capturing performance. The first thing to say, is that to an extent this could be an artefact of the stage OPLAG have arrived at in the process, review and reflection planned to take a larger part of the LAG's attention in the remainder of the programme.

However, it should be a feature of the programme from the outset. In that the LAG, in carrying out their oversight role, are able to respond to programme performance issues and advise on management actions in response.

There is an interesting comparison between the high rating given to the use of evidence in relation to Focus and Impact and the much lower rating given to Creating a Baseline against which to assess performance.
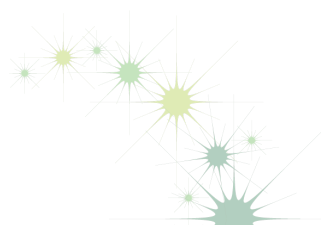
Fig 16: OPLAG Self-assessment review of Capturing Performance

Capturing Performance: Review, reflect, refine

Category	Value
Weighted Totals	~61
Long term outcomes and logic chains*	~71
Regular trend analysis	~62
Create baselines against which to assess...	~54
Sharing and analysing data across services	~66
Learn	~58
Refinement	~60
Reflection	~54
Review	~61
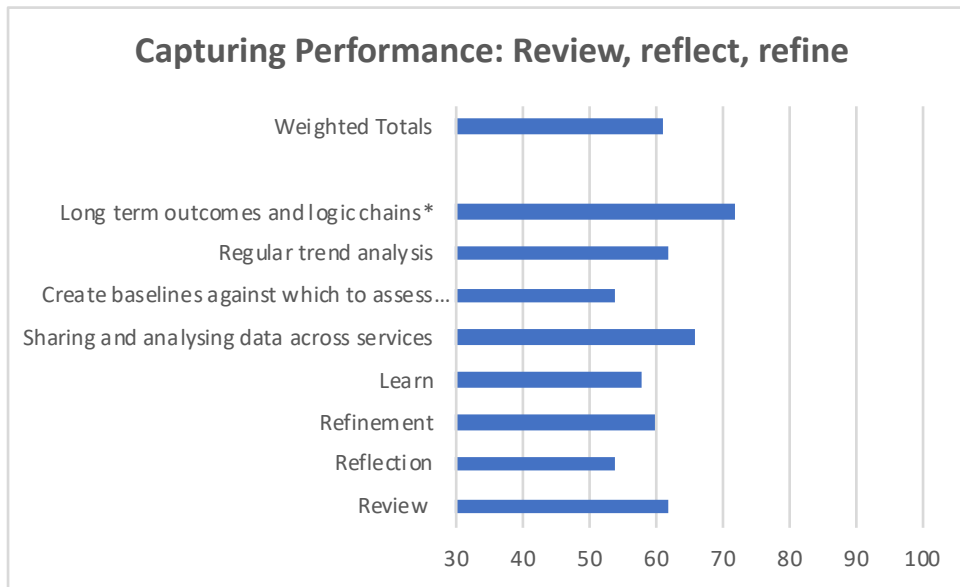
6.3.5 Summary Conclusion

The partnership scores most highly on one of the most fundamental ingredients of partnership working, i.e., Trust. This is a key finding of the evaluation, as having clearly established mutual trust the partnership is in a good position to respond to the challenges it faces.

Other areas of clear strength are
- Use of evidence;
- Esteem and Realism;
- Risk assessment; and
- The underpinning logic.

Areas for attention, based on the evidence of those areas where lower ratings were expressed appear to be:

- Joining up;
- Empowerment;
- Reflection and
- Creating baselines against which to assess performance.

There is clearly a feeling also that the Induction process needs some attention.

7. Socio-economic baseline

7.1 Introduction

The Powys Leader programme was designed in the context of the demographic and socio-economic picture of the county. In this mid-term report we will revise that picture – providing an overview and baseline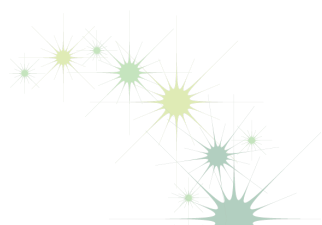 data sourced from the Powys CC Statistical Research and Information Unit, 2011 Census, the Arwain Local Development Strategy published in 2018, Nomis, Powys Economic Strategy 2016, Stats Wales and the ONS.
Although this material belongs in the Mid-Term Report, it is useful to review it early for verification and may also help surface further data, e.g., from grey literature.

7.2 Demographics

Powys is a large rural county covering an area of 5,179 km², making it the largest county in Wales by land area, but the least densely populated with a total population of approx. 133,000 – an average of 26 people per km². The population is fairly stable and predicted to go down over time like the rest of the UK – but the pattern is that of an aging population with people coming to live in Powys being older – and those leaving being younger. In 2016 the proportion of the population over 75 was 11.8% - up from 10% in 2003 (50 Facts About Powys - https://en.powys.gov.uk/article/5954/View-statistics-about-your-area). Welsh speakers make up 19% of the population.

The population is largely rural with the vast majority of the population living in villages and hamlets. 17.2% of the county is in the Brecon Beacons National Park. Powys is rich in natural resources such as water, wind, woodland and relatively good quality agricultural land. It has varied beautiful landscapes such as the Black Mountains and Brecon Beacons - and attractive market towns like Hay, Newtown, Machynlleth, Llandrindod Wells and Builth Wells which hosts the Royal Welsh Show – the biggest agricultural show in Europe**.** Powys is a large and varied county, with internationally renowned landscapes and environments, such the Cambrian Mountains & Dyfi Biosphere!!

7.3 Income and employment

The income based Gross Value Added (GVA) in Powys is 65.1% of the UK average (2016). This figure has gone down over time. Unemployment however is lower than the Wales and UK average. The main industries are agriculture and forestry, (employing 9.1% of the working population compared to the Welsh average of 2%) manufacturing, retail, health and tourism (Nomis http://www.nomisweb.co.uk/reports/lmp/la/1946157389/printable.aspx).
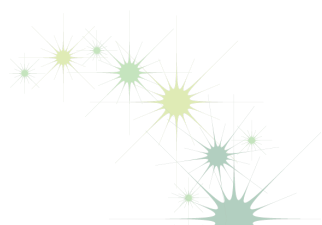
A much higher proportion of the working age population than in the rest of Wales are self-employed (19%/9.2% 2017) with a median income of £11,000 in tax year 2014/15. The number of micro businesses and the proportion of the population employed in micro businesses (approx. 40%) is higher in Powys than in the rest of Wales, making up 93% of all enterprises. There has been a significant increase of microbusinesses in Wales as a whole over time – 59.5 percent since 2003.

Business births and deaths are currently fairly stable.
Business births and deaths by year – Powys – Stats Wales

Fig 17: Business Births and Deaths p.a.

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018
Births	350	380	390	465	470	465	460	420	(p) 405
Deaths	470	415	485	455	380	470	425	470	420

https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Demography/businessbirths-by-area-year
https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Businesses/Business-Demography/businessdeathsrates-by-area-year

Fig 18: Powys and Wales Business Counts

UK Business Counts (2019)	Powys (Numbers)	Powys (%)	Wales (Numbers)	Wales (%)
Enterprises				
Micro (0 To 9)	8,095	93.0	94,620	89.3
Small (10 To 49)	530	6.1	9,600	9.1
Medium (50 To 249)	65	0.7	1,475	1.4
Large (250+)	10	0.1	320	0.3
Total	8,700	-	106,015	-
Source: Inter Departmental Business Register (ONS) **Note: % is as a proportion of total (enterprises or local units)**				

Tourism provides a significant income with economic impact of 815.5 million in 2017, a year on year rise from 653.37 in 2014. Tourism related FTE jobs in 2018 were 11,662 (STEAM report 2007 - 2018 p15, https://www.tourismpowys.com/facts-figures).
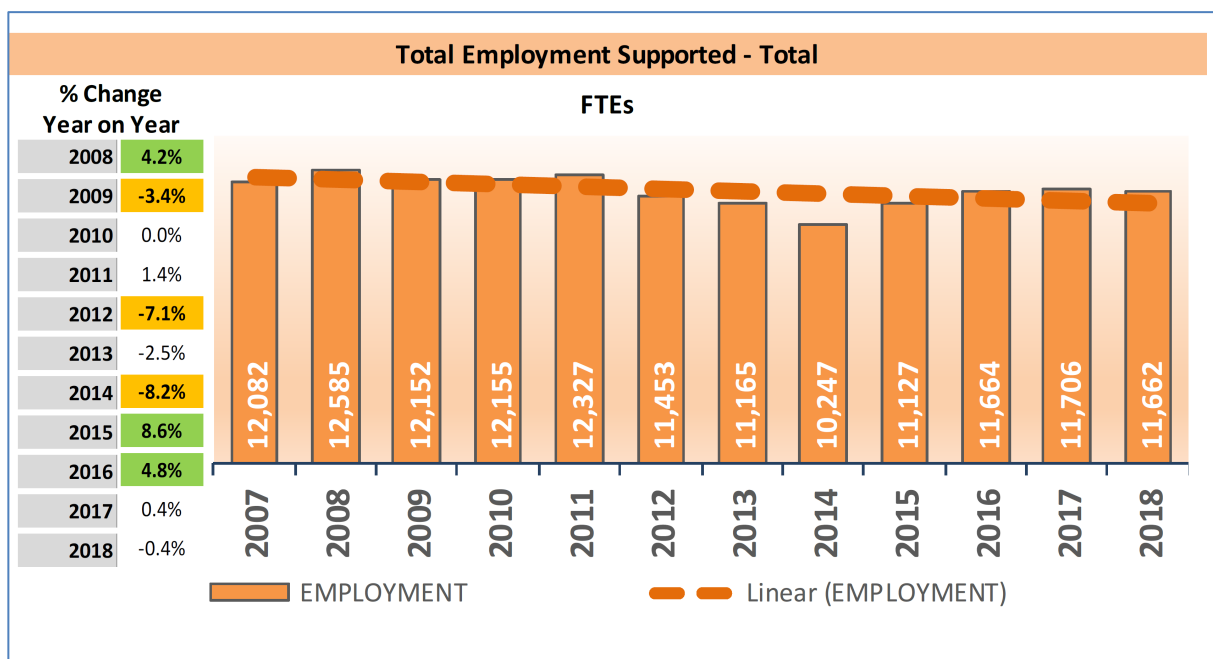
Fig 19: Size band analysis of enterprises active in Wales 2019

