

# Land Use Policy Group

*The GB statutory  
conservation, countryside  
and environment agencies*

## The Environmental Contribution of Leader+ in the UK

Final Report, April 2006



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# Executive Summary

## Introduction

This study on Leader's environmental contribution in the UK was carried out by IEEP and CCRU for the Land Use Policy Group (LUPG).

Leader is an EU-co-financed Community Initiative (CI) to stimulate bottom-up development in rural areas of the European Union through the development of innovative projects under the guidance of a Local Action Group (LAG). It is an approach that has specific characteristics, developed originally from models of rural development pursued in the context of international development work during the 1970s and 80s (see section 3 of the main report). Leader+, the third phase of this initiative, runs from 2000 – 2006. In September 2005, a new European Agricultural Fund for Rural Development (EAFRD) was approved; rural development programmes will operate under this regulation for the 2007 – 2013 period. Leader constitutes the fourth Axis of the new EAFRD and should be used to contribute to the priorities of the first three Axes (i.e. improving competitiveness, the environment and countryside, and the quality of rural life and diversifying the rural economy) as well as encouraging bottom-up rural development and improved governance. In this respect, Leader is being mainstreamed into a broader rural development programme. Some 5% of total EU EAFRD funds will be allocated to the Leader axis – a small proportion but substantially more than under the current 2000-2006 programming period. Therefore, there may be greater potential to use the Leader approach in future to deliver positive environmental outcomes, alongside social and economic ones. The aim of this study was to evaluate past Leader+ experience and use the findings to report on the future implications of using the Leader approach.

## Project Methodology

The project team selected a range of Local Action Groups (LAGs) and Leader+ projects in each of the four UK countries for further evaluation. The team sought to give broad geographic coverage and to choose a broadly representative sample of the most environmentally focused ones. In total, 11 LAGs and 27 projects were examined. The team used a combination of literature review, telephone interviews and a stakeholder workshop.

Sections 4 – 7 of the main report present the evaluation results for each of the four UK countries. Section 8 presents the conclusions and recommendations; these are summarised here.

## Findings and Recommendations

### Country Programmes (see Section 8.1)

#### *Strategic priorities*

At country level, the overall framework for, and the strategic direction of, Leader+ are set out in Single Programming Documents (SPDs). The four UK countries differ in the priority given to the environment/sustainable development in their SPDs. England, Scotland and Wales all identify the environment as a priority. All three of these SPDs however are weaker in terms of identifying environmental threats that Leader might address and in setting out specific environmental objectives for Leader action. The SPD for Northern Ireland is the weakest of all four documents with the environment given much less priority than socio-economic development.

### **Recommendations**

1. For Leader to maximise its potential, there should be a strong and clear sense of the environment as a priority for Leader action, alongside other priorities e.g. meeting socio-economic objectives or roles that Leader might fulfil e.g. encouraging partnership working and capacity building
2. Objectives for Leader should be SMART – Specific, Measurable, Achievable, Relevant and Timebound – and relate to each of the strategic issues and priorities established in the SPD.

### ***Strategic guidance***

The English, Scottish and Welsh SPDs give broad examples of how Leader+ might be used to benefit the environment. The lists are by no means exhaustive but they do present some interesting suggestions that might stimulate ideas for environmental activity at the level of the LAGs and project applicants. In Northern Ireland examples do not appear in the SPD but in the Programme Complement. Unfortunately, this document was not produced until May 2005, almost four and a half years into the seven year programming period and arguably too late to have influence.

### **Recommendations**

3. Future programming documents (or related documents) should set out interesting and innovative examples for how the Leader approach can be used to benefit the environment, as well as contributing to social and economic development.
4. National administrations (or the UK Leader+ network) should develop best practice guidance on Leader for LAGs and project applicants, illustrating how to deliver a range of objectives and identify types of activities where the use of other funding streams might be more appropriate.

### ***Selection of LAGs/geographic targeting***

There is a fairly strong coincidence between the operational area covered by the LAGs selected to implement national Leader programmes and areas of environmental importance such as national parks, Areas of Outstanding Natural Beauty, National Scenic Areas, Natura 2000 sites. Other issues also appear to have influenced the selection of LAGs e.g. the Foot and Mouth Disease outbreak in 2001 appears to have driven the selection of some LAGs in England and Wales. In future, there should be some degree of targeting of Leader funding (through LAGs and local development strategies) to those areas where it can deliver greatest environmental benefit.

### **Recommendations**

5. National administrations, should approve future LAGs and allocate funding, in areas where Leader can deliver greatest environmental benefit (based on full analysis of the environmental situation and identification of environmental priorities).

### ***Monitoring and evaluation***

Arrangements for monitoring and evaluation were widely criticised by those interviewed at LAG and project level. The process is often little more than a number crunching exercise and the results convey little about the real outputs and outcomes of Leader projects. A balance needs to be struck between, on the one hand, developing a more rigorous and meaningful monitoring and evaluation process, and on the other hand, creating an overly time consuming and bureaucratic process.

### **Recommendations**

6. National administrations should develop better monitoring and evaluation processes (within the framework set down by the European Commission) and provide guidance



to LAGs (and future delivery bodies) on how best to monitor and evaluate Leader progress.

7. Greater emphasis should be given in the new programming period to measuring the real ‘impacts’ and ‘outcomes’ of Leader (both quantitative and qualitative) rather than ‘outputs’ e.g. numbers of projects funded.
8. Adequate baseline information on the state of the environment and environmental priorities must be a prerequisite for the granting of Leader funding to an area. Without this, it is very difficult to judge if Leader is making any difference.
9. The relationship between national administrations, monitoring committees and those delivering Leader should be reviewed and strengthened with a regular cycle of meetings and clear communication channels. National administrations should take the lead and provide sufficient resources to ensure this happens.

### **Local Action Groups (see section 8.2)**

#### ***Environmental priorities in LAG Business Plans***

The extent to which the environment is explicitly mentioned in LAG Business Plans is variable. Most Plans evaluated give some weight to the environment but socio-economic issues are sometimes given greater weight. There are examples of the environmental rhetoric being strong in some plans but then few clear environmental objectives or targets and projects not matching this rhetoric.

#### **Recommendations**

10. The environmental strengths, weaknesses, opportunities and threats of LAG areas should be clearly expressed in business plans.
11. The environment should be a consistent ‘thread’ throughout a plan from the Leader themes selected, the strategic priorities chosen through to the setting of clear and SMART objectives and targets.
12. The synergy the LAG hopes to achieve between economic, social and environmental objectives should be clearly expressed.

#### ***Proportion of environmental projects***

The extent to which projects selected/funded reflect environmental priorities is variable. Given the vast number of Leader projects funded so far, and recognising that only a small fraction were evaluated in any detail by this study, it has been difficult to get a sense of how much of all Leader activity is focused on the environment. Of the long list of projects we initially identified for this study it is possible that some had ‘hidden’ environmental aspects that were not easily discernable from the information available on LAG websites. It is our feeling however, based on all the evaluation work, that Leader could be used to good effect in funding more projects that benefit the environment, where these projects also involve beneficial social and economic outcomes.

#### **Recommendations**

13. Greater emphasis should be given to environmental sustainability in all projects funded, but particularly where the environment is expressed as a strength and high priority in the Business Plan.
14. LAG Managers, the agencies and environmental bodies should encourage environmental projects to come forward and help build capacity within local communities to undertake such projects.

#### ***Meeting environmental targets***

There are no hard targets that relate directly to key environmental priorities; most targets used to evaluate Leader+ programmes are focussed on measuring processes and outputs. These targets most frequently relate to the socio-economic aspects of projects. For example, the

focus of indicators is generally people (e.g. no. of people who have attended training events) or economic (e.g. no. of jobs created). There is a case for such socio-economic indicators being supplemented with more specific indicators for the environment.

### **Recommendations**

15. Country administrations should organise a 1 day stakeholder workshop on monitoring and evaluation (including target setting) to consider potential improvements to future arrangements
16. Where projects do not directly embrace environmental concerns, there should still be an obligation to consider and manage environmental outcomes through the use of business-related Environmental Management Systems.

### ***LAG staff***

Very few LAG staff appear to have an environmental background or formal training in the subject although some staff did express environmental interests. Most staff appear to have economic or community development expertise. Given that LAG staff play an important role in project development and giving advice to potential applicants, it appears that, in future, staff should have environmental training.

### **Recommendations**

17. LAG staff should be provided with appropriate and on-going environmental training and support.
18. Where feasible, employing and developing staff with an environmental specialism would be beneficial.

### ***Environmental representation at LAG level***

There are variable levels of environmental representation on the LAGs examined by this project. The majority of LAG members represent socio-economic interests. Environmental representatives can play an important role in ensuring good environmental projects come forward and that all projects have regard to environmental sustainability. They can also help other LAG members to gain a better understanding of environmental issues.

### **Recommendations**

19. LAGs that identify environmental needs must have adequate environmental representation. If this representation is not forthcoming from local voluntary bodies, expertise could be sought from public agencies.
20. LAGs should consult all local bodies at the Development Plan stage in order to comprehensively review the social, economic and environmental needs of the area as voiced by the local community. Those that bring in relevant views should be encouraged to join the LAG partnership.
21. LAG staff should be more proactive in seeking to engage experts outside the LAG Board in developing and assessing projects. Greater use could be made of facilitators/experts.

### ***Previous experience with Leader***

Previous experience with Leader does not appear to be a prerequisite for staff who will administer Leader in future but can be helpful.

### **Recommendation**

22. Future LAGs should seek, where possible, to employ staff with previous Leader or other rural development fund experience to aid retention of knowledge and skills.

### ***Project appraisal***

The assessment of the potential environmental impact a project may have is variable, even for LAGs where the environment is a strong guiding theme of work. There is evidence of inadequate procedural issues when projects are assessed e.g. with sustainability checklists and scoresheets.

### **Recommendations**

23. National administrations need to provide more guidance on appropriate project appraisal. Comprehensive sustainability checklists and scoresheets should be developed and applied to all projects.
24. The social, economic and environmental dimensions of proposed projects should be assessed separately initially, before examining the links between all three strands.

### **Projects (see Section 8.3)**

#### ***Impacts on environmental sustainability***

A number of projects examined appear to have had reasonably positive environmental impacts, albeit at the very local micro-scale. Benefits have been provided through a range of delivery mechanisms such as: advisory service to farmers landowners; an ‘environmental facilitator’ who sets out to engage with the local community and all relevant stakeholders; small delegated grant schemes; one off pilot projects and those projects that focus on behavioural change and community involvement.

### **Recommendation**

25. In order to achieve environmental sustainability, the following best practices are recommended:
  - Produce a well-written and thorough project business plan that adequately accounts for all the local environmental issues that matter locally.
  - Ensure those appraising projects have a sound understanding of environmental issues in the local area.
  - Have a realistic sense of what is achievable locally. Some project applicants appear to have oversold themselves in terms of project outputs at the project application stage.
  - Assess all economic or socially focused projects for their likely environmental impact. As a minimum ensure projects will not damage the environment and, wherever possible, encourage projects to seek win-win solutions that deliver environmental benefits.
  - Adopt realistic timescales so that projects receive funding long enough to have an impact.
  - Set clear environmental objectives for the project that aim to make positive contributions to regionally/nationally important habitats/species at the local level.
  - Ensure there is a project steering group made up of appropriate local actors who are dedicated to the goals of the project and can advise and influence the evolution of the project as necessary.

#### ***Impacts on socio-cultural sustainability***

Many of the projects examined appear to have had clear positive impacts on social capital and on knowledge and understanding of the environment.

### **Recommendation**

26. In order to achieve socio-cultural sustainability, the following best practices are recommended:

- Ensure there is a clear need in the local area for the project, so there is ‘guaranteed’ interest from the relevant local people when the project starts.
- Engage a key person, funded through the project, who has the time and energy to dedicate themselves to engaging with the local community.
- Facilitate the sharing of experience where this can be used as a way to bond the community (e.g. Cumbria Hill Sheep Initiative following FMD).
- Aim the project at the right level e.g. basic conservation volunteering for local people who might not have much environmental knowledge or a project officer with detailed agri-environmental scheme knowledge in areas where farmers are interested in this.
- Promote projects in a lively and inspiring way e.g. through mailshots, local advertising, press releases, newsletters etc.

### ***Economic sustainability***

There has probably been less success in this category, at least in relation to the projects evaluated by this study. Whilst there have been minor positive impacts in employment (mainly in helping to retain jobs or and to create jobs directly relating to the project), most of the projects examined did not have explicitly economic goals.

### **Recommendations**

27. Projects should bring people with the right skills set together. For example, the development of markets and branding requires quite different skills to those needed for sustainable land management.
28. The development of producer networks both within the LAG, across LAGs and with groups outside of LAGs is important for giving local producers the security they need to focus on particular activities e.g. breeding of traditional breeds for slaughter. However, to be successful, these networks must ultimately connect to networks of consumption.
29. Projects developing access to, and interpretation of, natural heritage sites should, where feasible, be expanded to make more explicit links with the tourism sector to help generate economic benefits for local communities
30. The stock of human capital seems to be improved most amongst those who are active land managers rather than those who interact with the environment on a more casual, voluntary basis. The training and mentoring of farmers, landowners and woodland owners is therefore paramount for traditional skills not to be lost and for sustainable land management practices to be mainstreamed in LAG areas.
31. Local products need to be founded on the principle of sustainable land management as well as the cultural character of the area from which they are produced. These social and environmental links need to be made for primarily economic products to be successful.

### ***Partnership working and other priorities***

There is little evidence of integrative inter-agency action, but a number of projects have helped to embed sustainability in local action. There are also some good examples of the viral effect in terms of the project stimulating further interest. Networking and project promotion, and in some cases, a genuinely innovative project, could be seen to be important factors in this respect. There is limited evidence that Leader+ projects are changing wider public perceptions of the environment as a source of wellbeing.

### **Recommendations**

32. Public agencies should take a stronger lead in encouraging and instigating inter-agency action, using Leader as a potential tool to achieve this. Leader project officers should also seek to engage public agencies in projects at strategic points in a project’s development, or through a project steering group
33. To improve public perceptions of the environment as a source of wellbeing, projects should be publicised well locally and project officers need to engage with the local

- community, for example by giving talks or hosting visits to school groups or local voluntary organisations.
34. Embedding sustainability in local action takes time and projects need a long enough gestation period to buy in the support and interest of the local community.
  35. LAGs should look to roll out best practice identified by a project to other areas of the LAG.
  36. LAGs should produce best practice guidelines for project officers detailing the successes and failures of projects so that others can benefit from lessons learned.

### ***General Government priorities***

In the projects studied, the weakest set of impacts were in regard to general government priorities. There is some evidence of positive impacts on social inclusion (particularly Green Gym and some access projects), but there is little evidence of positive outcomes for productivity or employment. It may well be that other Leader projects which have much stronger socio-economic objectives are more likely to have impacts in relation to these priorities.

### ***Integrated projects***

Hardly any of the Leader projects evaluated by this study appear to be very genuinely integrated projects that seek to deliver across a range of economic, social and environmental objectives. In the projects studied, environmental projects appear to be particularly weak in generating positive economic benefits although a number of projects could potentially deliver some benefits in the longer term e.g. projects seeking to develop local brands or where linked to tourism opportunities. However, there is evidence from other work that Leader+ natural heritage projects do deliver socio-economic benefits. Links between environmental and socio-cultural sustainability were much stronger in a number of the projects examined, demonstrating benefits both for the environment and for local communities.

### **Recommendations**

37. Greater emphasis should be given in future to developing, selecting and funding Leader projects that offer an integrated and sustainable approach to rural development.
38. Bodies responsible for the future delivery of the Leader approach should ensure that there is continued emphasis on partnership and inter-agency working.

### **Embedding the Leader approach in future rural development programmes**

In September 2005, the European Council adopted a new regulation for a European Agricultural Fund for Rural Development (EAFRD), the so-called 'new Rural Development Regulation'. Leader constitutes the fourth Axis of the new EAFRD and can be used to contribute to the priorities of the first three Axes (i.e. improving competitiveness, the environment and countryside, and the quality of rural life and diversifying the rural economy) as well as encouraging bottom-up rural development and improved governance. Some 5 per cent of total EU EAFRD funds will be allocated to the Leader Axis – a small proportion but substantially more than under the current 2000-2006 programming period.

This study suggests there is much to be gained from embedding the Leader approach in future rural development programmes, using it to enhance the delivery and/or effectiveness of other Axis 1, 2 and 3 measures and facilitating cross-Axes projects. We feel Leader has particular value as an approach to bring individuals, organisations and communities together to work in concert to achieve collectively agreed objectives and targets. Examples of areas where the Leader approach might be employed in future are as follows:

#### ***Axis 1***

- To facilitate groups of farmers, foresters and others to work collectively on marketing and processing initiatives for food and forest products.

- Piloting innovative approaches to training and advice for farmers and foresters.

### *Axis 2*

- Encouraging farmers, foresters and other land managers to work collectively to achieve environmental benefits at scales larger than individual holdings/forests etc e.g. at landscape, catchment, natural area scale.
- Transnational projects focused on Natura 2000 habitats and species that seek to improve understanding of the management of such habitats and species by learning from experiences in different countries.
- Demonstration projects or other mechanisms to improve the knowledge and understanding of land managers.

### *Axis 3*

- Supporting community groups to record and document the natural and cultural heritage of their area and promote this both to improve wider appreciation and understanding of the environment and encourage economic activity such as tourism.
- To facilitate community and stakeholder engagement in the drawing up of management plans for Natura 2000 sites and other sites of environmental importance.

While these suggestions relate to applying the Leader approach within individual Axes, we consider there is potential to use the Leader approach to facilitate integration across the Axes and help co-ordinate and facilitate cross-Axes projects. For example, Leader could be used as a mechanism to help build and co-ordinate relationships between different stakeholders such as land managers, experts in processing and marketing, local businesses, local communities, tourism specialists etc in rural areas to achieve a range of economic, environmental and social objectives funded by Axis 1, 2 and 3 measures respectively. In other words, Axes 1, 2 and 3 would provide the main funding for activities such as adding value to products, land management, the preparation of management plans, while Leader could provide the ‘glue’ to help stick them together in a meaningful way. In both ways – within and across Axes – the Leader approach would not be replicating what could be achieved through other measures but would genuinely be offering additionality.

### **Recommendations**

39. The Leader approach should be used to facilitate the delivery of integrated projects – projects that achieve economic, social and environmental benefits – funded by Axis 1, 2 and 3 measures.

Future arrangements for the use of Leader by the UK devolved administrations are not yet entirely clear. However, this study highlights the need for an integrated approach to delivery. Splitting delivery of the 3 Axes and Leader between different delivery bodies (as proposed in England) inevitably raises some concerns as to whether an integrated approach to rural development can be achieved effectively in future. There is a danger that environmental sustainability will not be given sufficient priority, as in previous programming periods and as highlighted by this research. There would appear to be a strong case for a formal memorandum of understanding between delivery bodies as to how economic, social and environmental objectives will be achieved in an integrated way by each Axis (and Leader) and across Axes. There is also clearly a need to strengthen the Department of Environment’s (Northern Ireland) influence over Leader in future given the limited environmental use of Leader in Northern Ireland in the past.

## **Recommendations**

40. A formal Memorandum of Understanding should be developed to define the roles and responsibilities of bodies charged with the delivery of rural development programmes. Equally, it is important that environmental bodies play an active role in the range of Leader institutions, rather than a 'sleeping presence' role.

## Acronyms

AONB.....	Area of Outstanding Natural Beauty
BAP .....	Biodiversity Action Plan
CI.....	Community Initiative
CCW.....	Countryside Council for Wales
DARDNI .....	Department of Agriculture and Rural Development Northern Ireland
DEFRA.....	Department for the Environment, Food and Rural Affairs
EAFRD.....	European Agricultural Fund for Rural Development
EAGGF.....	European Agricultural Guarantee and Guidance Fund
ERDF.....	European Regional Development Fund
ESF .....	European Social Fund
EU.....	European Union
FLAG .....	Fermanagh Local Action Group
FMD .....	Foot and Mouth Disease
FWAG .....	Farming and Wildlife Advisory Group
ICT .....	Information and Communication Technology
LAG.....	Local Action Group
LBAP.....	Local Biodiversity Action Plan
LEADER.....	Liaisons Entre Actions de Developpement de l'Economie Rurale (linkages between actions for rural economic development)
LUPG .....	Land Use Policy Group
MTE .....	Mid Term Evaluation
PMC .....	Programme Monitoring Committee
RAMSAR.....	Ramsar Convention on Wetlands
RDP .....	Rural Development Programme
RPMC.....	Regional Programme Monitoring Committee
SEPA .....	Scottish Environment Protection Agency
SNH.....	Scottish Natural Heritage
SSSI.....	Site of Special Scientific Interest
SWOT.....	Strengths, Weaknesses, Opportunities and Threats
WEFO.....	Welsh European Funding Office
WHELK.....	Argyll, The Islands and Lochaber LAG



# 1. Introduction

In September 2005, the Land Use Policy Group (LUPG) of the GB statutory conservation, countryside and environment agencies<sup>1</sup> contracted the Institute for European Environmental Policy (IEEP) and the Countryside and Community Research Unit (CCRU) to undertake a study on 'Leader's Environmental Contribution in the UK'. This report presents the findings of that study.

The overall aim of this research was to help the UK countryside and environment agencies decide the priority they should give to the Leader approach in the future, and to ensure the Leader approach achieves the best environmental outcomes. In August 2005, the LUPG produced a paper entitled '*Making the most of the Leader approach to deliver environmental priorities in European and UK rural development programmes*'. That paper noted that 'more research is needed into Leader's scope to deliver environmental outcomes'. This study set out to determine Leader's potential in relation to the environment based on past experience of Leader+ implementation in the UK.

The specific objectives for this research were:

1. To identify the range and level of environmental outputs typical of Leader in the UK, and the associated social and economic outputs
2. To identify and describe some of the best examples of environmental projects
3. To describe some of the best examples of integrated projects, combining social, economic, and environmental outputs
4. To make recommendations for maximising the environmental role of the Leader approach in UK programmes 2007-2013

Leader is an EU co-financed Community Initiative (CI) to stimulate bottom-up development in rural areas of the European Union through the development of innovative projects under the guidance of a Local Action Group (LAG). Leader+ follows on from two previous rounds of support for rural areas under Leader I and Leader II. Funding is entirely from the European Agricultural Guarantee and Guidance Fund (EAGGF), Guidance section. The guidance section funding is not restricted to agriculture projects: it can also be used to fund the type of projects that might otherwise be supported by the European Regional Development Fund (ERDF) and the European Social Fund (ESF). Match funding can be provided from other sources such as local authorities or the private sector.

Leader+ differs in two important respects from its predecessors. First, Leader+ is not geographically constrained into so-called EU 'Objective regions', where higher levels of social and economic disadvantage prevailed, but is potentially available for all rural areas. Second, LAGs are expected to give a particular emphasis to their actions based on the selection of one or more of four themes:

- Enhancing the competitiveness of rural businesses (Theme 1)
- Adding value to local products (Theme 2)
- Making best use of cultural and natural heritage (Theme 3)
- Improving the quality of life (Theme 4)

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<sup>1</sup> The GB statutory conservation, countryside and environment agencies comprise the Countryside Agency, Countryside Council for Wales, English Nature, Environment Agency, Joint Nature Conservation Committee, Rural Development Service and Scottish Natural Heritage.

Actions can take the form of local projects, co-operative projects between LAGs within the UK and international networking. Some 75% of the money is allocated to projects under one of the four themes, and 21.5% to co-operation and networking, with the emphasis on UK co-operation rather than international networking, with the residue to be used for Technical Assistance.

In July 2004, the European Commission published proposals for a European Agricultural Fund for Rural Development (EAFRD), the so-called 'new Rural Development Regulation'. The resulting draft regulation was the subject of political agreement in the Agricultural Council in June 2005 and was formally adopted in September 2005. At the time of writing, draft Implementing Regulations were under discussion and yet to be agreed. European Strategic Guidelines on rural development have also been published. The EAFRD Regulation requires Member States to prepare national strategies in line with the EU Strategy and then rural development plans for the period 2007-2013. Both national strategies and plans will need to be approved by the European Commission and, together, will determine the actions Member States take in relation to rural development. In the UK, there will be four country strategies (combined into an overall UK strategy) and four separate RDPs for England, Scotland, Wales and Northern Ireland. The overall budget for the EAFRD and the amounts allocated to individual Member States (and, subsequently, regions) will also determine what can be achieved through the Regulation. The final budget for the EAFRD was agreed by Heads of State in December 2005, subject to European Parliament approval.

Leader constitutes the fourth Axis of the new EAFRD Regulation and should be used to contribute to the priorities of the first three Axes (i.e. improving competitiveness, the environment and countryside, and the quality of rural life and diversifying the rural economy), as well as encouraging bottom-up rural development and improved governance. Some 5% of total EU EAFRD funds will be allocated to the Leader axis – a small proportion but substantially more than under the current 2000-2006 programming period. Therefore, there may be greater potential to use Leader in future to deliver positive environmental outcomes, alongside social and economic outcomes.

## 2 Methodology

The study followed six distinct methodological stages, as follows:

- Stage 1 - Examination of Leader+ National Programming Documents
- Stage 2 - Local Action Group and Project Selection
- Stage 3 - Local Action Group and Project Appraisals
- Stage 4 - Analysis of the EAFRD Regulation
- Stage 5 - Stakeholder Seminar
- Stage 6 - Consideration of Conclusions and Recommendations

The methodology was developed to be sensitive to the different arrangements for Leader in the four different UK administrations (i.e. in England (Defra), Scotland (Scottish Executive), Wales (WEFO) and Northern Ireland (Department of Agriculture and Rural Development)).

### **Stage One: Examination of Leader+ National Programming Documents**

A number of documents were examined to see how well environmental considerations are integrated into Leader+ at the national, strategic level. The Single Programming Document, the Mid-Term Evaluation, Programme Complements, Annual Implementation reports and the reports of Leader+ National Selection Panels, were obtained, where available, for each country.

Each national Programme was assessed according to the following:

- The emphasis given to the environment and sustainable development
- The use of examples of how Leader+ might be used to benefit the environment
- The inclusion of strategic targets for the environment
- The arrangements for monitoring and evaluation
- The extent of Leader+ funding
- The way in which LAGs were selected
- The overall administrative and operational arrangements of LAGs

It should be noted that as a result of this analysis it was evident that the environment was a concern of the national Leader+ programmes for England, Wales and Scotland. This was not the case for Northern Ireland.

### **Stage Two: LAG and Project Selection**

The aim of the study was to select and analyse:

- 12 Leader programmes, chosen from a good geographical spread of Leader groups across the UK and representative of the distribution of Leader across the countries
- A sample of up to 25 projects with specific environmental targets
- An additional sample of 4 projects with strongly integrated social, economic and environmental targets

A total of 882 projects in England, 657 projects in Scotland and 94 projects in Wales were scrutinised for their environmental remit<sup>2</sup>. It was evident at this stage that some LAGs funded

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<sup>2</sup> Please note that it was not possible to obtain project descriptions for the Lancashire, North Pennines and Salisbury Plain LAGs in time for the selection deadline, despite some communication with the LAG managers concerned.

no projects with environmental goals, but that most did to varying levels<sup>3</sup>. Environmental projects were not a strong focus of the Northern Ireland Programme.

In order to be as representative as possible of the distribution of LAGs, and the type of environmental concerns being addressed, five LAG programmes and 14 projects were shortlisted in England, three LAG programmes and eight projects in Scotland and two LAG programmes and five projects in Wales. Due to the lack of environmental focus of the Northern Ireland Leader programme, one LAG was selected for analysis. Figure 2<sup>4</sup> shows the LAGs and projects chosen for evaluation, and Figure 3 shows the distribution of these LAGs across the UK. Figure 4 lists the selected projects and indicates whether the projects stated objectives are environmental, economic or social (or a combination thereof).