	Enterprises (b)			Employment			Turnover (c)		
	Level (000s)	% change since		Level (000s)	% change since		Level (£bn)	% change since	
		2003	2018		2003	2018		2003	2018
SMEs	265.3	58.0 ⬆	2.2 ⬆	738.2	37.5 ⬆	2.4 ⬆	46.4	.	-7.3 ⬇
Micro (0 - 9)	253.6	59.5 ⬆	2.3 ⬆	412.4	44.5 ⬆	3.0 ⬆	16.0	.	-20.4 ⬇
Small (10 - 49)	9.5	31.7 ⬆	1.3 ⬆	179.5	31.4 ⬆	0.6 ⬆	13.6	.	-0.9 ⬇
Medium (50 - 249)	2.2	27.9 ⬆	2.9 ⬆	146.3	27.5 ⬆	2.9 ⬆	16.8	.	3.4 ⬆
Large (250+)	1.7	5.5 ⬆	1.7 ⬆	444.6	16.5 ⬆	1.0 ⬆	76.1	.	10.3 ⬆
All	267.0	57.5 ⬆	2.2 ⬆	1,182.8	28.8 ⬆	1.8 ⬆	122.5	.	2.9 ⬆

(a) The full series are available on StatsWales.
(b) This is a count of enterprises that are active in Wales, including multi-region enterprises registered outside Wales.
(c) This excludes turnover in the financial and business services sector.
(r) Data from 2012 to 2018 has been revised since previously published.

Fig 20: Total employment trend 2007-18

% Change Year on Year	
2008	4.2%
2009	-3.4%
2010	0.0%
2011	1.4%
2012	-7.1%
2013	-2.5%
2014	-8.2%
2015	8.6%
2016	4.8%
2017	0.4%
2018	-0.4%

Total Employment Supported - Total

FTEs

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
12,082	12,585	12,152	12,155	12,327	11,453	11,165	10,247	11,127	11,664	11,706	11,662

EMPLOYMENT — Linear (EMPLOYMENT)

7.4   Connectivity

As well as the challenges of poor transport links and long distances - Powys has low coverage of broadband, fibre and 4G. This is a barrier for remote workers who might choose to live/stay here, for tourism, for young people and for SME's – which make up the vast majority of businesses in Powys. 12% of properties in Montgomeryshire

and 14 % in Brecon and Radnorshire cannot access speeds of 10 Mb per second - this compares to the Welsh average of 3%. [1]

Fig 21: Percentage of properties that cannot access broadband speed of 10Mbps or above

Constituency	Premises	% Premises
Brecon and Radnorshire	4948	14%
Montgomeryshire	3902	12%

Source: Ofcom analysis of operator data

Mobile and 4G coverage in Powys is low – similarly to other rural areas of Wales – but has improved.

Figure 22: Comparison Table of Montgomeryshire and Wales: Coverage by all four operators of 4G services and on major roads (in vehicle)

	Montgomeryshire		Wales	
	Outdoor geographic coverage	Major roads (in vehicle)	Outdoor geographic coverage	Major roads (in vehicle)
4G (at least 1 operator)	87%	97%	90%	95%
4G (all 4 operators)	49%	50%	57%	53%
Voice (at least 1 operator)	96%	99%	95%	97%
Voice (all 4 operators)	68%	75%	75%	75%

Source: Ofcom analysis of operator data

It would be worth doing some analysis of the data available on broadband and mobile connectivity and linking in with the existing strategies of WG and Powys https://gov.wales/broadband-and-digital-infrastructure

Although the coverage in Powys is more or less in line with other very rural areas – the fact that the population in Powys is dominated by rural communities, means that the county as a whole is at a disadvantage in comparison with other areas in Wales and the Welsh average. Arwain is in the process of awarding a contract for a pilot

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[1] https://www.ofcom.org.uk/__data/assets/pdf_file/0016/130822/Connected-Nations-2018-Wales.pdf

project to improve broadband access to selected businesses & residents. It will be interesting to see how this impacts on overall accessibility, adoption and usage.

7.5   Health and Wellbeing

Health and wellbeing indicators in Powys compare favourably to the rest of Wales – with the notable exceptions being the associated issues of an aging population and a higher than average number of RTAs. Living conditions that support health and wellbeing such as being able to afford everyday goods and activities, levels of volunteering, and self-reported feelings of community and loneliness also compare favourably. Green is significantly better than the Wales average. White is in line with Welsh average. (pge 10 Powys Teaching Health Board annual report 2017/18) http://www.powysthb.wales.nhs.uk/sitesplus/documents/1145/Powys%20Teaching%20Health%20Board%20Annual%20Report%202017-2018.pdf

Fig 23: Health Outcomes

Overarching Outcomes	
Outcome	**PTHB value**
Healthy life expectancy (females)	68.7yrs
Healthy life expectancy (males)	68.2yrs
Life expectancy (females)	83.5yrs
Life expectancy (males)	80.3yrs
Mental well-being among adults (ave score on Warwick-Edinburgh Mental Well-being Scale)	52.3
Gap in healthy life expectancy at birth between the most and least deprived fifth (females)	14.4yrs
Gap in healthy life expectancy at birth between the most and least deprived fifth (males)	10.4yrs
Gap in life expectancy at birth between the most and least deprived fifth (females)	5.2yrs
Gap in life expectancy at birth between the most and least deprived fifth (males)	5.2yrs

Fig 24: Prevalence of Living conditions that make a contribution to health outcomes

Living Conditions that Contribute to Health	
Outcome	**PTHB value**
People able to afford everyday goods and activities	88.1%
School leavers with skills & qualifications (level 2)	65.3%
Gap in employment rate for those with a long term health condition (i.e. difference in employment rate between general population and those with Long term health conditions)	14.6%
A sense of community	65.2%
People feeling lonely	12.9%
People who volunteer	37.6%
Quality of housing (% assessments free from cat 1 hazards)	64.2%
Quality of the air we breathe (ave NO_2 concentration)	4.4µg/m³*
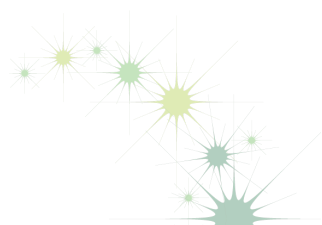
7.6   Welsh Index of Multiple Deprivation

Out of a total of 73 Lower Super Output Areas (LSOA's) Powys has only one (Ystradgynlais 1) in the top 10% of most deprived areas according to the Welsh Index of Multiple Deprivation. 19 are in the top 50%. (Welsh Index of Multiple Deprivation (WIMD) 2019: results report https://gov.wales › sites › default › files › statistics-and-research › 2019-11) This compares to 16 in 2014 (2014 Welsh Index of Multiple Deprivation Summary – Powys https://en.powys.gov.uk › media › pdf › WIMD_2014_report_en).

The WIMD uses the following Domains to measure deprivation; Income, Employment, Health, Education, skills & training, Access to services, Housing, Physical environment, Community Safety. It's a useful indicator of change over time on a local level. The Powys wide picture is that pockets of severe multiple deprivation are few and far between. However – access to local services by foot and public transport are well below the average in Wales. Housing quality and price is also a concern.

7.7   Summary

Powys is an area of great natural beauty with lots of advantages for residents and tourists. The quality of life is generally high.

7.7.1   Relevant challenges

- The aging population – what can be done to keep young people in the area – or attract them back
- Rural isolation – public transport links are very poor and most of the population live in small villages and hamlets
- Connectivity – broadband and 4g access need to improve – for business, for people and for tourism
- Income – what can be done to support micro enterprises and increase incomes? How can Powys be made more attractive to medium and larger companies?
- Farming and forestry sector – employs a larger than average number of the population – how can they be supported in the changing political climate?