### Stage 3: Local Action Group and Project Appraisals

The appraisal of Local Action Groups and projects involved accumulating relevant documentation, where available, and conducting in-depth semi-structured telephone interviews with key individuals, as summarised in Figure 1.

Sources	Local Action Group	Projects
Documentation	Development Plan Action Plan Business Plan Project Appraisal Form	Project Application Business Plan Monitoring Report Final Project Report
Interviews	Interview with Programme Manager <sup>5</sup>	Interview with Project Officer

**Figure 1: List of Data Sources for LAG and Project Appraisals**

The methodology used to appraise projects was based not only on environmental sustainability, but also the socio-cultural and economic dimensions of sustainability. The partnership related aspect of Leader was also examined, as were the impacts of Leader in terms of some general government priorities. These elements were assessed qualitatively in order to observe whether individual projects produced any positive or negative impacts. Given the geographical targeting of Leader, these impacts were considered at the local micro-scale. Annex 4 shows the questions considered for the LAG evaluations. The project evaluation matrix and a full description of the range of impacts examined are available in Annex 5.

<sup>3</sup> In order to form the initial shortlist, each project was assessed in terms of environmental priorities (climate change, soil, air, water, sustainable development, biodiversity, landscape, access and recreation); geographic location (upland, lowland, inland and coastal), the method used to deliver the project (e.g. demonstration projects, advisory service, training, land management, marketing initiatives and delegated grant schemes) and whether the project was integrated with social and/or economic goals.

<sup>4</sup> Please note that the Tweed Community Catchment Plan project features in two different Local Actions Groups, one in Scotland and the other in England. This is because it is a cross-border project that focuses on catchment management planning. The project is reported on in the Scotland section.

<sup>5</sup> Please note it was not possible to conduct an interview with the Programme Manager for Wealden and Rother in the time frame of this project, and the findings presented for this LAG are based on paper sources.

**Stage 4: Analysis of EAFRD**

The European Agriculture Fund for Rural Development (EAFRD) Regulation<sup>6</sup> outlines a new role for Leader in the context of integrated rural development for the period 2007-2013, when compared with the preceding rural development Regulation<sup>7</sup>. The Regulation was analysed to determine future arrangements for Leader and how the Leader approach might be applied to achieve environmental objectives.

**Stage 5: Stakeholder Seminar**

The initial findings of the project were presented at a stakeholder seminar held in London in December 2005. The seminar brought together Leader+ practitioners from national administrations, Local Action Groups and statutory environmental agencies, and featured participants from across the UK. Two workshop sessions drew on the experience of these individuals. Further details of the seminar can be found in Annex 6 and Annex 7.

**Stage 6: Development of Conclusions and Recommendations**

A brainstorming session was held to draw out the main conclusions for each country and to compare the environmental impact of Leader+ across the four UK countries. From this overall comparative analysis the key conclusions of the project emerged. These were considered in the context of the EAFRD Regulation in order to develop clear recommendations for obtaining the best results for the environment and for integrated rural development through future Leader programmes.

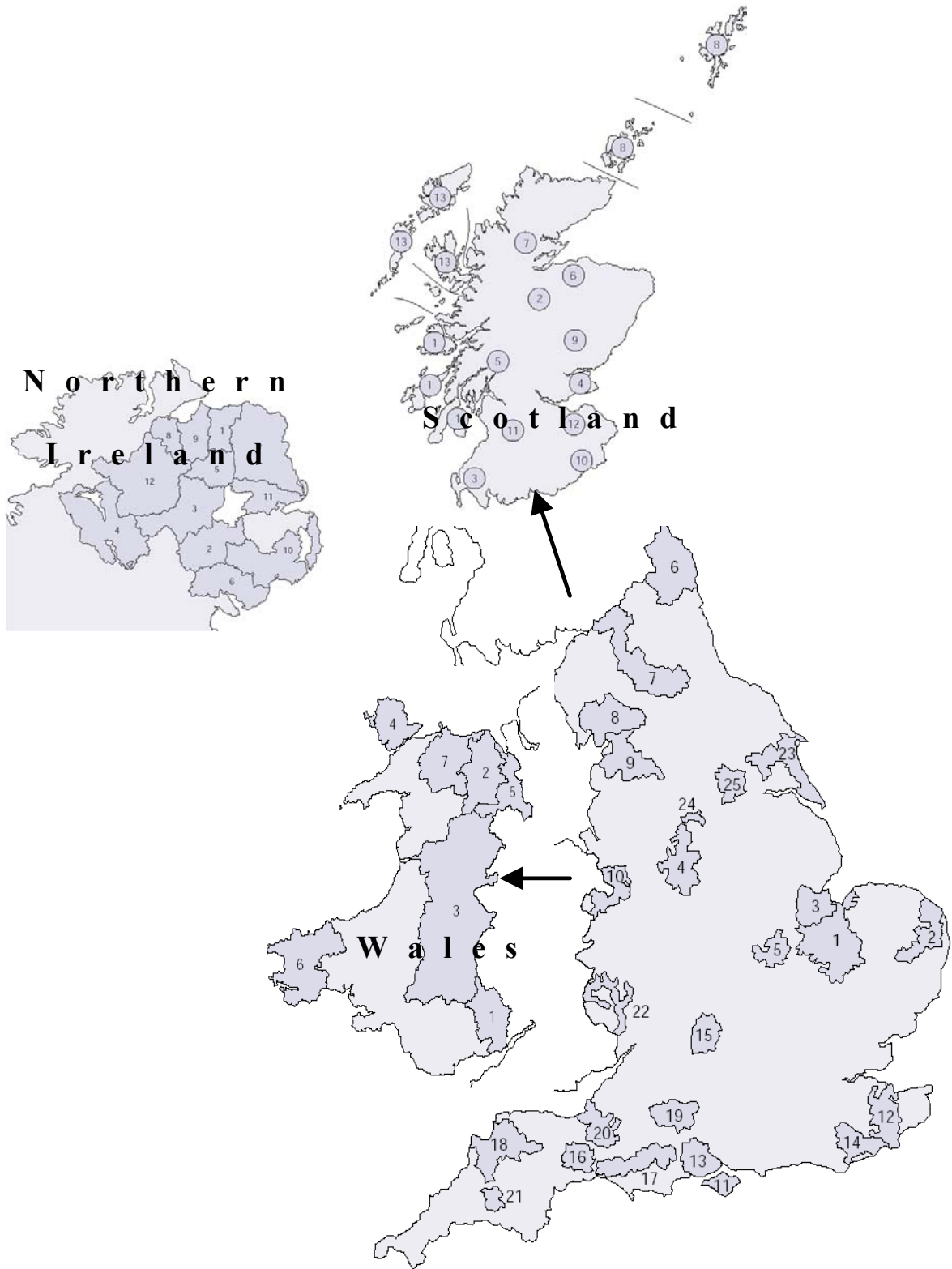
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<sup>6</sup> Council Regulation (EC) No 1698/2005, O.J. L277 21.10.2005

<sup>7</sup> Council Regulation (EC) No 1257/1999, O.J. L160 26.06.1999

Country	Local Action Groups	Projects
England	1. Wealden and Rother	1. Wealden and Rother Sustainable Farms 2. Green Gym 3. Weald Meadow Initiative
	2. Herefordshire Rivers	4. Lifescapes 5. Woolhope Dome
	3. New Forest	6. Forest Friendly Farming Advisor
	4. Cumbria Fells and Dales	7. Cumbrian Hill Sheep Initiative
	5. North Northumberland	8. Tweed Community Catchment Initiative 9. Area of Outstanding Natural Beauty Small Grants Scheme
		10. Green Life (Isle of Wight) 11. Farmland Birds (Isle of Wight) 12. Wessex Ridgeway (Dorset Chalk and Cheese) 13. Biodiversity Means Business (Northern Marches) 14. Energy from the Forest (Rockingham Forest)
Scotland	1. Argyll, The Islands and Lochaber	1. Woodland Grazing Field Trials
	2. Dumfries and Galloway	2. Working Towards Best Practice 3. Special Places Grant Scheme
	3. Cairngorms	4. Aboyne Community Woodlands
		5. Connecting with our Peatland Heritage (Lomond and Rural Stirling) 6. Tweed Catchment Management Plan Initiative (Scottish Borders)
Wales	1. Cadwyn Clwyd	1. The Clwydian Eco Farm 2. The Clwydian Farm Experience
	2. Glasu	3. Energy from Waste 4. Local Provenance Tree Nurseries in Powys
		5. Mona Bauhaus (Mentor Mon)
Northern Ireland	1. Fermanagh	1. Renewable Energy Programme

**Figure 2: LAGs and Projects Selected for Detailed Appraisal**



**Figure 3: Location of All UK Leader+ Local Action Groups**  
**(The key is overleaf)**  
 Source: UK Leader+ Network Website

### Key to Figure 3

LAGs highlighted in bold are those evaluated for this study.

#### England

- 1 Fenlands LeAP
- 2 Broads and Rivers
- 3 Lincolnshire Fenland
- 4 Peak, Dales & Moorland
- 5 Rockingham Forest
- 6 North Northumberland**
- 7 North Pennines
- 8 Cumbria Fells and Dales**
- 9 Lancashire
- 10 Northern Marches
- 11 Isle of White Rural Action Zone
- 12 Mid Kent
- 13 New Forest**
- 14 Wealden and Rother Rural Renewal**
- 15 West Oxfordshire Network
- 16 Blackdown Hills Rural Partnership
- 17 Dorset Chalk and Cheese
- 18 North West Devon
- 19 Salisbury
- 20 Somerset Levels and Moors
- 21 Teignbridge
- 22 Herefordshire Rivers**
- 23 East Riding of Yorkshire
- 24 Penistone and District Community Partnership
- 25 Selby District

- 6 Moray Action for Communities
- 7 North Highland Partnership
- 8 Northern Isles
- 9 Rural Tayside
- 10 Scottish Borders
- 11 South Lanarkshire
- 12 Tyne/Esk
- 13 Western Isles, Skye & Lochalsh

#### Northern Ireland

- 1 Coleraine Local Action Group for Enterprise Ltd
- 2 Craigavon & Armagh Rural Development
- 3 East Tyrone Rural
- 4 Fermanagh Local Action Group**
- 5 Magherafelt Area Partnership Ltd
- 6 Newry & Mourne Local Action Group
- 7 North Antrim
- 8 Rural Area Partnership in Derry
- 9 Roe Valley Rural Development
- 10 Rural Down Partnership
- 11 REAP South Antrim
- 12 West Tyrone Rural

#### Wales

- 1 Adventa
- 2 Cadwyn Clwyd**
- 3 Glasu**
- 4 Menter Mon
- 5 Northern Marches
- 6 PLANED
- 7 Rural Conwy

#### Scotland

- 1 Argyll, the islands and Lochaber**
- 2 Cairngorms**
- 3 Dumfries and Galloway**
- 4 East Fife
- 5 Lomond and Rural Stirling



**Figure 4: Selected Projects and Stated Objectives**

Project	Environmental							Economic	*Social
	CC	S	A	W	B	L	CH		
<b>England</b>									
Biodiversity Means Business					✓			✓	
Wessex Ridgeway					✓	✓	✓	✓	✓
Woolhope Dome					✓	✓		✓	✓
Herefordshire Lifescapes Project					✓	✓	✓		✓
Wealden and Rother Sustainable Farms					✓	✓		✓	
Green Gym					✓	✓			✓
Weald Meadow Initiative					✓			✓	✓
Forest Friendly Farming Advisor					✓	✓			✓
Green Life	✓			✓					✓
Farmland Birds					✓				✓
Energy from the Forest	✓							✓	✓
Northumberland Coast AONB Small Grant Scheme						✓	✓		✓
Cumbrian Hill Sheep Initiative (CHSI)					✓	✓	✓	✓	✓
<b>Wales</b>									
Clwydian Farm Experience and Growing Green Tourism						✓	✓	✓	✓
Clwydian Eco Farm*									
Energy from Waste	✓							✓	
Local Provenance Tree Nurseries					✓			✓	
Mona Bauhaus							✓	✓	
<b>Scotland</b>									
Aboyne Community Woodlands					✓	✓			✓
Special Places Grant Scheme					✓	✓		✓	✓
Working Towards Best Practice				✓	✓	✓			
Woodland Grazing Field Trials					✓				
Connecting Our Peatland Heritage					✓			✓	✓
Tweed Catchment Management Plan				✓	✓				✓

\*Clwydian Eco Farm focuses on farm waste issues

**Key: CC = Climate Change, S = Soil, A = Air, W = Water, B = Biodiversity, L = Landscapes, CH = Cultural Heritage. \*Social includes objectives for access and recreation as well as community involvement**

### 3 History of Leader in the EU and UK

Leader<sup>8</sup> stands for *Liaisons Entre Actions de Developpement de l'Economie Rurale*, or 'linkages between actions for rural economic development'. The use of the English word economy does not however adequately translate the French "economie", which implies a strong community dimension.

Leader aims at introducing and experimenting with a new approach to rural development. It is an approach that has specific characteristics, developed originally from models of rural development pursued in the context of international development work during the 1970s and 80s. Leader was first developed in Europe as a pilot initiative under the first period of cohesion funding, 1991-3. It was one of a suite of 'Community Initiatives' which acted alongside the main structural fund programmes for areas of relative economic disadvantage, across the European Community. Leader pursued a new, small-scale approach to rural development in lagging areas, in areas facing structural difficulties and in Nordic sparsely populated areas. It was designed to revitalise these areas and to complement the structural funds and national or regional development programmes. Leader's purpose is the **sustainable development** of rural areas, with emphasis on **innovative actions that may serve as a model** and be **transferred** (Leader II magazine vol.10, 1996).

#### History<sup>9</sup>

In 1988 the EC adopted an "integrated" economic and social cohesion policy combining the use of the "Structural Funds":

- the European Regional Development Fund (infrastructure and economic development).
- the European Social Fund (promoting active policies for exploiting human resources), and
- the European Agriculture Guidance and Guarantee Fund (the Guidance Section of which aimed at modernising farming, organising agricultural markets and promoting rural activities).

This policy was designed to reduce socio-economic disparities between Europe's regions. The policy experience of the 1980s, summarised in the Commission's 'Future of Rural Society' document published in 1988, highlighted the limitations that applied to the predominantly sectoral and top down policies and approaches to development that had hitherto been applied. The realisation that this model was not appropriate to all rural areas, and in particular fragile rural areas, led to the development of new policies and approaches that aimed to provide lasting solutions. The "area based" approach that emerged was based on involving local communities and adding value to local resources as a means of creating sustainable jobs and businesses in rural areas.

The process of experimentation was developed in part through the programme of Community Initiatives. These have three defining characteristics:

- they address issues of Community relevance (affecting the majority of Member States)
- they play an experimental role and focus on areas or issues where new solutions are needed

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<sup>8</sup> Originally capitalised, Leader is now spelt in sentence case in the EAFRD Regulation. For consistency, the lower case version is used throughout this report.

<sup>9</sup> The text in this section is mostly derived from Fraser Associates (2005).

- they involve exchanges of experience, transfers of know-how, co-operation and the creation of networks.

As rural development emerged as an issue of Community relevance requiring experimentation and the search for new and innovative solutions, this led directly to the launch in 1991 of a Community Initiative specifically devoted to rural development: Leader.

In the first period (1991-1993) Leader was organised as a call for projects directly from the European Commission, more specifically, as “project-territories”. 217 territories were approved as contractors to deliver Leader through local action groups. Within the UK, there were Leader (I) groups in Wales, Northern Ireland and Scotland. Following the success of this programme at the European level, Leader II was launched and ran alongside Objective 1 and 5b programmes in the second period of regional programming (1994-9). In the UK, Leader II operated through Local Action Groups (LAGs) which could be established within the Objective 1 and 5b eligible areas.

Leader II was designed to disseminate more widely the successful approaches developed under Leader I. It was characterised as a shift from initiation of the approach towards generalisation, extending the LAG partnership model from 217 Leader I areas to over 1,000 under Leader II. There was to be further evolution and development of the methodology building on and strengthening the area based approach, partnership and networking, stimulating greater innovation and co-operation as stronger features and disseminating or transferring this experience. This progression has continued through Leader+ with its horizontal application, pilot strategies and unifying themes.

Leader II was implemented through of a standard set of Measures:

- Measure A: the acquisition of skills (relating primarily to the development of the LAG and community capacity).
- Measure B: rural innovation programmes (a programme of sub-Measures each funded by individual Structural Funds through which the majority of project activity was delivered).
- Measure C: transnational co-operation (covering exchange of experience and project co-operation).
- Measure D: networking (this activity was slow to develop and the UK Leader II Network was only established in the latter part of the life of the programme).

Leader+, the third generation of the Programme builds upon the experience of the previous Leader and Leader II programmes, and it is intended to support integrated rural development strategies implemented by locally based action groups. The Programme runs from 2000 to 2006. Defra is responsible for administering funding of the programme from the Guidance Section of the European Agricultural Fund (EAGGF) in England and parallel roles are taken by the devolved administrations in Wales, Scotland and Northern Ireland. Leader+ complements other rural development measures under the England/Wales/Scotland and Northern Ireland Rural Development Programmes and Objective 1 Structural Fund programmes (for West Wales and the Valleys, Cornwall, Highlands and Islands and the Building Sustainable Prosperity programme in Northern Ireland), also including the special programme for peace and reconciliation PEACE II, in Northern Ireland.

### **3.1 Key characteristics of the Leader approach**

The specific features of Leader are those unique aspects that have characterised the initiative since its launch in 1991, and have contributed to its innovative character and success in very different types of rural areas.

1. The area-based approach
2. The bottom-up approach
3. The local action groups (LAG) - horizontal partnerships
4. The innovative character of actions
5. The linkage between actions, i.e., the integrated and multi- sectoral approach (in some versions of the Leader terminology, linkage and multi-sectoral working are two separate aspects)
6. Networking, including transnational cooperation
7. Simplified methods of management and financing (a ‘global grant’ or ‘operational programme’ for each LAG)

These 7 specific features can be considered as the core aspects of the Initiative, and are key to the apparent success of Leader as an instrument for small-scale rural development. Lukesch (2000) describes the essence of what became the “Leader approach” or the “Leader method as follows.

- **The area-based approach:** The local actors work on assets and resources which are unique to a specific area. A sense of belonging, the thickness and intensity of social relationships and convergent images of a common future in the living space prepare a seedbed in which new, experimental ways of development can be tried out and get roots. The self-determined choice of the territory according to cultural, social and economic coherence and dynamic identities is an important component of the area-based approach. The approach is combined with the idea of a strategic vision not only integrating but actively utilising divergent views and interests of local actors to pursue common goals. This strategy is laid down in a pluri-annual local action plan or business plan.
- **The bottom-up approach:** The strategy is based on an in-depth assessment of local needs, achieved by inviting local citizens, associations and stakeholders to actively participate in the planning, implementation and evaluation phases. The approach ensures that the initiative can reach out to parts of the territory which do not achieve support from mainstream programmes. If the involved actors share knowledge owned at local level, the programme becomes more concrete, meaningful and relevant.
- **The partnership approach:** The central pillar of the initiative is a local partnership taking the responsibility for the development of its area. The partners should represent the population and the range of interests of public bodies, private enterprises and civic associations. The partnership’s legal form may range from a charity to a corporate enterprise or an inter-municipal association. It is the beneficiary of the community initiative and should be able to manage funds responsibly according its own business plan. However, the degree of autonomy of local partnerships has varied among member states and regions.
- **The innovative approach:** It was the explicit aim of the Leader II initiative to give stimuli for innovative measures carried out by public and private actors in all sectors, to promulgate the resulting experience and to support LAGs in transferring, utilising and adopting this. Innovation in this sense should take account of the specific situation and needs of the area, emphasise uniqueness and diversity, and not serve as a pretext for adaptation to global technological standards.
- **Multi-sectoral integration:** The area-based approach and the local partnership result in an enhanced capability to bundle local strengths into value-added chains straddling different sectors of the economy, taking into account environmental preservation, encouraging cultural initiatives and involving support structures of governance, finance, education and social integration. Multi-sectoral integration happens at two levels: at the

level of individual projects; and in the strategy mobilising and structuring resource flows. Cross-cutting themes (such as water, a certain historical period, an emblematic product, etc.) can have this effect.

- **Networking:** The European network coordination unit started in Leader I was enlarged and endowed with additional tasks in Leader II. It eventually became the European Leader II Observatory, whose mission was to facilitate a European network of rural development, to foster transfer of innovation, exchange of experiences and skills, to make the initiative more visible to citizens and national authorities, and feed into future policy making. The EU Observatory collaborated with national networking units in most member states. Similar networks exist currently for Leader+ although the EU-level coordination has changed. Networking is also an attitude and management task for local partnerships, linking local actors to other partners to develop new marketing channels, bringing in knowledge and technology, or achieving critical thresholds for accessing specialised services such as research, design and promotion.
- **Trans-national cooperation:** This principle represented the genuine European dimension of rural development (besides networking). It started slowly, because the groups were much more concerned with the implementation of the development strategy at local level, but it gained momentum. Under Leader II around 250 trans-national cooperation projects were launched. Most remained in early stages of project building, exchange and knowledge transfer, while few of them resulted in genuinely trans-national enterprises.
- **Decentralised managing and financing:** the Leader regulations allowed for financing by either a global allowance or an operational programme. The former was applied only in a limited number of countries and regions in Leader II. Nevertheless, even if they did not have the last word on project selection and funding, local partnerships were effectively accountable for local development funding. This constituted, according to many interviewees from local to European level, the main innovation of the whole initiative.

## 4 Country Analysis – England

### Introduction

This chapter is made up of three sub-sections. The first section considers strategic programming as set out in the England Leader+ Programme 2000-2006. The following two sections focus on an analysis of the Local Action Groups and projects evaluated for this study. These are listed below. Annex 1 gives a short description of each of these projects.

LAGs	Projects
<b>Wealden and Rother</b>	<ul style="list-style-type: none"> <li>Wealden and Rother Sustainable Farms</li> <li>Green Gym</li> <li>Weald Meadow Initiative</li> </ul>
<b>Herefordshire Rivers</b>	<ul style="list-style-type: none"> <li>Lifescapes</li> <li>Woolhope Dome</li> </ul>
<b>New Forest</b>	<ul style="list-style-type: none"> <li>Forest Friendly Farming Advisor</li> </ul>
<b>Cumbria Fells and Dales</b>	<ul style="list-style-type: none"> <li>Cumbrian Hill Sheep Initiative</li> </ul>
<b>North Northumberland</b>	<ul style="list-style-type: none"> <li>Tweed Community Catchment Initiative</li> <li>Area of Outstanding Natural Beauty Small Grants Scheme</li> </ul>
Isle of Wight	<ul style="list-style-type: none"> <li>Green Life</li> <li>Farmland Birds</li> </ul>
Dorset Chalk and Cheese	<ul style="list-style-type: none"> <li>Wessex Ridgeway</li> </ul>
Northern Marches	<ul style="list-style-type: none"> <li>Biodiversity Means Business</li> </ul>
Rockingham Forest	<ul style="list-style-type: none"> <li>Energy from the Forest</li> </ul>

NB: Only LAGs in **bold** have been evaluated.

### 4.1 The England Leader+ Programme 2000-2006

In order to assess how well Local Action Groups act in relation to environmental concerns, it is first important to consider how the environment and sustainable development are addressed at the national strategic level. A number of key documents have been examined, including the England Leader+ Programme 2000-2006<sup>10</sup>, the Mid Term Evaluation<sup>11</sup>, which was conducted in 2003, and the Update to the Mid Term Evaluation<sup>12</sup>, published in 2005.

The total eligible expenditure for the England Leader+ programme is 119m Euro, with EU and national contributions amounting to 54.276m Euro each, alongside private contributions of 10.61m Euro. The Programme is delivered through three main actions, where Action 1 is the development and implementation of integrated, pilot rural development strategies by Local Action Groups. About 88% of EU funding is directed to this action. Action 2 refers to co-operation projects between Local Action Groups within and outside the UK and receives about 10% of EU funding. Action 3 is for networking, and receives 1.4% of EU funding. 1 per cent of EU monies are directed towards monitoring and evaluation.

#### *Strategic Priorities*

There is a strong emphasis in the Programme on the role Leader plays in promoting sustainable rural development, with environmental considerations given roughly equal

<sup>10</sup> Defra, 2001. The MTE was published in December 2003.

<sup>11</sup> ADAS Consulting Ltd and SQW Ltd, December 2003

<sup>12</sup> Fraser Associates, Rural Development Company and CCRU, December 2005. Because the MTE came very early in the life of the Leader+ Programme, an update was released in December 2005.

weighting to economic and social aspects. The links between all three strands of sustainable development are recognised, with England's environmental assets identified as capable of supporting social and economic activity, and vice versa. A challenge is set by the Programme for Leader+ to achieve integrated sustainable development with the aim of accruing benefits for the local economy, community and environment. However, it is noticeable that this is described as a challenge, and is therefore by no means an inevitability. Two particular environmental threats to England's rural areas are described, the loss of semi-natural habitats and the decline in biodiversity. These threats are attributed to agricultural intensification, environmental pollution, the over-abstraction of water and development pressure.

Environmental considerations are carried through to the specific core objectives that form the backbone of the England Programme. One of these relates to the environment and states the need for local rural communities to identify new ways of 'protecting and enhancing the natural and cultural heritage and diversity, including extending access to the countryside and developing quality rural leisure opportunities.' The other core objectives refer to the need to build capacity in local rural communities in order to facilitate the development of sustainable rural economies, to create jobs, and to improve the quality of life and organisational skills of local communities. Whilst the strategy for achieving these objectives partly focuses on the need for training, administration, equal opportunities, monitoring and control mechanisms, a number of items bear relevance to achieving environmental goals. These include the aim to support 'innovative strategies and projects for integrated sustainable rural development which achieve a balance between economic, social and environmental considerations' and to ensure that LAGs target the key rural development issues as set out in the Programme.

The expected impacts in relation to the natural and cultural heritage, as described in the Programme are:

1. An increase in the distinctive countryside, wildlife, landscapes and cultural and architectural features enjoying protection and enhancement.
2. An increase in the sensitive and sustainable use of environmental and cultural resources for economic and recreational purposes.
3. An increase in the range and level of environmental knowledge and skills of people living in rural areas; and an increased knowledge of the countryside among people who visit it.

### ***Strategic Guidance***

Four areas are identified where Leader+ projects can be used to benefit the environment. The concurrent benefits to local rural economies are also emphasised. The environmental opportunities listed are:

- The development of sustainable agricultural practices that can contribute to conservation objectives and shaping the landscape.
- The potential for developing distinctive, locally produced, sustainable products.
- The recognition of forestry as an underutilised resource that could be used for farm diversification and for adding value to local timber products.
- A role for community based renewable energy schemes in using locally supplied materials.

Particular opportunities are identified in relation to England's environmental assets. The SPD asserts that there is 'considerable potential for local initiatives to develop natural assets in ways which would safeguard them, with possible economic and social benefits.' Some examples of such initiatives, as listed in the Programme, include:

- Enhancing the character and structure of landscapes through appropriate woodland planting and the management or restoration of damaged habitats and landscapes. Such

conservation activity is seen as having the potential to generate both direct and indirect economic benefits through:

- the creation and maintenance of jobs in environmental services, such as hedgelaying or drystone walling;
  - through attracting visitors to new or improved facilities such as access routes or wildlife reserves.
- Developing countryside products with clear links to environmentally sensitive land management.
  - Developing managed access to 'less well-known' natural features for recreational and educational purposes.
  - Taking the opportunity to increase awareness of environmental issues among local rural communities.