7.7.2   Opportunities

- Increasing UK based tourism, largely outdoor activity based
- Beautiful market towns – with good quality of life for residents and attractive to tourists
- Entrepreneurism is very strong in Powys
- Strong farming sector – quality local food
- Scope for online and remote working/trading/distribution

7.8   Sources

- Powys Leader 2014 – 2020 LDS (reviewed Jan 2018)
- Powys County Council Dept Statistical Research and Information https://en.powys.gov.uk/article/5954/View-statistics-about-your-area
- Powys Economic Development Strategy 2016
- https://powys.moderngov.co.uk/documents/s8482/C39%20Economic%20 Development%20Strategy%20Appendix%20A.pdf
- Regional GVA (Gross Value Added – income based) 2014 Source ONS https://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalg rossvalueaddedincomeapproach/2014-12-10
- Welsh Index of Multiple Deprivation
- https://gov.wales/sites/default/files/statistics-and-research/2019-11/welsh-index-multiple-deprivation-2019-results-report-024.pdf
- Powys Teaching Health Board annual report 2017/18) http://www.powysthb.wales.nhs.uk/sitesplus/documents/1145/Powys%20 Teaching%20Health%20Board%20Annual%20Report%202017-2018.pdf
- Offcom Connected Nations Wales 2018
- https://www.ofcom.org.uk/__data/assets/pdf_file/0016/130822/Connecte d-Nations-2018-Wales.pdf
- STEAM report – Tourism Powys 2007 – 2018 https://www.tourismpowys.com/facts-figures)
- Nomis http://www.nomisweb.co.uk/reports/lmp/la/1946157389/printable.aspx).
- Stats Wales https://statswales.gov.wales/

8. Initial consultations

8.1 Local Action Group

Attendance at a LAG meeting in Llandrindod Wells on 24th February 2020 allowed members of the evaluation team to observe some of the dynamics of discussion and consideration of applications for funding. Due process and good protocol were seen to be followed, with informed and courteous interventions by LAG members. One or two members were attending their first meeting and therefore felt they had less to contribute at this stage. This will be monitored as the evaluation exercise proceeds.

Some of the wider topics discussed included the fact the some of the main beneficiaries were also key stakeholders. This was inevitable up to a point as those nearer to the programme were usually better placed to understand and benefit from its available resources. However, where a LAG member was applying for funding, they had to declare an interest and were excluded from discussion of their bid. Outreach to harder to reach groups and projects had already been identified as a key action.

There had also been delays in getting the programme under way, with some personnel changes also requiring resolution. This had resulted in some cases in decision making and implementation being rushed in order to ensure delivery of outputs before the end of the programme period. This meant that less time, if any, had been reserved and used for reflection and review purposes. The mid-term review was an opportunity to address this situation, with at least one workshop to be dedicated to this aspect of the process.

Not all the identified themes had been addressed equally, with renewable energy and community cooperation lagging behind the other themes. The programme had funded several feasibility studies, but not all had resulted in implementation and onward action. Problems had also been presented by state aid issues, whereby public authorities are prevented from gaining advantage on a selective basis that could potentially distort competition and trade. The issue of Brexit and its attendant uncertainties had not helped matters.

The evaluation team were impressed by the enthusiasm of the LAG to work <u>with</u> them during the mid-term and final evaluation in order to maximise knowledge and understanding of the LEADER process and apply innovative and improved solutions wherever feasible and realistically possible, drawing on past experience and good practice from elsewhere.

The Mid Term Review draft findings were presented to the LAG on 27th May 2020. The main points presented in the discussion were:

- Structural complexity of objectives of the LDS
- Sound administration processes and practices help OPLAG

- Late advice on Performance Indicator definitions from Welsh Government has led to significant issues for beneficiaries and managers
- Gapping & Commissioning is an important process and should re-commence as soon as practicable:
  - There is a need for informed inputs, e.g., digital & renewables
  - With digital development, it's not just about kit, there is a need for a focus on adoption as well; skills and confidence is key.
- The "Heineken" effect – how does the LAG ensure that the programme "reaches the parts other programmes do not". Arguably, simply enabling funding and benefits to flow to the same old suspects has not really delivered the sort of benefits LEADER was designed to achieve. How can the programme do more to reach out to those who do not have a history of receiving support, but could have good impactful ideas.
- Covid changes – need for a new vision & strategy?
- Need for research to understand needs now and in the foreseeable future.
- Need for more time for review and reflection.

The LAG listened to and discussed these points. They also added the need to consider Brexit alongside the Covid shock. As we enter the second half of 2020 and look ahead to the conclusion of the Brexit negotiations, it is clear that huge uncertainties remain, some of which could lead to shocks that deepen the already severe current economic impacts.

The first obvious example, is the current debates around the future of farm support. Significant reductions would be felt throughout rural communities, as spending ability contracted and farms folded. A full and proper assessment of the impact of the various **Brexit** outcomes should be conducted once the outcomes are clearer. For example, we would expect a full impact assessment to be undertaken on the effects of the final package of land management support.
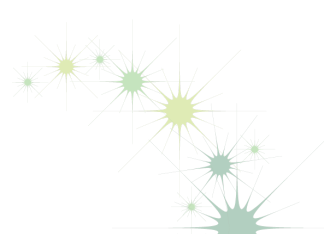
8.2   ARWAIN

The Arwain team have been very open and engaged with the Evaluation process. At the initial inception interview and subsequent interviews we've been able to build up a clear picture of how the programme operates – the successes and the difficulties.

8.2.1   Performance monitoring

Performance monitoring is very thorough – with Animators having monthly meetings with projects and filling in a quarterly form checking that monitoring data is being collected. At meetings with other LAG areas Powys are frequently consulted on their processes for monitoring and share template forms etc.

Performance indicators on outputs are reported to Welsh Gov, but the more important focus is on the outcomes. The ongoing activity is the most important component. It might be worth looking at previous projects to see what legacy continues. Guidance from the Welsh Government on Performance Indicators didn't arrive until 2018 so there has been some real issues with projects being unable to meet output targets because of definitions. For example community hubs don't count if there are no formal minutes or agendas from network meetings. So projects look like they've underachieved when they've actually done well. Later projects had reduced PI's and haven't had these issues.

Comparison with Axis 3/4 projects from the previous programme would be instructive. Projects like Wonderwool has been very successful, growing from an initial small grant to a large national event attracting '000s of people. Another festival that has grown from Axis 4 funding is the Machynlleth Comedy Festival. In general the management team feel that the more long lasting benefits may well have come from the Axis 3 projects.

The Animators undertake monitoring & claim meetings with projects at least quarterly. We have a template for the Animators to work through that considers how the project is achieving against approved budget, milestones/activities & outputs/outcomes. Any issues can also be raised at these meetings. The Animator gives an update on every project at weekly RDP team meetings and gives a brief overview of the project status and discusses any issues. As claims are heavily audited, the team is more confident regarding the financial reporting than it is of output reporting.

Recording Outputs has been problematic due to late guidance from WG in relation to the level of supporting evidence required. This has meant that in some cases outputs have been achieved but cannot be claimed, due to lack of evidence, which cannot be collected retrospectively. The Arwain team still claim them at a local project level but this doesn't hold as much weight. There is a huge amount of paperwork that evidences the outputs, which is stored in paper folders, this takes up a lot of space, which working in an agile office, is short. Priority has probably been

given to time taken to audit financial records, as projects need to be paid in a timely manner, therefore, outputs have probably taken a back seat. This shouldn't have happened in hindsight, however, due to the heavy administrative burden of the programme, time has not allowed an equal amount of time on this.

Projects are now going through the **closure process**. This is quite an intensive process for the Animators. Powys are one of the only areas withholding final payments until all the performance monitoring data and feasibility studies are submitted – which is a lot of work and causes delays.

8.2.2   Relationship with the LAG

Relationship with the LAG is good with strong mutual trust. However there are capacity and commitment issues, of the sort that commonly arise with voluntary steering groups. The level of communication between the LAG & the team is acceptable but needs improvement. Meetings are quarterly and last for a morning. There really isn't time to do much more than discuss and approve grant applications. There is a huge amount of documentation to read – it's a big ask. The Animators don't really get to report back to the LAG from the projects as there just isn't time. Site visits were arranged but only four LAG members stayed for the afternoon session so that wasn't repeated.

Shorter updates will be trialled as will further communication between meetings. However, the team feel they are always likely to run up against capacity issues, as all LAG members have day jobs. This capacity issue is reflected in the make-up of the LAG – which in turn is part governed by the nature of the programme. The revenue only nature of the funding, and the state aid rules, make it unattractive to business – so the private sector is underrepresented.

LAG members are generally unpaid for their participation and have day jobs, which are always likely to be the priority for them. Understandably, they are not able to commit the time that ideally would be needed to deliver strategic guidance. It is hard to reach quorum and the group has carried vacancies throughout – currently ten out of thirty. If members do not attend for three meetings in a row they get a letter asking them if they'd like to recommend an alternative member.

The programme would benefit from greater involvement from the farming community and LAG Attendance by farmer representative groups has been patchy. Consultations so far indicate that farming groups may be deterred by the State Aid rules and the lack of capital funding. They may also be put off by the process of applying for funding is off; but also the sense that the LEADER money is actually being diverted from agriculture and the programme isn't really for them. Post Brexit whatever replaces the RDP is likely to separate agricultural support from CLLD which might help in some senses, but if it exacerbates the divide between the agricultural and non-agricultural parts of the economy this will not be a welcome change for Powys as a whole.

8.2.3 Use of resources

Themes 1 and 3 have been the most popular – 2,4 and 5 have struggled. Again the state aid rules and lack of capital have hampered themes four and five and put off the private sector – small business and entrepreneurs. Theme one was very broad – the arts, natural environment and Welsh language related projects can come under it. The majority of applications are from the third sector.

The digital theme has also been hampered by lack of expertise within the LAG and Arwain. There have been meetings and workshops about commissioning but there is a shortfall in capacity and knowledge that means there is no obvious way to lead the development of the more detailed work that would be necessary to support a commissioning process.