### ***Selection of LAGs and Geographic Targeting***

A total of 25 Leader+ Local Action Groups were selected from a list of 49 applicants in 2001. A three-stage selection process was used, with final approval given by a National Selection Panel. The level of environmental expertise on the National Selection Panel was minimal. One individual represented the Countryside Agency, English Nature and the Environment Agency, and had the widest remit of any of the Panel members, lending expertise on land management, rural economy, landscape, biodiversity and planning. Each LAG was assessed against nine core criteria, with the environment considered loosely in terms of the LAGs 'commitment to sustainability'. The Panel also considered the extent to which each LAGs development plan would support the increasing social, economic and environmental sustainability of the local area. The way in which LAGs proposed to ensure that projects would not have a 'significant, negative environmental impact' was also assessed including the use of any mitigating measures. Of the 24 applicants that were rejected by the National Selection Panel, three applicants failed on the grounds of sustainability. For example, one applicant did not address the impact of its proposed activities on the environment, considered unacceptable by the Panel.

Overall, the Panel felt that the environment and environmental sustainability were poorly addressed by applicant LAGs and stressed that environmental sustainability should feature in the project selection criteria of all LAGs. The composition of LAGs was felt to generally be inadequate given the chosen strategic themes. The Panel noted that local landowning organisations were omitted from LAG partnerships, and that organisations such as National Park authorities and AONBs did not use Leader to develop closer working relationships with local communities by offering to act as administrators or mentors. The Panel also suggested that LAGs require early workshops to refine their plans and rectify any weaknesses, and that thorough community consultation should be used to formulate plans.

The areas covered by the 25 successful LAGs correlate with environmentally important areas, such as important upland habitats in the north of England, extensive grasslands in the south and river catchments in the midlands. It is also noticeable that a number of LAGs coincide with areas that were dramatically affected by the outbreak of foot and mouth disease in 2001 e.g. Cumbria Fells and Dales, North Pennines, North West Devon and Peak, Dales and Moorland. Leader+ was therefore used to help to respond to issues of current concern. According to the MTE, six of the 25 LAGs selected theme 4<sup>13</sup> as their main theme and another two chose it as a sub-theme. Only four of these eight LAGs reported that they had Natura 2000 designations within their area, and another four reported designations despite not having chosen theme 4. The authors of the MTE noted that 'LAGs with Theme 4 proposed a wide range of activities aimed at achieving positive environmental impacts.'

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<sup>13</sup> Making the best use of natural and cultural resources, including enhancing the value of sites of Community interest selected under Natura 2000



### ***Management of the Programme***

Defra is the Managing Authority and the designated paying authority for Leader+ in England. National and Regional Secretariats are responsible for fulfilling the functions required by the Managing Authority, such as gathering monitoring data, undertaking financial management and drafting reports and guidance material. Many administrative and operational issues are dealt with by the Regional Programme Monitoring Committee (RPMCs) and the National Programme Monitoring Committee (PMC).

LAGs are administered according to either the Action Plan or Strategic Plan approach. Eleven of England's LAGs use the Action Plan approach and fourteen the Strategic Plan approach. The freedom LAGs have to spend their allocated pot of money depends on which approach they take. The Action Plan approach provides the most autonomy as the LAG has delegated responsibility for issuing offer letters and paying grant claims. Under the Strategic Plan approach LAGs recommend projects for approval by the Regional Leader Secretariat. Whilst the Action Plan approach would seem to be the more optimal administrative set-up for delivering Leader+, it is more administratively burdensome. For example, those LAGs that operate the Action Plan approach must write an annual Action Plan detailing in full activities and funding arrangements for the year ahead and establish an accountable body to deliver the Action Plan.

### ***Monitoring and Evaluation***

Defra is responsible for programme monitoring, with advice provided by a Programme Monitoring Committee (PMC) at the national level, as well as the Regional Programme Monitoring Committees (RPMCs) in each region where there is a LAG. The PMC is chaired by Defra and its membership is composed of other government departments, the RPMCs, statutory environmental bodies<sup>14</sup>, economic groups, the voluntary sector<sup>15</sup> and an observer from the European Commission. The PMC maintains a strategic and financial overview of the administration of Leader+, ensures satisfactory progress with meeting the programme's objectives, reallocates funding between LAGs if necessary, agrees project selection criteria and project monitoring criteria and makes recommendations to improve the administration of the Programme.

RPMCs have an important role in guiding the development of Leader programmes regionally. They are composed of representatives of government departments and agencies, the voluntary sector and LAGs, and meet twice yearly. The RPMCs assess regional Programme expenditure, collect baseline data, develop economic, social and environmental indicators, assess the achievement of programme objectives, approve LAG Action Plans, examine progress reports from LAGs, propose steps to improve the administration of the Programme regionally, and agree project selection criteria to be used by LAGs. All LAGs are monitored to ensure that the group is making satisfactory progress in implementing the proposals laid down in the development plan, that project grants are being used for the purpose for which it was made available and that projects failing to meet targets are identified at an early stage. According to the MTE update, the RPMCs lack definition and in most cases their ability to add value to the Programme was not optimised, especially where meetings were infrequent and had a strong administrative focus.

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<sup>14</sup> The Countryside Agency, Forestry Commission, English Heritage, English Nature and the Environment Agency.

<sup>15</sup> Sustain the Plain, which is a LAG.

## 4.2 Local Action Groups

### *Environmental Priorities in LAG Business Plans*

This section considers the integration of environmental and sustainable development considerations into LAG Plans.

Despite the fact that the England Leader+ Programme was not explicitly designed to deliver environmental goals, benefits to the environment have accrued as a result of the Leader+ Programme. The fact that some environmental benefits have materialised stems from the recognition of the role Leader+ could play for the environment in both the national Programme, and at the next level down, LAG Plans.

The five LAG Plans examined for this study are reasonably well thought through from an environmental point of view. The environment forms a particularly strong focus in the Plans for the Herefordshire Rivers and New Forest LAGs. In the Plan for Herefordshire Rivers, a clear link is made between the choice of Theme 4 (natural and cultural heritage), and the importance of the natural environment, and in particular, a number of local river catchments and SSSIs. The environmental aspects of the LAG area feed neatly into the four main objectives for the LAG, and the choice of these objectives is soundly based on evidence presented in the Plan. These objectives are presented in more detail in Box 1.

### **Box 1: Integrating Environmental Issues into LAG Plans: Example of the Herefordshire Rivers LAG**

The environment is a strong strand in the development plan for Herefordshire Rivers. Social, economic and environmental goals intertwine and relate to the rivers that help to form the area's natural environment. According to the LAG's Development Plan, 'Leader+ funding will support community activity that finds new ways to enhance, interpret, utilise and record the natural environment and historical resources of the countryside of the Wye and Lugg catchment.'

The main objectives of the Plan are:

1. To enhance the distinctiveness of the countryside, including cultural, historic and natural environment;
2. To use local environmental and cultural resources for economic and recreational purposes;
3. To increase environmental knowledge and skills;
4. To revitalise natural processes inherent in the county's river and flood plain systems.

The Development Plan is built around Theme 4, chosen because 'the high quality and locally distinct character of the landscape of the Herefordshire countryside is an important factor in the quality of life and economic potential of [...] rural communities.' The Wye and Lugg rivers are central elements of the LAG's landscape, and both are SSSIs and among the 25 most important river habitats in Britain. Herefordshire also contains 22% by length of the internationally important rivers in England. The Plan notes that development and changing agricultural practices have resulted in 'serious degradation of the river valley environment.'

The importance of building on community interest by engaging riverside communities in order to foster positive, community and economic backed changes that keep the rivers in good health is emphasised. The need to share good practice with other LAGs both in Britain and abroad is highlighted, in terms of sharing knowledge on how to maintain rivers in favourable conservation status, developing environmental skills programmes with local communities and developing sustainable tourism around natural and cultural assets.

There is a strong environmental thread to the New Forest LAGs Plan. References to the environmental significance of the area pepper the Plan, and importantly these references translate into objectives for the LAG programme. The Plan identifies the practice of commoning<sup>16</sup> as central to the sustainable management of the New Forest, and all development objectives stem from the need to maintain and enhance this activity. The Plan also explains that about 60 per cent of the New Forest is internationally designated in order to protect nature conservation interests, through for example, RAMSAR and Special Areas of Conservation under the EU birds and habitats Directives. Importantly, from a strategic perspective, is the recognition that environmental goals need to be achieved by securing an economically viable future for commoners, for instance by developing markets for traditional products. The creation of viable economic outlets allows the continuation of traditional farming practices, and therefore sustainable land management, which is important for the biodiversity interests of the New Forest. This discussion feeds into a total of five objectives, all of which, to a greater or lesser extent, are inter-related and directly or indirectly have implications for the positive environmental management of the New Forest. The most clearly environmental objective is:

‘To promote sustainable land management practices which support the special qualities and features of the New Forest (and in particular the Natura 2000 site).’

The other objectives are geared towards the needs of local people, the development of a viable economic base for commoning, capacity building and communicating experience. A reference is made to developing the New Forest as a model for the long-term sustainable management of Natura 2000 sites.

The New Forest’s Plan works towards achieving environmental goals by securing an economically-viable future for commoners, for instance, by developing markets for traditional products. These objectives flow through to six proposed activities on the promotion of sustainable land management practices, including the need to connect land management with local product development schemes, to work directly with commoners and farmers, to manage grazing on the Natura 2000 area and to work with local communities. The intended activities under the other objectives also contribute to sustainable land management e.g. by developing markets for meat from livestock grazed on the New Forest. The development of a producer network is seen as a way to ‘slowly raise standards in land management’, with products made according to guidelines that seek to ensure that production methods have a positive benefit on both the local environment and economy.

The aims of the Cumbria Fells and Dales LAG are principally socio-economic ones that simultaneously, but more softly, aim to raise environmental standards. Thus whilst the development of niche markets for local products by local people is the principle aim of the Plan, a sub-theme recognises the importance of the area’s high landscape quality, where following foot and mouth disease, the environment is seen as a source of potential. An emphasis is placed in the Plan on the opportunity for farms to become:

‘exemplary ‘new countryside farms’, which can market goods based on ‘agri-environment compliance, greater animal welfare, habitat creation and re-creation, environmental interpretation and sustainable tourism based on environmental understanding and interpretation.’

Attention is also given to the idea of environmental sustainability and in particular the concept of ‘food miles.’ The designation of the uplands as a Less Favoured Area, and the recognition of broader EU agricultural policy changes (which included a brief discussion of the

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<sup>16</sup> Commoning is the practice of grazing livestock on open heath and pasture woodlands.

impending shift from Pillar I to greater Pillar II CAP support) helped further establish the context of the LAG from a wider policy perspective. However, whilst the Plan acknowledged a high level of landscape quality, the Plan was weak in that it did not discuss the importance of grazing activity and the benefits it can provide for biodiversity, landscape quality and landscape scale management. The existence of this gap is reinforced by the existence of a contemporaneous compensated upland grazing reduction scheme operated in the Cumbrian commons by English Nature.

The other LAG Plans examined are considerably weaker from a strategic environmental perspective. The Wealden and Rother LAG made reference to four particular environmental strengths, including AONB, RAMSAR, and Natura 2000 designations. Curiously the AONB was recognised as a weakness in the Plan's SWOT analysis because of the conflict it creates with planning policies and the development of housing and employment opportunities. Little evidence was presented of the importance of these designations, and the National Selection Panel commented in its assessment that there was:

‘little analysis to underpin the strengths, weaknesses and potential of the area and no detail of the Natura 2000 sites is given (though they are mentioned).’

Despite this, the Plan is replete with objectives that relate to the environment, and the overall aim of the LAG is to ‘create a balance between maintaining the exceptional natural environment and achieving sustainable economic growth’.

The final LAG Plan (North Northumberland) is an example of one where the environment appears to be chosen as a key theme but there are no clear and precise objectives related to this theme. Whilst Theme 4 (on natural and cultural resources and Natura 2000) was the chosen Theme of the LAG, it was chosen ‘because of the close relationship between community groups and the natural environment’. There is no further elaboration of the importance of the LAG area environmentally or of any relevant conservation designations. The weak (environmental) basis of the Plan follows through to a rather generic set of proposed activities: ‘co-ordination and development of environmental activities, stimulating innovation and generating increased provision of educational, employment, training and volunteering opportunities for local people in the environmental economy and assisting in the enhancement of the local environment.’ Very little effort is made in the Plan to show how such activities are related to real environmental needs.

Sustainable development is referred to in each of the five LAG plans examined, and each LAG Plan is reasonably versed in describing the social, economic and environmental pillars of sustainable development. Whilst the environmental dimension is discussed in some detail for some of the LAGs examined, economic and social sustainability also resonate in the Plans. For example, a principle aim of the Cumbria Fells and Dales LAG is ‘to create new sources of employment and income in the area by creating an effective and dynamic local produce economy based on the principles of sustainable development and driven by the actions of local people’. The Wealden and Rother LAG Plan refers to achieving sustainable economic growth and encouraging sustainable resource management and sustainable tourism. The LAG Plans also suggest activities that could be considered to follow the principles of sustainable development, without explicitly mentioning these words. The main example here is the development of locally branded products that meet a set of environmental criteria. Variations on this kind of description appear in all of the Plans evaluated.

### ***Proportion of Environmental Projects***

As described above, each of the LAGs examined in England outlined an environmental remit, and this was followed through to the projects that received funding. However, projects with a strong environmental element generally formed a small proportion of all the projects funded by each LAG, ranging from about one eighth of all projects in North Northumberland and

Cumbria Fells and Dales, to about one quarter of all projects in the Herefordshire Rivers<sup>17</sup>. This proportion seems reasonable given the weight given in the LAG Plans to social and economic objectives. Each LAG is considered below.

- About one quarter of the projects in Herefordshire Rivers have an environmental element. The remainder have a strong cultural/heritage focus.
- About one eighth of the projects in Cumbria Fells and Dales have an environmental element to them. These projects support the environment indirectly by supporting activities which encourage traditional land management practices. The other projects support infrastructural change to the local economy.
- About one eighth of the projects in North Northumberland can be seen to have an influence on the environment. This is a relatively low figure given the strong emphasis placed on natural resources in the LAG Business Plan. The majority of projects are socially-orientated community outreach projects.
- In the New Forest LAG, about one third of the projects funded could be seen to have positive implications for the environment. The emphasis is on projects that support capacity building and the local economy as a means to promoting sustainable land management practices. The remaining projects support the local rural economy and may also indirectly support environmental goals.
- In the Wealden and Rother LAG about one third of the projects funded have an identifiable environmental element to them. These include two projects on sustainable farming, another two on energy efficiency, another two seeking community engagement in environmental activity and another on the traditional management of unimproved meadows.

### ***Meeting Environmental Targets***

Local Action Groups needed to provide target outputs and results, with accompanying indicators, as part of the national monitoring requirements for Leader+. None of these targets relate directly to environmental priorities. Furthermore the menu of targets developed by Defra, the RPMCs and PMCs are not entirely suitable for measuring positive environmental outputs or totally capable of recording negative environmental impacts. LAGs appear to have been wary of developing their own specific targets (this was an option given by the national Programme) due to the lack of fit these may have with reporting requirements.

An examination of the five case study LAGs shows that the target outputs and results set for both projects and LAG programmes are not well suited to measuring environmental impacts. The indicators are more valuable for measuring impacts on the local community (e.g. no. of people who have attended training events) or economy (e.g. no. of jobs created). This means that suitable environmental indicators are needed to assess the environmental objectives set out in LAG Programmes. To give a flavour of the inadequacy of the targets for measuring environmental achievements of programmes and projects, some of the chosen targets and indicators are given in Box 2 and Box 3. It is important for appropriate indicators to be applied so that the funding directed at Leader projects can be justified on environmental, as well as social and economic, grounds.

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<sup>17</sup> These are estimations based on the project descriptions available from either the LAG website or the UK Leader+ network website.

## **Box 2: Examples of Environmental Targets set by LAGs**

The Herefordshire Rivers LAG has a strong environmental remit but the outputs are community focussed and the environmental goals welded to cultural ones.

Output: Community environmental/cultural activities established/assisted (Target: 40)

Output: Environmental/cultural appraisals carried out (Target: 35)

In the Cumbria, Fells and Dales LAG the upland landscape is recognised as important, but as secondary to maintaining farmer livelihoods. The LAG programme has a principally socio-economic focus and this is reflected in the targets set:

E.g. Target impact ‘increase income and employment levels’.

E.g. Indicator ‘Number of cultural or heritage events organised linked to local produce and local environment.’

In the New Forest LAG the choice of indicators is not suitable given the expected outputs of the LAG programme.

E.g. The indicator ‘number of businesses receiving environmental advice’ was chosen to reflect progress with meeting the goals of ‘an increase in the sensitive and sustainable uses of environmental and cultural resources for economic purposes’ and ‘an increase in the distinctive local countryside, wildlife, landscape, cultural, archaeological and architectural features enjoying protection and enhancement.’

The Wealden and Rother LAG has a large number of targets set across a total of 11 anticipated impacts. Three of these impacts relate to the environment, but the chosen indicators are relatively complex and could prove burdensome and beyond the resources of the LAG to collect. Examples of the chosen indicators include:

% change in local BAP target species populations cf baseline.

Increase in share of renewable energy use compared to total energy supply compared with baseline.

Gross/net jobs created/safeguarded in environmental activities cf baseline.

## **Box 3: Examples of Environmental Targets Set for Projects**

The monitoring indicators for project are unsuitable for measuring environmental impacts. The targets hint that there may have been a positive environmental impact, but the monitoring system is too constrained to allow for an explanation of what these impacts may have been. Examples of the quantitative targets set include:

Visit 10+ businesses in the Leader area per year

Improve the environment at ten sites

50% of sites to have implemented management recommendations

As at the LAG level, the formal monitoring requirements are not wholly adequate for observing the environmental impacts that projects may, or may not, have had.

A number of LAGs chose indicators that require the collection of baseline data in order to be able to measure the environmental impact of the Programme. Whilst this is valuable, some of these LAGs have experienced problems with collecting baseline environmental data. One LAG manager found this to be an ‘impossible task’, finding it hard to find data specific to the geographic area of LAG. The LAG also found it expensive and time consuming to undertake this baseline exercise. Another LAG found the cost of finding baseline information prohibitive and decided not to use the indicators where per cent change needs to be measured. However, a recommendation of the MTE was the need for LAGs to carry out baseline studies so that they can re-assess their own objectives for the remainder of the Programme. Clearly LAGs require some assistance in developing and collecting data for suitable indicators.

There is some evidence that the targets selected at the outset of the Programme are not always relevant to the projects subsequently funded. The choice of targets at the application stage can lead to LAGs funding projects that will directly help meet these targets. To a certain extent this can stifle the innovative and flexible nature of Leader+. However, although targets are important if LAGs are to achieve the aims set out in the LAG plan, LAGs remain reliant on suitable projects coming forward for funding. There is an example of a mismatch between targets and projects in North Northumberland. In this LAG the two most environmental targets have yet to be met because no projects have been funded that are capable of meeting these targets. The lack of environmental expertise on the LAG appears to have made it difficult to pursue environmental activities. There is therefore a need for LAGs to develop projects that focus on the LAG's objectives, so long as these are well defined. The MTE findings reflect upon the need for LAGs to revisit their development plans to ensure that projects are funded in line with the original Plan. A mid term review of LAG Plan objectives was also considered useful by the authors of the MTE.

The progress reports submitted by project leaders every quarter are scant in their coverage of the environmental performance of projects and focus principally on reporting progress made with meeting quantitative targets such as those described above. More discursive project reports could be encouraged so that LAGs, RPMCs and the PMC are aware of the more qualitative environmental impacts projects are having. In fact the Programme referred to the need for the PMC to develop not only quantitative, but also qualitative evaluation indicators.

Some of the problems associated with target setting were raised in the MTE. It was noted that there was a wide variability in the number of indicator targets that had been set across all LAGs. Of the five case studies for England, the number of targets set ranged from 14 in the New Forest to 49 in Wealden and Rother. The authors of the MTE commented that some LAGs may have set unachievable targets whilst others may have opted for more modest or undemanding targets. Further criticism of the monitoring process was raised in the MTE update. It was stated that there are difficulties associated with the choice of indicators set by LAGs due to a lack of clear guidance at the outset of the programme. The encouragement provided to LAGs by Defra to produce their own set of indicators based on local circumstances proved unhelpful. LAGs were criticised for an ongoing lack of strategic direction, partly caused by the need for LAGs to fit their targets with the national level indicators following the MTE. This meant that the original programme targets became obsolete, making it difficult to see what LAGs are aiming to achieve in a quantitative sense given the change in strategic targets. The MTE update stated that it is unclear what advice project managers received from LAGs on choosing targets and indicators, reporting that some project managers would apply 'guesstimates'.

### ***LAG Staff***

Programme Managers play a key role in facilitating the development of projects, but seem to have a limited capacity to actively develop projects as much as they would like given the administrative aspects of their jobs. This means that they are generally reactive rather than pro-active in terms of project development, being reliant on members of the local community to come forward with ideas for project development. According to the case studies conducted, LAG Programme Managers work with project applicants at an early stage, a relationship that facilitates the development of suitable Leader+ projects. However, given that many LAG managers do not have environmental or land management backgrounds, the environmental aspects of projects may not always be fully developed. Instead, it appears to be the role of the LAG partnership to represent environmental interests, with this body having greater capacity to drive forward projects with an environmental focus. This underlines a need for LAG staff to obtain relevant environmental training or to have easy access to environmental expertise. This point is reflected in the findings of the MTE, which stated the need to improve the delivery of guidance to LAG managers.

### ***Environmental Representation at LAG Level***

There are variable levels of environmental representation on each of the five LAGs examined. From this analysis, it can be said that environmental representation is important as this allows the LAG to draw on environmental expertise when evaluating or encouraging certain kinds of project. The analysis also shows examples of LAGs drawing on expertise from outside the partnership when environmental interests are underrepresented or environmental expertise insufficient.

There is good representation of environmental interests in the New Forest, Herefordshire Rivers and Cumbria Fells and Dales LAGs. There are about 15 members of the Herefordshire Rivers LAG, including a representative from English Nature as well as Herefordshire Council's Environmental Sustainability Officer and Conservation Manager. The Cumbria Fells and Dales LAG partnership has 34 members, about eight of which have an environmental interest, including FWAG, the National Trust and some local interest groups. The National Trust is also part of the New Forest LAG partnership, which also includes representation from English Nature, the Forestry Commission, Hampshire Wildlife Trust, the National Trust, Verderers of the New Forest and an Agri-Environment Group. Other members of these LAGs represent local councils, community groups, cultural groups and tourism bodies.

One of the LAGs examined featured no representatives with environmental knowledge, despite the emphasis placed in its Plan on the area's natural resources. On the positive side, this LAG was unique among those evaluated in the way it developed its programme of work. Its Plan was based on a series of community consultations including conferences, focus groups and interviews with local stakeholders. The LAG's strategy followed from this consultation exercise, resulting in a reasonable environmental focus. However, this theme was not reflected in the subsequent composition of the LAG, with rural land use issues represented only by the CLA and NFU. The assessment report prepared by the regional assessor at time of LAG selection picked up on this, commenting that the 'group does not reflect the local community as [it] consists of councils, [the] NFU and [the] Landowners Association.'

Some of those LAGs that include environmental representation have experienced difficulties with fully engaging LAG partners with an environmental remit. For example, in one of the LAGs evaluated, the representation of one statutory agency changed frequently due to staffing issues. Similarly in another of the LAGs examined, changes in representation from the partnership's two environmental bodies have been problematic as successors have not been keen to follow on the work started by their predecessor. Indeed one of this LAGs members failed to make the desired level of contribution on the environmental portfolio, with the LAG manager stating that it would be preferable to see a wider range of environmental interests represented on the LAG in order for a better spread of environmental projects to be funded.

These points emphasise the importance of LAG staff being well versed in environmental issues, and highlights the need for suitable training to ensure that key decision makers in LAGs give full consideration to environmental issues. This will allow LAG Managers and others to make informed decisions when advising project managers in the application stage, and once the project has received funding. The importance of environmental representation is shown by the examples given in Box 4.

It is worth noting that some local organisations, such as FWAG and the Wildlife Trusts, that are not part of the LAG, appear to have good informal links with LAGs and have a good track record in project applications.



#### **Box 4: The Importance of Environmental Representation on the LAG**

Members of a LAG partnership can have an influence on the environmental direction of the LAG at the strategic Programme level.

One LAG was asked to review its priorities as part of the mid-term evaluation exercise. One of the LAG's partners, English Nature, highlighted the need to adopt an environmental priority relating to the particular requirements of the river habitats in the LAG's area. As a result of English Nature's involvement, a goal relating to river habitats was added to the LAG's objectives.

In another LAG examined, the local AONB is not actually part of the LAG partnership, but developed an influential role over the duration of the Programme. The AONB wrote an environmental development plan for the LAG's revised Action Plan and has provided a lively and engaged contribution to discussions on the future environmental path of the LAG.

#### ***Previous Experience with Leader***

Some of the LAGs examined had previous experience with Leader II funding and other EU funding streams. This may have proved beneficial from a Programme administration point of view, but seems unlikely to have had an overwhelming influence in terms of the integration of environmental objectives into LAG Plans or the projects subsequently funded.

#### ***Project Appraisal***

The project appraisal system varies among the five LAGs examined, but generally consists of a formal vetting procedure with standardised questions assessing the project's eligibility status and range of potential impacts, followed by a discussion within the LAG decision making body as to whether the project should received funding (in the Action Plan approach) or be recommended for funding (in the Strategic Plan approach).

Among the five LAGs evaluated the appraisal questions are generally inadequate from an environmental perspective. For a number of the LAGs examined the environmental dimension of projects was addressed loosely by one question similar to the following:

'Does the project contribute to economic, social and environmental sustainability?'

Each LAG also assessed projects for their fit with the LAG Plan, a method that will only capture the intrinsic environmental elements of particular projects if the Plan has clear environmental objectives<sup>18</sup>.

Such shortcomings are enhanced by the apparent inadequacy of some of the procedural issues surrounding project selection. For example, in one LAG the project scoring system was based on that used under the Leader II Programme, hinting that no development in the appraisal system occurred, and resulting in the continued neglect of the environmental aspects of projects. Some of the LAGs attempt to make use of a 'sustainability checklist', however in the case of one LAG there are no clear rules on how the list should be used for decision-making. In another case, a LAG stated that it would develop a sustainability checklist, but found it too bureaucratic for the bottom-up Leader approach and never implemented it. In another LAG, project appraisal scoresheets are regarded as relatively unimportant when compared to the more critical discussions that take place during LAG meetings.

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<sup>18</sup> It should be reiterated that whilst the environment is of interest to some LAG's, it is generally not the dominant concern and therefore the appraisal systems have been designed with other objectives in mind.

The Herefordshire Rivers LAG gives perhaps the best example of a project appraisal system that seeks to adequately identify the environmental dimension of projects (see Box 5). A finding of the MTE was the need for LAGs to improve their application and appraisal systems by making use of best practice exemplars. The MTE update found that whilst project appraisal processes vary between LAGs, they are generally strong and transparent. A number of weaknesses were identified in assessing value for money, innovation and project impact.

**Box 5: Example of Good Practice in Assessing the Environmental Impact of Projects: Herefordshire Rivers**

At the expression of interest stage, points are awarded and weighted across ten categories. Project applications are assessed for their ‘environmental impact’ and can be awarded scores where 0=negative impact, 1=neutral/modest impact and 2=positive impact. This category has a weight of 2. There is also a category on sustainability where 0=no, 1=yes in short term and 2=yes in longer term. This category has a weight of 4.