From the day the programme opened for funding applications in Feb 16, the programme has been inundated with applications, particularly for theme 1. The LAG could have been more strategic & reflective from the start, but unfortunately staff & LAG resources have not allowed this.
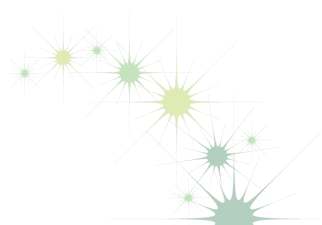
The State Aid issues have meant that the programme has been hampered in relation to the previous programmes, to which it will always be compared in the minds of local beneficiary groups. In the previous programme, there were 2 Axis 3 funding pots i.e. Sustainable Tourism Powys & Farm Diversification, these were extremely successful, as they included capital funding and fell within the de minimis allocation in terms of state aid. Although this wasn't LEADER and therefore, innovation wasn't necessarily included, however there was an individual business focus which the LEADER programme has sadly lacked. Successful approaches like this could be adapted for LEADER funding.

8.2.4 Beneficiary communication

The Arwain team have put a lot of effort into this aspect, with for example the website, Regenerator newsletter, facebook, Wales Rural Network website, sharing information via the LAG network, PCC regeneration network, mailing list & attendance at some local events. Areas where they could do more include local media press releases & adverts and attend more events. This will require good relations with the PCC Comms team. The best practice workshops have been a good example of communicating with some stakeholders, and there were plans to hold more similar workshops, with a wider audience, pre-COVID-19. These plans are currently on hold.

8.2.5 Flexibility

The team have taken a very flexible approach towards the management of the programme, which is a definite strength. The best practice workshops, willingness to

vary approaches to reporting, the provision of top up funding for projects that have shown the need in the Covid-19 crisis, all are ways in which the management of the programme has shown its adaptability and ability to "read" the communities that it is serving. This flexibility should stand the programme in good stead, as it looks to adapt to the challenges of the next 2 years.

8.3   Welsh Government

The Welsh Government have made a positive and helpful contribution to the MTR process; Gail Merriman agreeing to meet the evaluators in January 2020.

The WG team responsible for **Community Led Local Development** (CLLD) has seen some changes recently, however, this should not affect the programme overall, as the team members involved are experienced in handling CLLD and committed to it.

The WG are looking to draw lessons from the evaluations and are looking to see some common threads between evaluations in terms of approaches used, so that reports can be used to compare experience. In particular, WG are interested to learn what has worked and what has not, as well as the differences and similarities in the approach. So far no further advice has emerged on how this might work.

The WG had done little work on how CLLD might work until recently, as the Brexit and our Land consultations have indicated that the 2 pillar approach is likely to be replaced by one that is more focused on land based support, with the community elements of the existing CAP not forming part of the current consultation discussions.

The present (pre-Covid) thinking is that something akin to LEADER is being considered as part of the Regional Investment Framework, currently under consultation. Key questions for this part of the consultation are:
- what should be done on a Wales-wide footing and what should be done locally;
- What focus should be on animation;
- What is the capacity building challenge in rural Wales;
- Has the shape of programme that emerged been beneficial for the groups it was intended to benefit?

For the RD Programme overall, the WG are interested in:
- How has the thematic framework operated (it was proposed by stakeholders, initiated by Menter Mon.)
- Groups were able to flex the framework, has this actually happened? Did groups know that they could flex the framework?

It was explained that the decision to go for a revenue-only programme (with a small capital capability up to £10k) was taken following a review by Peter Davies that
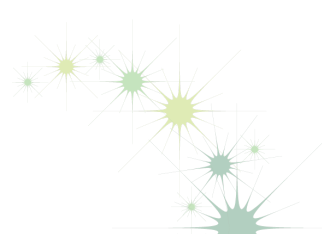
found the business grants offered by Leader were highly variable and that businesses wanted certainty and a level playing field. The minister endorsed the decision to require all capital funding to businesses to be channelled through Business Wales. Subsequent research has however found that 92% of the smallest businesses do not (want to) approach Business Wales and are disinclined to do so currently.

The group chaired by Peter Davies however made another proposal that has greatly helped the programme. The single approval of a 7 year programme has been hugely beneficial to the programme, as well as the fixed indicative allocation. Both of these measures gave greater certainty to LAGs and their Intermediary Bodies.

In the view of WG, the LAGs were rather uneven in the way in which they approached the change to revenue funding. Some LAGs just got on with it, whilst others were seemingly floored by it.

The overall feeling from WG is that a lot of feasibility work has been done, but there is less impactful piloting, taking "Proof of Concept" ideas to the next stage.

This evaluation is important in the view of WG. The evaluation of the previous programme is the source of some of the issues that have been experienced with the current programme. The last overall Leader programme evaluation in Wales was a straightforward VFM exercise and as such missed the point about LEADER being a community development tool, where the journey is often more important than the destination. Examples of good practice in LEADER evaluations come from Austria and Ireland, where the contribution to cultural sustainability was given a value. A key here is to identify and evaluate measures that give a value to the process, e.g., co-production. WG would like the evaluations to be done on a similar footing.

The saga with the **Rural Community Development Fund** (RCDF) is not a happy tale. This was created to ensure that there was a complimentary capital and revenue approach. The SMU (sledgehammer) decided to remove this nuance and to focus the programme instead on 4 drivers of rural poverty:
- In work poverty;
- Fuel poverty;
- Digital exclusion; and
- Access to Services.

The final focus for the discussion looked at the wider context. This seems very out of date now, as the discussion looked primarily at Brexit, as Coronavirus and Covid-19 had not emerged as the threat it has now become.

WG was (at the time of this discussion) generally more positive about the future of some form of CLLD than England, where it has been decided to cease the approach and Scotland where no commitment is being given. Covid is yet another aspect of uncertainty.
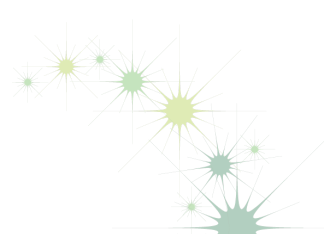
The future of some sort of CLLD approach is likely to be based on two things:
- Proven capability to deliver the sort of developments that rural communities need; and
- A clear future role in the post-Covid/post-Brexit landscape for Rural Wales.

It is not clear from monitoring to date that the former can be proven and hence the latter will be a challenge to sustain.

The Leader programmes will need to show that it has had a catalytic approach, used the flexibility that has been on offer and has case studies and data to prove this. **Wales Rural Network** (WRN) has been able to bring forward more case studies and the tool kit is seen as good practice, promoting more cooperation and positive activity such as Study Visits. It is seen as positive that there has been more cooperation, e.g., the Monmouthshire Community Buildings Transnational Project.

8.4   Wales Rural Network

Wales Rural Network (WRN) plays an oversight and observatory role regarding RDP activity in Wales, including LAG activity under LEADER. WRN officers liaise regularly with individual LAGS, although under the previous programme, they used to attend individual LAG meetings and act in an advisory capacity. LAGs are still required to notify WRNSU of project applications.

The Wales Rural Network website which contains brief details of all approved LEADER projects throughout Wales. They see their role being to inform organisations and individuals of available rural support, including Business Wales programmes. WRN put information into the public domain; it is up to others to apply for support. WRN observation is that there is a general issue of applications often being limited to the usual suspects, who are already familiar with funding opportunities.

WRN conceded that the current programme has experienced some delay in getting started, but this was to be expected with any European Programme and had been limited to 12 months. OPLAG had been granted an extension to 2023. There had been state aid issues which should probably have been resolved at an earlier stage, and de minimis rules did not apply to the current programme, a mechanism that had previously helped to address this point.

The new Regional Investment Fund was currently out to consultation. CLLD was included in its proposals, although the details had yet to be worked out. LAGs and LEADER groups were invited to make representation to WG as to where future priorities and mechanisms lay. They were well placed to lobby Ministers and others on any future RD programme, although funding priorities might prove a problem.

WRN raised the Shared Prosperity Fund at UK level into which the devolved governments would be able to bid. However, much was currently unknown and

unknowable, especially with Covid 19 and its inherent uncertainties. The experience of successful LEADER projects might be able to advise on different future working in rural areas in respect of local supply chains, home and online working etc.
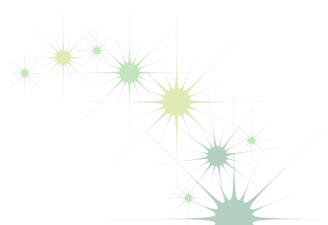
9. LDS Gapping review

9.1 LDS gaps

The LDS is a very comprehensive review of potential interventions. It is clear from the project distribution across the themes that there has been more success in some areas than in others. Overall, there has been a reasonably good level of spend, with an overall spend of 84% representing a good result, given the fact that programme managers have worked to maintain the strategic shape of the programme rather than simply responding to demand.
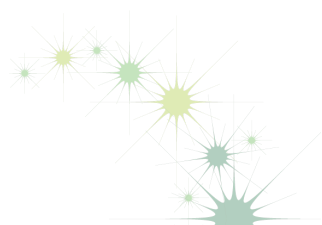
9.2 Thematic review

Regarding the themes, Theme 1 predictably proving the most popular. This is often the case, with LEADER having a reputation as a programme that consistently supports projects relating to cultural identity. The themes supporting pre-commercial development (Theme 2), and those supporting service innovation (Theme 3) and Digital exploitation (Theme 5) have spent at or near to 90%. Given the relatively small amount of resource remaining in these Themes, one approach could be to review the ideas that have come forward under each of these themes and dedicate the remaining resource to refining the projects with the most promising findings, or potentially adding value to projects supported through other programmes, e.g., roof top photovoltaics of new builds.