Projects undergo a more substantial appraisal once a full project application is made. The answer must be yes for a number of questions relating to the environment:

- Will the project have an overall positive environmental benefit?
- Has the project been realistic about the environmental impact?
- Have all potential environmental issues been assessed?
- Does the project meet at least one sustainable development theme?
- Has the project sufficiently justified its choice of theme?
- Will the project continue after Leader+ funding has finished?

Projects are appraised by an independent panel against key selection criteria. For specific projects, specialist advice may be obtained by the panel. The recommendations of the panel are then submitted to the LAG body where a decision is taken.

The procedure could perhaps be enhanced further by allowing for the elaboration of what the environmental issues are, although more sophistication in this respect would be dependent on the LAG being able to obtain relevant expertise.

No projects in the five LAGs examined have been rejected on environmental grounds. In all cases a LAG manager and a project applicant enter into some correspondence before a full project application is made, so that any issues, including those relating to the environment, can be rectified and amended before a full application is made. Other issues, such as financial restrictions or unfortunate timing, are more likely to halt project development

### **4.3 Projects**

A total of 13 projects were evaluated in England. As described in the methodology section, these projects represented a range of environmental goals and a range of geographic areas, in an attempt to represent of the kind of environmental projects funded by Leader+ in England. Interviews were conducted with Project Officers and a range of paper documentation relating to the projects obtained. Projects were analysed for their contribution to environmental, socio-cultural and economic sustainability.

Of the projects examined in England four have been led by Charitable Trusts and four by local councils. Three of the Nature Trusts have led projects, and FWAG have developed two. The BTCV ran one of the projects examined. The range of total project funding for these projects ranges from £22,000 to £552,000. Match funders include county councils, AONBs,

statutory agencies including English Nature, the Countryside Agency and the Forestry Commission, and local nature trusts and interest groups as well as charitable trusts such as Esmee Fairburn. Annex 1 gives more detail on the levels of funding and the type of co-funders.

### ***Impacts on environmental sustainability***

The main positive impacts have been in regard to biodiversity and sustainable land management. Six projects have had positive impacts on sustainable land management and two in particular have had an impact at the landscape scale. A small number of projects have had positive impacts on climate change, soil quality and landscape quality, albeit at the very local, micro-scale. The degree of impact is variable as some projects have been more successful than others. The Woolhope Dome and Forest Friendly Farming Advisor projects in particular could be considered to be good examples of projects that have a positive impact on environmental sustainability.

There have been a number of benefits to vulnerable species and habitats as a result of projects funded by Leader+ in England. These changes have generally come about as a result of encouraging farmers to adopt more environmentally sensitive land management practices. For example, Farm Biodiversity Action Plans were written for farmers as part of the Biodiversity Means Business project. These plans listed BAP species and habitats found on the farm and the management required to support them. As of December 2005 about 12 Plans had been written, and if implemented by farmers, there could be positive impacts for black polar, bluebells, skylarks, lapwings, corn buntings and brown hares. Conditions will also improve for wetland habitats, with positive impacts for the Great Crested Newt, Natterjack toad, invertebrates and water voles. The Wealden and Rother Sustainable Farms project took a similar approach and has resulted in hedge restoration and ancient woodland restoration. Both these projects, run by FWAG, have also signposted farmers to grant funding, primarily agri-environment schemes.

The Farmland Birds project has also had a positive impact on biodiversity. The project has proved that the sowing of suitable seed cover can increase and stabilise populations of vulnerable farmland birds. The headline result of the project so far is that all the target species other than the corn bunting have been attracted to the site. There are some variations according to the numbers, the time they visit and how the site is used (feeding, breeding or permanently), but the results have generally been positive. There is huge disappointment with the corn bunting, raising concerns that the species is in terminal decline. It should be noted that the project is not relying on baseline data to make these judgments, but rather the three most recent annual bird surveys that have taken place along the entire coastal strip.

More substantial impacts on biodiversity have occurred at the landscape scale through both the Forest Friendly Farming Advisor (see Box 6) and Woolhope Dome projects. Each of these projects has been successful because of the pro-activity of one individual who, in essence, acts as an environmental facilitator. These individuals successfully network by engaging with the whole of the local community, and not just a small number of farmers as with the projects described above. Both projects have also been successful in encouraging farmers to join agri-environment schemes, as the environmental facilitators are seen as more accessible than Defra staff. These individuals therefore provide a bridge between the government and the farmer.

**Box 6: The Forest Friendly Farming Advisor Project: Sustainable Land Management at the Landscape Scale.**

Since the start of the project in April 2004, the Forest Friendly Farming Advisor has visited and provided advice to 133 of the approximate 300 New Forest commoners. As a result of this advice and according to data collected by the advisor, 1855ha of the New Forest could be seen to be enjoying improved environmental management as of January 2006. The advisor explains the environmental significance of traditional land management practices to commoners and encourages them to undertake appropriate grazing practices. The encouragement of sustainable land management has positive implications for a range of habitats including open heath, close grazed lawns and pasture woodland, which in turn benefits a range of wildlife including ground nesting birds and invertebrates. Suitable grazing regimes have also been implemented on those parts of the New Forest that are Special Areas of Conservation. The project has also had a positive impact on soil quality. The advisor has provided a Soil Management Plan training course for commoners, outlining the particular problems facing the New Forest in terms of soil erosion and compaction at supplementary feeding sites. A small grant was also available through the project to facilitate small-scale habitat improvement works, with eight grants provided for hedge restoration and for fencing off vulnerable habitats so far.

The Woolhope Dome project has been particularly effective at targeting positive environmental change across a wide area. A full-time Project Officer has engaged with the local community and planned conservation work strategically across the whole of the Dome area. Most of the project activity has been directed at improving species and habitat diversity through sustainable land management. For example, species rich grassland has been returned to active management and the project has paid for fencing so that targeted grazing activity can occur. The project officer has undertaken 27 environmental appraisals with landowners. These have taken the form mainly of grassland site assessments, but also invertebrate surveys, one snake survey and a woodland site assessment. The condition of one SSSI has also improved enormously through the clearance of scrub and selective sheep and cattle grazing, leading to an increase in purple orchids and spring cinquefoil. The habitat of the pearl-bordered fritillary has also expanded due to an increase in violets.

A number of projects have made small contributions to reducing greenhouse gas emissions. The Energy from the Forest project (see Box 7) has attempted to increase woodfuel usage, and the Green Life project has aimed to reduce energy use on the Isle of Wight through the distribution of energy saving light bulbs and accompanying education initiatives.

**Box 7: The Energy from the Forest Project: Using Renewable Energy Sources to Tackle Climate Change.**

The Energy from Forest project has had a small positive impact on climate change mitigation and could have a long-term impact throughout the local area if the woodfuel supply chain is improved and more woodfuel boilers are installed. Woodfuel is regarded as carbon neutral as the CO<sup>2</sup> released in combustion is roughly equivalent to the CO<sup>2</sup> absorbed by trees as part of the carbon cycle. The modern burning systems installed by this project are clean burning and efficient. It should be noted that there could be a small negative effect as the transportation of the wood to the end-user may result in increased carbon emissions, though these are probably marginal when compared to the reduced carbon emissions of burning woodfuel compared to fossil fuels. So far four wood burning heating systems have been installed and four more are due to be installed soon.

One reason that these projects are more successful from an environmental perspective is because the business plans for these projects featured a detailed discussion of the issues of local environmental significance. The project applicant was able to justify the need for the project and build appropriate objectives and project activities relevant to these needs. The choice of delivery mechanism may also influence a project's success. In this study a range of delivery tools were identified:

- Advisory/support service to farmers and landowners
  - Biodiversity Means Business, Wealden and Rother Sustainable Farms, Forest Friendly Farming Advisor, Cumbrian Hill Sheep Initiative
- An 'environmental facilitator' who sets out to engage with the local community and all relevant stakeholders
  - Lifescapes, Woolhope Dome
- Small delegated grant schemes
  - Wessex Ridgeway, AONB Small Grant Scheme, Forest Friendly Farming Advisor
- One-off pilot projects
  - Weald Meadows Initiative, Farmland Birds, Energy from the Forest
- Behavioural change of the local community
  - Green Life, Green Gym

The most successful projects have been those that make use of an 'environmental facilitator' figure. This is someone who pro-actively engages with the local community and stakeholders such as farmers or landowners in order to bring about change at the landscape scale. Two of the projects targeted behavioural change, and these have proved quite successful, although the impacts are limited to a small group of people and a limited area. The promotion of a small grant scheme has also proved to be a reasonably successful method, as this encourages groups, that might otherwise be discouraged by the bureaucracy associated with other funding streams, to come forward for project funding. Among those studied, the least satisfactory projects have probably been those that seek to pilot new activities as they are limited in their activity to particular pilot plots (Farmland Birds) or can suffer from reluctance within the target local community (the Weald Meadows Initiative and Energy from the Forest). However, if these projects are successful in animating the local community or in rolling out best practice exemplars across the LAG area, they may too prove successful in the longer term.

It is difficult to accurately state whether any of the projects examined are truly innovative. A number of the projects replicate activity that is occurring elsewhere in the country, such as the Green Gym. Similarly, it is hard to discern the level of innovation in the FWAG projects, as these projects resemble the normal activities of FWAG, although in terms of additionality Leader funding may have made their advice available to those who might not have otherwise been able to afford it. The Lifescapes project is ambitious in its scope, but also replicates other similar projects across England. The use of Leader funds to provide skilled 'environmental facilitators' who pro-actively engage with local stakeholders and disburse relevant and actionable advice has been a successful approach, but is probably not innovative. However, the combination of this approach with a small grant scheme in the New Forest has been very successful. These findings show that despite the strong emphasis placed on Leader as an innovative tool in the rural development Regulation, Leader is most effective at introducing new practices at the local level, rather than in generating truly groundbreaking innovative activity.

A small number of projects may create negative environmental impacts. Also, in a small number of cases, there appear to have been missed opportunities for the environment. For example, whilst the Energy from the Forest project can be viewed positively in terms of the small benefits it is providing in reducing greenhouse gas emissions, a longer-term aim of the project is to encourage energy crop production on arable farmland in the form of short rotation coppice and other woody biomass crops. This could have negative impacts on biodiversity, soil quality and water quality depending on what type of land use the crops are replacing and how intensively they are managed. The same project also seeks to bring woodlands back into traditional management, but has not encouraged coppicing, an activity that can encourage greater species diversity in woodlands, because of a lack of the appropriate skills locally. This emphasises the need for appropriate environmental expertise on the LAG and the need to provide expert guidance to project applicants.

### ***Impacts on socio-cultural sustainability***

Many of the projects had clear positive impacts on social capital and on peoples' knowledge and understanding of the environment. The projects have proved successful at:

- Bonding social capital activity in the farming community (for example, the Cumbrian Hill Sheep Initiative).
- Facilitating sustainable land management by actively engaging with the relevant actors (e.g. Forest Friendly Farming Advisor and Woolhope Dome).
- Bridging a gap by delivering advice to farmers on schemes that they might otherwise be apprehensive about (e.g. Forest Friendly Farming Advisor.)
- Engaging the local community, for example through conservation volunteering (e.g. Wessex Ridgeway and Woolhope Dome).
- Accessing individuals who may have previously disregarded environmental issues (e.g. Green Gym and Green Life.)
- Encouraging behavioural change in terms of energy use (e.g. Green Life).

The best example of a project that has had a positive impact on bonding social capital is the Cumbrian Hill Sheep Initiative. The Initiative emerged as a holistic umbrella project to aid the recovery of the hill sheep sector following foot and mouth disease in 2001. The project supports and drives a range of schemes that support the hill farming community and the social ties that are necessary for sustaining grazing activity on the Fells. Through the project two hill sheep breed associations have been supported and a Rough Fell Trust established. Each organisation has received support in marketing and promoting meat, and in establishing related tourism initiatives. The project also ran a number of annual 'Fell Farmers' Gatherings' to raise awareness of the changing policy climate of agriculture, and a new generation of fell farmers was developed through a special training scheme. A steering group has guided the project, with representation from the LAG, the Country Land and Business Association, the Government Office for the North West, the NFU, the Rural Development Service and English Nature, as well as a pivotal and knowledgeable rural consultant.

The projects that have employed an advisory 'environmental facilitator' figurehead have been successful in connecting with local communities, as they are seen as approachable figures who bridge the gap between governmental grant schemes and the farming community. The Forest Friendly Farming Advisor and Woolhope Dome project officers have gained the trust of the local community and have effectively networked to the extent that they have become the first port of call for many in need of advice.

Another example of a Leader project stimulating social bonding in the farming community is the Biodiversity Means Business project. Through the project's pilot scheme a farmer who was enrolled in the Countryside Stewardship Scheme wanted to promote the sale of traditional beef from his farm. This has proved so successful that neighbouring farms have joined in by rearing rare breed pigs and sheep, thus expanding the market of this enterprise.

The Green Gym project has been successful in bringing together a diverse selection of individuals who were previously unlikely to have participated in conservation volunteering. About 20 people participate in the Green Gym and are engaged in a number of small scale land management activities, and with the end aim of the Green Gym continuing after Leader funding ceases, individuals from within the group are being trained to lead future groups. These individuals do not have a conservation background and therefore the project successfully engages those who would not normally have pursued conservation interests. A number of projects have successfully engaged members of the local community. For example, with the Wessex Ridgeway project five conservation projects have been undertaken by community groups involving work such as scrub clearance.