Fig 25: Thematic Review - spend

Theme		Allocation	Spend	% spend	Remainder
1	Adding Value to local identity and natural and cultural resources	909,716	909,716	100.0	0
2	Facilitating pre-commercial development…	767,093	682,388	88.9	84,704
3	Exploring new ways of providing non-statutory local services	757,920	686,449	90.6	71,470
4	Renewable Energy at Community Level	566,520	307,027	54.2	259,493
5	Exploitation of Digital Technology	470,820	415,248	88.2	55,571
	Cooperation	320,000	194,900	60.1	125,100
Total		3,792,069	3,195,728	84.3	596,338

The two areas highlighted by the thematic review are clearly Renewables and Cooperation. The LAG is very well aware of this and has focused one of its sub-

groups on the Renewables issue alone to ensure this area benefits from concerted attention. See also 2.3 below.

The **Cooperation** theme is cross cutting and can therefore be used to address any of the other themes. The clear recommendation is to focus on Renewable energy cooperation first and consider any of the themes and sub-themes in this review.

Beyond the themes, the most obvious gaps are in relation to **business engagement**. This has however come about as a result of a deliberate policy on behalf of WEFO/Welsh Government, where all grants for business were to be distributed via Business Wales and is therefore beyond the scope of this review. The decision also to largely restrict LEADER to revenue funding also limited the interest of businesses in the fund.

9.2.1   Structure of themes

The fact that OPLAG had developed its own themes and then had to respond to the Wales-wide themes, proposed by Menter Mon, has given the programme a slightly uncomfortable structure. With the matrix of objectives proposed as an elegant device to match these two sets of objectives. It doesn't however get away from the fact that this is complex and potentially is a barrier for beneficiaries, because it is not clear what is most important and why. Alternatively, applicants may simply ignore this framework and do what they were going to do anyway.

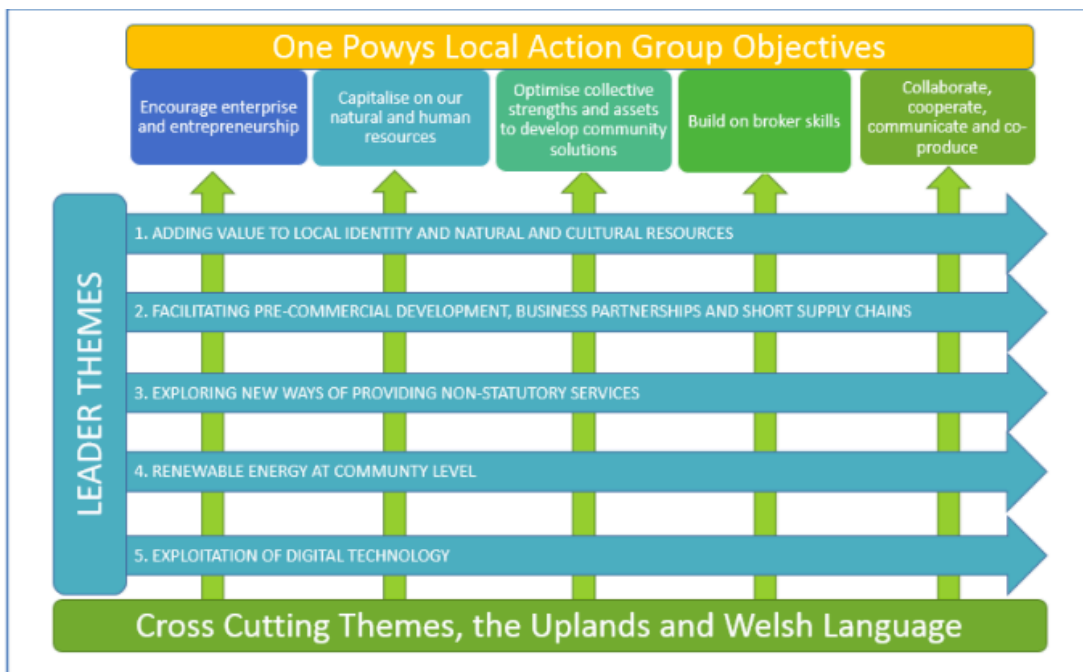### Fig 26: Strategic Integration of LDS Objectives

Figure 2 Integration of Approach

9.3   LAG Review of beneficiaries

Discussions within the LAG have identified the following groups as under-represented amongst beneficiaries to date:
- Agricultural businesses with low incomes
- Other low income self-employed businesses
- Rural households suffering from energy poverty linked to rural location, sparsity, remoteness and for instance lack of mains gas connection - also linked to high carbon footprints due to oil central heating and driving long distances
- Businesses and households suffering from poor levels of fast internet and 4G signal

It will be important to bear these beneficiary groups in mind as the thematic priorities are worked through.

## 9.4   Priorities for focus

9.4.1   Overview

There is no shortage of good ideas coming forward for the attention of the LAG, both as worked up projects and suggestions for further development. The challenge for the LAG is to make best use of this energy and enthusiasm in ways that helps to build community led rural development in Powys rather than simply stimulating a rush of spending that leaves no lasting legacy.

We would therefore suggest that the LAG look to build ideas that have some strategic foundation and/or take forward ideas that have already had some traction with the LAG and its beneficiaries. The most direct link is to look in those areas where the LAG has already supported feasibility work. For example, with regard to community buildings, the LAG has supported Llanwddyn Community Hall to look at how it can become self-supporting along with work done by PCC and PAVO looking at community management of local assets.   It would be a logical extension of the work that the LAG has supported already to now work on ensuring all those with community building responsibilities are aware with the findings to date and to stimulate a range of responses to test the ideas and proposals out on the ground.

Another way to ensure there is a "legacy" is to favour projects that appear to have connections and a life outside the programme. One example could be the Pilgrims Way, where Powys could become an intrinsic element of a national initiative, thereby benefiting from promotion done by others.

By the same token, we would suggest that those areas where a significant investment is already underway, but the results are not yet clear, should not be the subject of immediate investment. There is a risk of confusing the "market place", if
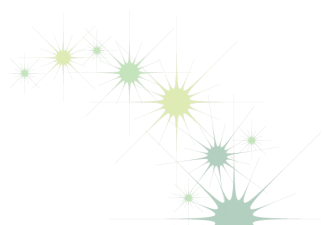
initiatives overlap, potentially detracting from one another. An example would be the IT/Broadband area.

9.4.2 The Foundational Economy and Skills

At the launch of the 2019 Regional Employment and Skills Plan for South West and Mid Wales[2], Deputy Minister for Economy and Transport Lee Waters AM emphasised Welsh Government's commitment to the foundational economy. These include care and health services, food, housing, energy, construction, tourism and retailers on the high street. It is estimated that the foundational economy accounts for four in ten jobs in Wales and £1 in every three we spend.[3] This places an emphasis on day-to-day jobs rather than high profile or highly qualified employment.

The Plan identifies the particular challenges posed by rurality, including:
- declining productivity, as measured by Gross Value Added or GVA, with rural areas in Wales considerably below the UK average and that of more urban areas
- demographic challenges, with a gradually ageing population and outmigration of younger people. This not only reduces the available workforce, but puts increased pressure on vital services.
- access to services is itself an issue, based on large travel distances, low population densities and poor digital connectivity
- brain drain with the outmigration of skilled individuals or those seeking upskilling opportunities.

The Plan proposes the following areas for attention:
- boosting educational attainment to improve skills throughout the workforce
- putting in place good economic fundamentals such as transport, housing and planning
- helping to boost demand for high skilled workers among businesses by concentrating on innovation, inward investment and enterprise policies

Looking more directly to the ways in which the LEADER programme might best focus its resources in this area. There's scope to help people with their business planning and financial forecasting to increase incomes, as long as it keeps clear of Business Wales scheme remits. Work done for WG in relation to the perceived overlap demonstrated that 92% of the businesses that approached LEADER for support had no contact with Business Wales.

Developing skills and foundation economy ideas

In considering the development of small business skills, it will be important to ensure that the LAG uses the existing networks. There are likely to be many people operating "under the radar" or low key support, who are all only partially aware of

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[2] On 24th October 2019
[3] https://gov.wales/foundational-economy

just how many tiny one person businesses are operating in the area and what they have to learn from each other. Business meet ups are very popular in this area and help businesses (including community businesses) to build skills without the formal tag of training that can be off-putting to many.

There's also scope to do some work with young people mentoring them to think about small businesses as a possibility for them – which would have the additional benefit of helping to address the outward migration and skills drain/loss of Welsh speakers.

Identify areas that small businesses could be successful and gaps – for example in tourism, providing local services, linking remote businesses.

Some work could also be done on feasibility for added value to stays, extending stays and different sorts of tourism that fit the quiet and extensive nature of the area. Cambrian Mountains & Destination Montgomery have looked at this in the area with courses and retreats - arts, crafts, rural skills. Nearly Wild Exploration is also gearing itself up to look into exploiting the quiet/wild character of the Powys environment to its benefit. Where does this work and what makes it successful? This is definitely an increasing trend and fits well with the Powys environment, e.g., linking art, craft and skill based mini-breaks with dark skies and wildlife watching.

Finally, there are a range of issues that need to be considered in attempting to frame support across the foundational economy and skills, including:

- Ensuring that the sort of business development stimulated has sustainable access to sources of micro finance. This is another area where a link with Robert Owen could be beneficial.
- Mentoring for young people to develop business ideas.
- Promote the local business heroes. For example, although over the border in Cardigan, Huit Denim – shows you don't have to leave Wales to have success in business https://hiutdenim.co.uk/collections/mens?gclid=Cj0KCQjw9ZzzBRCKARIsANw XaeIttbZ2EFHFwZa93_j3n3VdhUPTP1FcpcdOhR4WERjPZ9KUE7xSBZwaAuCcE ALw_wcB

9.4.3   Renewables

One of the main current limitations to providing renewable energy is the lack of grid capacity which would require major upgrades to the county's electricity network. One possible solution might be the establishment of local supply systems, mini-district heating systems, and the development of effective energy storage means, e.g., Black Mountains College Part 2.

Solar panels and canopies could be installed in public and municipal buildings and car parks, thus obviating the need to use up valuable farmland and reducing the visual impact of such structures in open countryside. The Open Energy project – with its cycle path covers is another worthwhile idea in the right places.

Electric vehicle charging points installed and operated by local communities could become popular, especially if such schemes were serviced by readily available local electricians, as opposed to nationally based organisations.

Another key aspect to sustainable energy is ensuring greater energy efficiency in existing dwellings and other buildings, thus reducing demand and making energy cost savings. Again, this could be done on a community level using locally based expertise, e.g. through the Energy Local Opportunities project. In Carmarthenshire, for instance, local community energy schemes are being developed, addressing the main issues of electricity generation, heat generation, energy storage, energy efficiency and low carbon transport.

We would suggest that the next step would be to open the opportunity to community organisations to come forward with energy ideas, within the framework of guidance regarding what the LAG's experience and work to date has identified as the most promising approaches. As with the overall approach, it will be important to enable wildcard ideas to come forward.

Renewables Project ideas and examples

Y Dref Werdd have been successfully running a renewable energy/energy poverty project in Blaenau Ffestiniog. Energy audits on homes and farms and independent recommendations - from how to manage a Nest application to actually get decent heating (easier said than done) to forecasting the RHI benefit from ground/air source heating to help with loan applications. Or more simply using heat sensors to find out where people's houses are leaking energy and advise on insulation, curtains, new windows etc.

http://drefwerdd.cymru/en/home/

Further feasibility (pre-commercial development) could also do some feasibility on combined heat and power or community energy projects. An ideal partner on this type of activity could be Robert Owen community banking. They have proven experience on the ground at community level and would help ensure the project focuses on ideas that are most likely to lead to deliverable projects.

https://www.rocbf.co.uk/cef/

It would be worth investigating whether community owned and operated electric car charging points could be linked to renewable generation. See Gwent Energy CIC - another group who are now crowdfunding.

https://gwentenergycic.org/our-community-evcps/

9.4.4   Land based sector

There is a danger that the land based sector sees LEADER as not being for them. That is not the intention behind the programme, although it has been a by-product of the approach UK and Welsh Government have taken towards the programme.

The work with the land based sector in the Dyfi Valley could be a useful precursor to work in other parts of Powys. The sector faces many uncertainties and this is a really significant point when a well-designed bottom up initiative that enabled the sector to look dispassionately at its strengths, weaknesses, opportunities and threats, could help farmers, foresters and other land based workers to come up with ideas that might help maintain more people on the land than might otherwise be achieved.

Whilst it is important not to provide anyone with false hope, there are options and all land currently utilised will have a use in future, taking a fresh look at these options, as we did in the Upland Arboretum work Catalys did for Ceredigion CC for the area around Hafod could stimulate ideas that enable businesses (including farmers) to grasp opportunities that they previously assumed were beyond them. A landscape scale intervention of this type could facilitate inter-farm cooperation and better land management, encompassing woodland as well as farm land management.

The work could also look to ask about the sort of support they might value in the immediate future. Farm Facilitation Groups are utilised quite widely to get farmers together, something similar could be supported through LEADER, particularly if it encouraged exchange of ideas with others outside the sector. Cambrian Mountains, Dyfi Biosphere & Mixed Farming Projects all engage with farmers – it would be useful to reflect on this experience collectively.

9.4.5   Community buildings

Community buildings are potentially places where strategic developments can be made that strengthen community spaces capabilities to act as places where people can reliably develop business ideas, where communities can pursue their own development and students can study, would enable communities to have more tools in their "tool bags".

The work at Llanddwyn offers a starting point and could be developed to be utilised for that purpose. The work done in Monmouthshire should also be consulted to identify useful ideas.

An initiative that is intended to bring forward a lot of small scale ideas is most appropriately developed as a scheme, so that access for community applicants is made as straightforward as possible.

9.4.6 Broadband and mobile infrastructure

Underpinning the current and future economic development is the question of the difference in digital communication provision that rural communities and businesses can expect in comparison to those who live in better served areas. This single issue is often cited by businesses as the biggest single barrier and lag factor that they face.
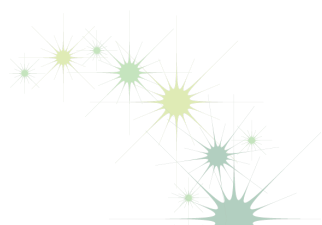
There are two critical issues:
- **Mobile and broadband infrastructure** – this is explored in the earlier section on Connectivity, which shows it is clear that Powys lags the rest of Wales in all main indicators, for example, businesses in Powys are 4x as likely to experience speeds below 10Mbps than the average for Wales.
- **Adoption** – alongside the issue of the infrastructure, the issue of adoption holds back its use, particularly for the delivery of community services. The Covid-19 crisis is driving some sectors to adoption of video conferencing technology, however, this is still only scratching the surface in terms of business and service delivery applications. More innovation is needed in development of service delivery systems that make services more accessible and businesses start to take real advantage of the capacities that good quality broadband can offer. Tele-health is another clear area of opportunity where the current crisis is driving adoption and need. The Leader programme can assist through promoting the need and opportunity for innovation.

Powys CC are in the process of tendering out a contract entitled Better Broadband Solutions for Powys, which is a pilot project that will identify a number of commercial & residential premises in the County that are on the "white premises" list and so have poor broadband access and are not due to be included in the next roll out of superfast broadband. The successful business will work with the selected premises to identify hybrid technologies that would resolve the issues of poor broadband and then assist the business/resident to apply for UK or Welsh Government funding to implement those solutions.

9.5 Cooperation

Often the Cinderella of LEADER programmes in Wales and indeed throughout the UK, this is an under-utilised tool that when properly employed can add considerably to the programme. One example we are aware of from the UK, is the Dumfries and Galloway LEADER programme. Here a relatively low cost intervention (via a small cooperation project with a Finnish group) led to a significant development for their programme, in the establishment of the Day of the Region programme. This has

since become a centre piece for their programme and an effective means of spreading the benefit of LEADER across a large rural area.

We would suggest that Cooperation projects, either joining existing calls for cooperation projects, or setting out Powys led calls, that fit the agreed priorities would be worthy of concerted effort.

9.6   Summary conclusion

Now more than ever the communities and businesses of Powys need the facility for innovation and a support system that has the "Heineken effect", providing support to those who are hard to reach, that LEADER is traditionally good at. The Powys programme has good case studies and achievements, as well as the capacity to do more with its remaining funds. The LAG should be encouraged to bring forward ideas that will make a difference, based on the LDS, but also focused on the changes that are happening as a result of Covid-19.

The aspects on which the LAG has focused its gap filling work and is addressing its initial thoughts for commissioning new activity remain good prospects, however, the focus has shifted. For example, in broadband and telehealth, this is now both a life and death matter for the delivery of health services at this time, but could also drive longer term changes, as more older people become familiar and comfortable with for example video conferencing.

Renewables should continue to be a priority, as the climate crisis hasn't gone away and moving to a net zero economy is as much a priority for rural areas as it is for the country as a whole. Ensuring the benefits of these developments contribute to local community development will be important. The wind farm developments in particular are once in a generation opportunities for the communities in which they are happening.

The question soon for the LAG is likely to also relate to vision and strategy. Although the LDS was updated in 2018, that is now "another country", when we weren't even sure of the eventual outcome of the Brexit process. Although now is not the time for a full review of the LDS, a mini-strategy for the final stages of the programme is probably needed, which ideally should include some community consultation. The programme will need to ensure it is relevant in the post-Covid landscape and that is still a position that is impossible to predict.

10.   Coronavirus considerations

10.1   Overall position

The rapid global spread of the Covid-19 virus has resulted in unparalleled effects on economic and social activity. In rural Powys, it is essential to ensure public safety, but also to work towards economic resilience and recovery. Microbusinesses and the self-employed, the mainstay of the rural economy, are particularly affected. Food security has become a vital consideration, ensuring continuity and safeguarding of essential and local supply chains.

Community cohesion is also essential, especially with enforced social distancing and isolation. Online communication and social media are becoming more vital in these circumstances as people endeavour to reassure and keep in touch with one another. Many elements of the Arwain initiative touch on these aspects and seek to provide innovative and viable solutions, making the programme even more relevant to rural Powys than in normal times. Rural communities and rural businesses are under enormous strain during this time and arguably the effective suspension of the Leader programme has happened at the wrong time, particularly, if businesses and organisations were looking to project funding as part of their 20/21 budget baseline.

However, at the current time, March-May 2020, the UK & Welsh Government's main Covid-response programmes are expected to take the strain, for businesses and for communities. It is clear that the support is not reaching all businesses and the most popular support, such as the business grants, is already fully committed, with the loans being far less successful, with reports of profiteering by banks and caution by businesses with regard to increasing indebtedness at this time.

The previous section has highlighted the fact that there probably needs to be a link between the exercise the LAG had commenced in attempting to focus its efforts for the last part of the programme and the longer term response to the Covid-19 pandemic in Powys.

10.2   Programme continuity

The programme currently has a sense of limbo. A number of the projects have had to be suspended, e.g., Mid Wales Skills Shop, as the staff have been furloughed. Other projects, such as Muddy Care need more Leader funds to extend the service, as it is continuing and faces greater demand issues.

The sense of limbo is repeated at the programme level, as the Welsh Government has not clearly included CLLD in its consultations on future schemes and is now not making project approval decisions on new commitments, with the thought that the remaining programme funds needing to be spent on activity focused on post-Covid recovery.
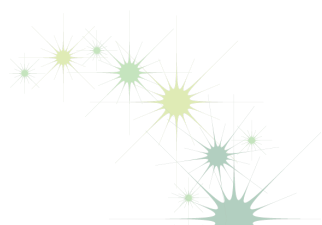
10.3   What support do rural communities need?

WLGA have summarised the pressures facing rural businesses and started to look at how to address the needs of rural communities in their Covid-19 briefing as of 9th April. In striking quotes from Business Wales, they stated that their helplines are the busiest they have ever been and that business owners contacting them are often too stressed to talk about how to address the issues they are facing. They need immediate help, but cannot see their way forward. At the same time Food Banks in rural communities are equally over-extended.

The LGA have made the following key asks:
- Consideration given to the implementation of support measures in rural Wales, and to liaise with relevant colleagues to fully 'rural-proof' interventions.
- Flexibility in administration of EU Rural Development funds to support businesses and organisations in the response to Covid-19, and to support a potential economic recovery plan.
- **Guidance to LAGs on how to approach Covid-19 interventions by utilising LEADER funding, with potential examples.**
- Public sector to start looking at storage sites (potentially empty high street shops) to store deadstock from retail sector.
- Identify ways to collaborate to develop an offer for the shoulder-end of the tourism season.
- How can we work together to ensure that small rural businesses capture the surge in demand when business resumes post-lockdown?
- Identify how wind farm community funds can be utilised to support small businesses and community groups to mobilise support and short supply chains (especially around food and drink) during this lockdown period.

This summarises some of the considerations from a strategic perspective, however, Leader programmes always need to keep in view the particular perspective of rural communities. The following section draws some reactions from the community level.

10.4   Community level concerns

The Rural Services Network have been surveying rural community responses to the crisis and have also asked rural communities what further support they need from national initiatives or locally and these are some of the issues that emerged:
- How to keep our volunteers safe.
- Many elderly do not have internet or mobile phones and they aren't able to use online ordering.
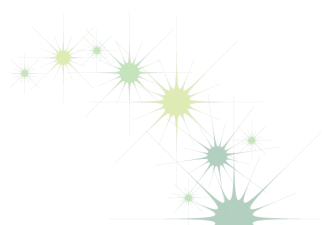
- NHS volunteers could be put in touch with local organised support groups where they exist so support can be co-ordinated and dove-tailed.
- National initiatives should facilitate local approaches, especially in tight-knit rural communities who have always supported each other in this way.
- National initiatives and information seem to be largely online and may fail to reach the most isolated or vulnerable groups.
- 2nd home guidance needs to be handled very clearly.
- Social distancing can be difficult in small rural shops.
- Covid has brought the issue of poor network coverage even more to the fore for individuals, families and businesses.

10.5 The short to medium term

Although looking ahead at this stage is particularly difficult, it is important for the LAG to start looking forward. We would suggest that the group continue to shape its ideas for future spending, so that the ideas are ready to move forward once WG give the green light once more.

Leader groups will need to consider whether they are the right vehicle to support community recovery in rural Wales and if so,
- What additional tools would be required to accomplish that task.
- How would it work with other agencies, e.g., Business Wales & Farming Connect
- Can it provide support more directly to the farming community?
- Does the existing LDS provide a sufficient framework for targeting?
- Rural Tourism has had the biggest shock in a generation, this creates opportunities as well as challenges – is the LAG opening up dialogue with the tourism sector to work out how it might help, as well as foreseeing new opportunities, where there may not yet be a "sector".
- Are the programme and project current delivery arrangements sufficient for a crisis response measure.

These are questions for the LAG and RDP Team to answer, however, we would suggest that adjustments would be needed if it were to play a significant role, as the main focus for the rest of 2020 and possibly early 2021, is likely to be on getting support where it is needed as quickly and as simply as possible. The more considered approach of LEADER is more likely to be better fit to later stages of recovery, when more nuanced approaches become necessary and possible, once the community and business environment has reached its "new normal" and there is a more stable backcloth against which LEADER programmes can operate. So, looking at the next 6-12 months, it is likely that agencies such as FC and BW will be in the forefront of responses.

During this time it would make sense for the Community-led groups and resources to **monitor** the effects of the mainstream provision and to gain a clear understanding of

how this is playing out within communities, highlighting gaps for immediate attention and undertaking **research** that could lay the ground work and identifying the baselines for the next stage of response, when more fundamental rebuilding may be needed.
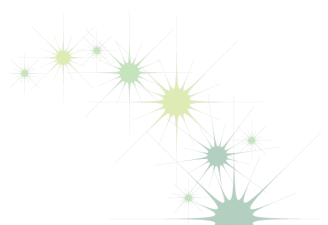
11.   Next Steps for the evaluation

The evaluation has undertaken the review of the formative elements of the programme.

The next steps for the evaluation will be to continue to test these conclusions at the same time as moving to the summative stage, i.e., looking to the effects of the programme and the benefits that have accrued. The next stages for the evaluation are therefore:

- Choose and undertake Case Studies
- Complete stakeholder analysis
- Identify stakeholders for survey
- Identify beneficiaries for survey
- Design and carry out surveys
- Synthesis and analysis
- Reporting

In addition, the LDS made some methodological proposals for the evaluation. These were that the process should look at:

Most Significant Changes (MSC) Monitoring- can be integrated in participative and ongoing self-evaluation processes;

The Potential Bottleneck Analysis- linking quantitative and qualitative methods to create a better picture; and

Plugging the Leaks- a model developed by the New Economics Foundation that analyses the retention of capital within a region and prevents it from 'flowing out'.

The next stages of the evaluation will bear these issues in mind. It will also concern itself with:

- **Outcomes and Achievements** – what outcomes has the activity generated? What has been achieved? What has been the impact of the activities?
- **Added Value** – how has the LDS and the activities added value to other activities and support that is available in the area?
- **Key success factors** – what factors have been critical to the success of the activities?
- **Weaknesses and challenges** – which aspects could be improved? What have been the main challenges?

Some of the questions that it will need to consider in looking ahead at strategy over the medium term and in terms of laying the ground work for successive programme support are:
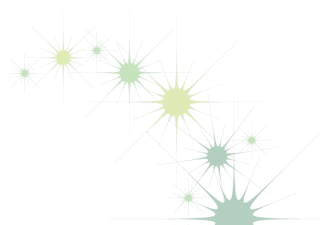
- Has a "community led rural development programme" got a role to play in future, or is a new approach needed?
- Whatever support frameworks exist, do facilitation within local authorities, or independently run alongside the LA role offer the best model?
- What has been achieved by the Broadband project and what remains to be done? Has it led to greater adoption, or is there a lag?
- Overall review of project achievements, formal PIs and "sub-PI" and unexpected outcomes.
- We need to test the LEADER Intangibles, such as Innovation and Collaboration/Cooperation. Has this been encouraged and improved?
- Are there any general information gaps?
- Appropriate role for business in a CLLD programme such as LEADER.
- What next for Tele-Care – can the programme pilot some promising approaches? Is the digital divide going to impede fullest adoption.
- Ideas that could be tested/promoted for new programmes
  - Mixed use spaces
  - Community Asset Transfer
  - Shortening Supply Chains
  - Better use of local resources, e.g., farm woodlands, community supported environmental management/Agriculture/Woodland Management;
  - Speeding up Generational transfer needed in ageing communities experiencing difficulties in retaining its younger people.
  - Potential for energy communities and best use of the Wind Farm levies;
  - Future of tourism
- How are the feasibility studies being utilised?
- How are the strategic initiatives being taken forward? What is their potential? E.g.,
  - Cambrian Mountains;
  - Summit to Sea;
  - Mixed Farming Study
  - Commons study;
  - Newtown community land
  - Upland Arboretum
- Given the number of land resource related initiatives is there scope for a high profile summit bringing all of these together for local communities and decision makers to consider, maybe jointly with Ceredigion. Ideas such as management of bio-diverse landscapes, community led land management, agro-forestry all have some degree of currency among stakeholders.
- How to join up the findings of the different evaluations.

12. Conclusions and Recommendations

12.1 Stakeholders and beneficiaries

As stated elsewhere, and in the inception report, some of the key stakeholders have also become programme beneficiaries. Despite the fact that Arwain is currently closed to new funding applications, its outward reach should be maintained and extended where possible. Much rural economic activity depends as much on networking as it does on funding and it is essential that the co-ordination and animation work conducted by the team and LAG members is maintained.

It is also vital that it continues to add value to other projects, especially where innovation is concerned. For instance, adding a vital and exemplary renewable energy element to a new or existing development can have a valuable financial and educational effect and may influence future developments to follow suit.

Co-designing sustainable development practice into projects should become the norm, rather that its exception. The same goes for health and wellbeing. The Wellbeing of Future Generations (Wales) Act 2015 righty identifies the inter-connectedness of all aspects of life, including economic, social, cultural and environmental activities. Arwain is well placed to continue to be a key actor in this respect, supporting projects which promote social inclusion, reduce poverty and sustain rural village communities.

In order to maximise its impact, however, it must appreciate and apply the lessons learnt during the current funding period, amassing and analysing feedback from stakeholders, beneficiaries and funded projects. It should learn from its successes and its failures, given that innovation is about trying new approaches.

During its final phase, time should be built in to review and reflect on its activities and the lessons learnt. This will be vital in the shaping and delivery of any future rural development programme in Powys.

12.2 Process

The Powys CC team is rightly held in high regard for the quality of the process management. Other teams look to them for good practice and the LAG have confidence in the way this is being managed. This is great protection for the LAG. Some discussions have revealed a potential concern over the looser approaches in some areas and whether they will be compliant with audit. Hopefully, this will not be an issue for them, but OPLAG can feel secure that its processes are well managed.

A lot of data is collected from projects and the programme team have a very rich source of information about the detail of what is being achieved. This isn't yet being

used in a way that gives the LAG insight or a meaningful sense of what is being achieved by the programme for which they share responsibility.

We suggest that the Programme Team consider the way that PI reporting is fed to the LAG. Summary reports on progress that included overall progress at project level would be helpful. These should be focused on the things of most interest to the LAG, so that they can engage more meaningfully with the programme. Changes are already being made – it is up to the LAG as well to suggest ways in which information might be more useful for them.

A regularly updated dashboard of programme achievements, would mean that the LAG were kept in touch and able to drill down to a deeper level of understanding in the programme than currently. If successful, it could be shared between meetings, as well as at the LAG itself.
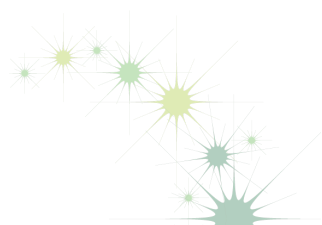
It would also be helpful to find a means to share programme-wide information that gives greater value to the non-PI achievements as well as those achievements that meet programme definitions would also help.

Looking forward – we suggest looking at mechanisms for engaging the harder to reach groups both from the perspective of promotion and funding accessibility, e.g., Community Chest schemes for smaller grants.

A way of gaining greater commitment is by paying representatives of small voluntary and private sector organisations for their participation. This wouldn't necessarily need to be set at a high level, simply a fair recompense for the effort and contribution made to the programme.

12.3   Gapping Review

- The **Themes** and the relative resource allocations **largely remains a sound basis** for managing the final stages of the programme;

- The principal theme for focused project development is **Renewable Energy**;

- **Under-represented beneficiary groups** include agricultural and other small businesses and households who may be suffering from cumulative impact of rurality, fuel poverty and poor quality internet;

- The **Digital engagement** theme should be kept under review, with the LAG retaining the ability to make further final intervention towards the end of the programme, once the impacts of current support are better understood;

- Consider **Scheme based approaches** to assist under-represented groups, who often have limited capacity to navigate application systems;

- Consider promoting **Cooperation** proactively as a low cost, high impact means to add value to the programme; and

- If the need for **pre-commercial development** is identified that would assist the priorities identified, then consider small scale virement to Theme 1 to facilitate high priority projects.

12.4 Policy and overall

The MTR has revealed a fascinating and complex picture of a programme that is well managed and is supported by an enthusiastic and well-focused set of representatives on the Local Action Group. This means that the partners involved have created an effective platform for the delivery of LEADER in Powys.

The constraints and the complexity of the programme however, mean that these opportunities are hard to realise and frustrations exist in the LAG, in the RDP Team and in the Welsh Government that the opportunity has not yet been maximised. On the part of the LAG, there is a set of views of the changes and developments that could make the difference needed in Powys, however, the LEADER programme as a tool doesn't seem to be able to have sufficient levers or sufficient flexibility to deliver.

The RDP Team have a heavy administrative burden and with the inevitable changes that take place in a small team, the tendency is to ensure that the contractual requirements are met in terms of reporting, which has led to a collective frustration that insufficient time has been available for reflection, review and resetting of priorities. WG believe the programme is flexible and that the LDS should be a living document, however, review processes have been focused on the budget side, rather than the strategy.

The biggest issue for all concerned however has been the decision to make LEADER a revenue only programme. Similar to the opposite decision in England to make LEADER a capital only programme, this misses the point about LEADER, as a device. It is a tool that is designed to lead a process of development and once needs have been established through the LDS process, the LAG and Programme Managers should be given the injunction to facilitate the activity needed to address those needs, whether the interventions needed are capital or revenue is not really the point. Are they the right thing in the right place?

Arguably, the LAG has been following the intentions of WG, in the recent review of the gaps in the LDS. Without the need for a time consuming review of the formal

documentation for the tail end of the programme. The gap analysis process has refined the LAG's views of priorities and has been a very helpful process. Whether the LAG will be able to see through this process in the light of Covid-19, is however a moot point.

The LAG is now in a position that it is more ready to "Commission" the activity that is needed to address the priority needs it has identified. This commissioning process has now been suspended and there is nervousness about whether the programme will be re-started on the positive and constructive basis on which it was moving forward.

12.5   Moving forward

The MTR has undertaken a comprehensive review of processes and perspectives regarding the programme and its operating context. The OPLAG LDS was well founded and the business processes that support it are robust and well run.

The LAG is a positively focused grouping and fosters good levels of debate and is keen to extend its focus to how it is going to deal with longer term challenges and address the gaps that still exist in the programme's coverage.

Bringing the programme monitoring information together in a more impactful way would help the LAG to see the impact of its work to date and help it to understand its progress. For example a **Powys LEADER dashboard** that incorporated the main programme indicators, with current, contracted and forecast position on PIs alongside spend and other indicators would enable the LAG to gain a clearer understanding of its impact.

Another mechanism that could help the LAG to consider its impact more clearly, would be to develop thinking around the **Theory of Change**. A draft is suggested as a starting point.

The LAG is encouraged to engage in the **Regional Investment Framework** (and any future) consultations. Engagement in the consultations should be done on the basis of clear principles developed by the LAG on its **vision for a future role** for LEADER and the LAG.

Within the process of engagement with the Welsh Government and its agencies, the LAG and PCC need to be clear that the definition of Programme Indicators and the removal of the ability to fund capital items and guiding businesses away from the programme has impaired its ability to succeed. Lessons need to be learned from all these issues. Communities include businesses and to try and separate social from economic activity in rural communities is often a false division. In Rural Communities the social and the economic are even more intertwined than they are for the country as a whole, where the presence of larger businesses mean that a
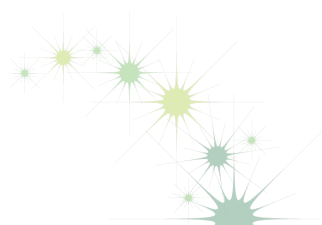
separate focus on economic structures and functions is more meaningful. It may seem a cliché that business is done in pubs, social clubs and kitchen tables, but it is a reality. LEADER-type programmes and CLLD in general will be far more successful in future if it reflects these realities.

In order to refine this vision, the LAG is encouraged to consider this question specifically, both in the immediate response to Covid and in the long term. There will be a number of questions to consider in this, and the Regional Investment Framework has helpful questions to help shape that consideration. The consultation document is pan-Wales, so should be considered as applying to rural areas in its entirety. At the same time, the adequacy of such an approach should be considered.

The Post-Covid considerations are discussed in Section 9 and a series of questions for LAG consideration are at the end of that section. These questions can also enable the LAG to discuss the sort of change it wishes to lead. There is unlikely to be a return to the status quo, a mechanism like LEADER can help communities to consider the sort of path it wishes to follow. One such issue is digital technology and its adoption.

The LAG has overseen a flexible approach to implementation and this will be even more important over the final stages of the programme. The fact that OPLAG has a reasonable amount of funding to meet these new challenges is helpful, as this will enable the LAG to focus the available funds on areas where the workshops demonstrate there is a strategic need.

The economy of rural Wales has suffered from well-established trend that sees those with more developed skills tending to move away. The challenge of technology is to see the opportunity it presents for rural communities to take these opportunities into their own hands and reverse this trend. Bringing together good infrastructure with the great quality of life that is on offer in rural Wales should be a winning combination, but there are many barriers to overcome, from the local infrastructure and its adoption, to the willingness of communities to promote their own positive qualities for fear of the changes that might promote in terms of potential for in-migration.

Finally, the type of vehicle that the LAG favour in supporting local/rural development is also a factor under consideration and the LAG will need a view.
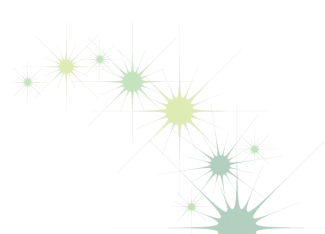
Appendix – Formative Questions

1. Are the performance monitoring processes effective, in his view
   a. Supplementary – explore reflections on performance data, i.e., outputs, spend, projects supported etc..
   b. What are the challenges in collecting, storing and reporting on the performance monitoring data

2. Communication –
   a. Is communication generally as good as it could be; in particular to:
      1. the LAG and by the LAG
      2. potential beneficiaries
      3. stakeholders generally
      4. the wider public of Powys
   b. What could have been done differently
   c. What can be done differently for the remainder of the programme

3. Does the Delivery Team work economically, efficiently and effectively
   a. Share results from self-assessment. High scores for mutual trust, lower for opportunities for review and refinement. Sarah, do you have access to the internal vs external scores – I think you said you had this on the original forms.
   b. Supplementary – explore views on structure, governance (roles and responsibilities)
   c. Does the LAG understand its role
   d. Does it have the tools and information to carry out that role
   e. What could have been done differently
   f. What can be done differently for the remainder of the programme

4. Use of resources
   a. Have LEADER resources been focused on the things that would make the most difference (given the constraints the programme operates within.). Strategically, are there other potential investments that would have made more difference.

5. What challenges exist and what improvements would he make
   a. What one thing would she most like to change