<b>Successes</b>	<b>Problems</b>
Bringing together the ideas and opinions local people have on local conservation issues.	It was difficult to engage local people because of the limited pool of people available, consultation overload and lack of time.
The opportunity for local people to exchange ideas with representatives of the statutory agencies.	It proved more or less impossible to find enthusiastic individuals around which projects could crystallise.
One local group successfully engaged with an area forester to develop new woodland paths.	The one successful group is likely to close at the end of the project as there is no figurehead to spur activity on.
Attempt to improve communication between agencies, local groups and individuals so that information and aspirations can be shared and so that work can be targeted and not duplicated.	Members of the community felt it was not their place to comment on or influence land management on private land. In two of the three groups private landowners failed to attend meetings.
Bridging the gap between strategic planning on one level and community work on the ground.	Members of the community felt they did not have the necessary environmental knowledge to suggest appropriate changes to land management.
	Whilst some statutory agencies provided feedback on touted projects, one did not.

**Figure 5: Successes and Failures with Community Engagement in the Lifescapes Project**

The Herefordshire Lifescapes project illustrates some of the problems that can occur with engaging local communities. The project intended to work with five community groups in order to make use of landscape scale habitat mapping work that had taken place in the first stage of the project. However, just three groups were recruited due to a lack of interest among local communities and time constraints within the project team. Each of these groups was invited to generate ideas for local landscape and biodiversity projects, as part of the project's overall goal of developing a landscape scale approach to conservation. However, due to the problems of securing community engagement the project was not able to implement the number of projects originally envisaged. Some of the issues experienced by this are described in Figure 5.

The group behind the Farmland Birds project wants to disseminate the project's results to Defra. The main aim of the project is to test five different seed covers to aid the recovery of a number of bird species such as Yellowhammer and Corn Bunting, with a view to Defra using the results to advise farmers on the Isle of Wight as to the best cover options under the agri-environment schemes. However Defra do not actually have buy-in to the survey and their use of the information gathered by the project is by no means guaranteed. It remains to be seen

whether the project will be successful in influencing the content of environmental stewardship schemes, and whether the results of the project will provide long-term benefits to farmland birds.

Nearly all of the projects have had a good impact on people's knowledge and understanding of the environment. The farmer advisory projects have bolstered some farmers' knowledge of on-farm conservation issues through one-on-one advisory visits and training events such as farm walks. For example, an aim of the Forest Friendly Farming Advisor project was to build capacity in the commoning community by increasing the level of knowledge and understanding of environmentally friendly farming and habitat management techniques. More widely, the general public's understanding of the environment has improved through projects such as the Wessex Ridgeway project, which facilitates community led projects and has installed interpretative panels on the route. Volunteer work parties have also been a feature of the Woolhope Dome and AONB Small Grant Scheme projects, where a beach clean, among other activities, has taken place.

### ***Impacts on economic sustainability***

There have been minor positive impacts on employment, mainly in helping to retain jobs locally and to create jobs directly related to the project. An example here is the Cumbrian Hill Sheep Initiative where young people received training in fell farming and the required traditional skills to obtain jobs locally. Most projects have funded a job for a project officer. In other cases, projects may have assisted local businesses. An example of this is the Green Life project, where the public are encouraged to use farmers' markets and local provenance tree growers. In the case of the Green Gym two former conservation volunteers have obtained jobs in related fields. Some projects may have laid the foundation for more jobs in the future. It is an aim of the Energy from the Forest project to retrain agricultural workers as wood boiler installers if demand increases. The farm advisory projects may have helped the financial status of farming businesses by directing farmers to relevant grant schemes, thereby helping to retain on-farm employment.

Some positive economic outcomes have occurred for those engaged in supplying local products. For example, in the Woolhope Dome traditional breeds such as Hereford cattle are being used to manage grassland sites across the area. Around ten groups are participating in a producer networks to market this meat. The Woolhope Dome project has employed a dedicated Enterprise Officer who will identify existing markets and create new brands for products based on sustainable woodland, grassland and orchard management. The work undertaken by the Cumbrian Hill Sheep Initiative has also developed marketing and tourism activity based on traditional local sheep breeds. Projects such as the Wessex Ridgeway also integrate tourism development as part of their suite of activities.

A small number of projects have had positive impacts on the wood supply chain. Some examples include the coppicing of chestnut for fenceposts in the Green Gym project, the creation of a small local market for woodfuel in the Energy from the Forest project and the establishment of a sustainable charcoal business through the Woolhope Dome project.

### ***Impacts on Partnership Working***

There has been a range of minor positive impacts in terms of the way Leader has facilitated interaction between different statutory environmental agencies, as well as between these agencies and other governmental and non-governmental groups. Some agencies have been involved in advising on project applications, in steering projects once they have started, and in responding to community concerns. English Nature in particular has been heavily involved with a number of Leader+ projects in the Herefordshire Rivers and the New Forest<sup>19</sup>. For

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<sup>19</sup> With the Woolhope Dome project advice on the design of the project was sought from English Nature, the Forestry Commission, the Wye Valley AONB, the Traditional Breeds Society and the Food Standards Agency. English Nature, the Forestry Commission and the Wye Valley AONB also sit on the



example, English Nature was engaged in the Lifescapes project, and along with the Forestry Commission provided feedback to community groups on proposed small-scale land management projects. However, another statutory agency failed to engage with the project, despite many attempts by the project team to bring a representative on board. The Cumbrian Hill Sheep Initiative received strong interest from Defra and English Nature and LAG staff visited senior staff at both organisations to promote the project's work.

Some of the projects have proved successful at fostering the tenets of sustainability within the local community, because they work to promote behavioural change. The way that the Green Life project has mainstreamed energy saving practices throughout the LAG area is one example. Those environmental advisory projects which have succeeded in their outreach activities by engaging with a higher proportion of local land managers than other environment schemes have also helped embed sustainability in local action. Once the initial contact is made and advice imparted, land management practices are adjusted along more sustainable lines and become common practice. Other projects have proved less successful in this respect. For example, the Lifescapes project failed to engage the local community at the level it wanted to in the lifetime of the project. Therefore some projects may require more time if sustainability is to become embedded locally.

A number of projects studied demonstrate the viral effect. This is the possibility of the project being replicated elsewhere. There is evidence of this demonstration effect occurring, both locally and regionally, but less so nationally. The Farmland Birds project has impacted locally. As a result of viewing the pilot site, a number of landowners decided to plant wild bird cover on another six sites across the Isle of Wight. The Green Life project is an example of a project that has generated the interest of parties from outside of the LAG area, but has yet to be replicated. At the regional and possibly national levels, the Lifescapes project may have a useful demonstration effect by putting to use the information collected during the course of the project. An event was organised by the project for local authorities, the statutory conservation agencies and stakeholder groups in order to identify how the mapping work conducted by the project could be applied in the future. Some projects have created the stimulus for a range of related projects. The primary example is the Cumbrian Hill Sheep Initiative which became an umbrella project for a large number of smaller projects aimed at restoring the sustainability of the upland sheep farming sector.

A couple of projects are aiming to become best practice examples, where the techniques learned can be rolled out more widely. For example, the Weald Meadow Initiative project is one of three best practice examples being used by Flora Locale, a charity that promotes the use of native flora, in order to set up a national network of projects offering a similar service. Because of this a similar operation is likely to be set up within the region. For good projects to be replicated, people must be aware of any problems projects experienced. It is uncertain as to whether projects or LAGs are disseminating 'the lessons learned' from a project, although the Weald Meadows Initiative is one example of a project where a Manual is to be produced based on the experiences of the project. The Woolhope Dome project is also aiming to roll out best practice across the whole LAG area. The locally specific solutions identified in one area may therefore be applicable elsewhere.

There is limited evidence that Leader+ projects are changing wider public perceptions of the environment as a source of wellbeing. The way in which projects are publicised may have a positive impact in this respect. There is no definitive evidence, however the activities of a number of projects illustrate that this may be the case. For example, a number of press

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steering group for the project. English Nature's involvement in the project resulted in the project being the first in the country to make use of the Sheep Wildlife Enhancement Scheme (SWES), a scheme administered by English Nature nationally. English Nature also advised the Forest Friendly Farming Advisor on the management of the New Forest SSSI.

releases have been issued about the Farmland Birds project, which has received good local news coverage. The project has also been promoted among schools and community groups by illustrating the success the project has had with skylarks. Other projects initiate volunteer work parties, such as the Green Gym, Woolhope Dome and Wessex Ridgeway, may also improve people's sense of the environment as a source of wellbeing.

### ***Impacts on General Government Priorities***

From the projects examined there have been few impacts on social inclusion, productivity and employment. As described above, projects have enjoyed some success in creating jobs and creating the conditions required to retain some jobs, for example by supporting local farmers, or by facilitating the diversification of the local economy. From the limited evidence gathered, environmental Leader+ projects appear to have had some impact on productivity, for example by creating markets or brands based on local landscape. There has been a definite impact in terms of social inclusion for the Green Gym project. The Green Gym targets those marginalised groups, including those with mental health needs and the long-term unemployed.

### ***Integrating Economic, Social and Environmental Sustainability***

Of the 14 projects examined in England, ten projects have had some success in delivering integrated rural development. This means that these projects provide benefits to the local environment, economy and people. A number of the farm-based projects<sup>20</sup> have sought to develop the links between sustainable land management and the production of quality local products. Such products can command a premium and therefore benefit farm incomes. Improved environmental performance and economic returns also delivers a range of positive social benefits.

Other projects have broached integrated rural development at the landscape scale. The Wessex Ridgeway project, for example, is a diverse platform for delivering small-scale environmental improvements, improving local economic performance, and enhancing opportunities for locals and visitors. Among other goals, the project aims to encourage environmentally appropriate land management practices, increase farm-based tourism and encourage people to take on community development projects or to enjoy the countryside by visiting the Ridgeway trail, some parts of which feature interpretative panels.

The complementary roles of a food marketing/branding officer and a land management officer in both the New Forest and Woolhope Dome has also proved to be a beneficial approach to delivering a range of objectives. Realising the multi-functional aspects of endogenous development, both of these projects seek to improve land management and to tie this into the development of locally branded premium products.

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<sup>20</sup> For example Biodiversity Means Business, Wealden and Rother Sustainable Farms

## 5 Country Analysis – Scotland

### Introduction

This section consists of three parts starting at the strategic programming level, moving on to the operation and outputs at the level of the selected Local Action Groups and finishing with an analysis of selected Leader+ projects. It aims to give an overview of the operation of Leader+ in Scotland, evaluate the performance of LAGs and the impacts of a number of Leader+ projects. The LAGs and projects selected for evaluation are as follows:

LAGs	Projects
<b>Cairngorm</b>	Aboyne Community Woodlands
<b>Dumfries and Galloway</b>	Special Places Grant Scheme Working Towards Best Practice
<b>Argyll, The Islands and Lochaber</b>	Woodland Grazing Field Trials Ben Nevis Estate Conservation
Lomond and Rural Stirling	Connecting Our Peatland Heritage
Scottish Borders/North Northumberland	Tweed Catchment Management Plan

NB: Only LAGs in **bold** are those which have been evaluated as part of this project

### 5.1 The Scottish Leader+ Programme 2000-2006

The Scottish Leader+ Programme was approved by the European Commission on 8<sup>th</sup> January 2002. It sets out the proposals for the involvement of local communities in rural areas, developing and testing pilot strategies and innovative approaches to strategic, integrated and sustainable development of these areas. A further Programme Complement was subsequently prepared and agreed by the Programme Monitoring Committee, as required by the European Commission. The Complement provides details of the types of activities eligible for support under the 2000-2006 Leader+ Programme, indicative financial allocations at Measure level and quantified targets against which Programme performance is measured.

The Programme makes over £17 million of EU funding available over 6 years. The Programme was profiled to provide EU assistance of £1.56 m in 2001 and £3.15 m in each of the next five years. With the addition of co-financing, the overall value of the Programme is over £34 m.

#### *Strategic priorities*

The overall aim of the Programme for the period 2000-2006 is stated as:

‘To pilot and communicate innovative approaches to rural development that will promote the sustainable economic, environmental and social development of Scotland’s rural communities.’

In reference to a sustainable environment, the Programme states that it will:

‘...encourage the conservation, enhancement and management of the natural and built heritage of rural Scotland as a positive asset. It will establish systems to ensure environmental considerations are taken into account in Programme and Project planning and implementation. It will also seek to maximize the social and economic value that can be derived from the sustainable utilization of rural Scotland’s high quality environment.’

The Programme includes an environmental profile for Scotland that is strong in describing Scotland's environmental assets and strengths. It also identifies some of the key environmental problems that need to be addressed such as diffuse pollution and declines in biodiversity. The SWOT analysis builds on this by identifying a range of environmental opportunities that might be addressed through rural development policies including:

- Promoting agri-environment and other measures that increase the sustainability of the land and maritime resources
- Maximizing local benefit from investment in Natura 2000 and other sites of high natural heritage value
- Developing 'green' products based on environmental quality
- Using new Scottish National Parks legislation to test and generate sustainable rural development
- Exploiting opportunities for renewable energy development
- Developing niche tourism and other markets based on natural and cultural heritage, including Natura 2000 sites
- Increasing tourism value based on the demand for sustainable and environmentally friendly tourism products
- Increasing the local value added of forestry through sustainable development of native woodlands by communities, together with appropriate scale processing to develop new products

In relation to the four Leader+ Themes, the Scottish Programme notes the variability in the extent to which these Themes relate to the development priorities of different parts of rural Scotland. It therefore suggests that LAG development plans will be based on the most appropriate Theme with an aim to secure a balanced Programme across Scotland in terms of the four themes. The Programme also notes the inter-relationships between themes e.g. Theme 3: making best use of natural and cultural resources and Theme 4: improving the quality of life. Significantly, the Programme states there will be an emphasis as a whole on measures that:

- Incorporate enhanced, often innovative, use of ICT, with local 'soft' infrastructures developed to support this
- Lend themselves to the development of joint or complementary projects between LAGs
- Use approaches that are transferable within rural Scotland (and more widely within the UK and the EU) e.g. through achieving good results at modest cost
- Address the target groups of: women; young people; micro and small businesses (including farms and crofts) and the self-employed; the under-employed

A positive comment from an environmental perspective is that even in local area programmes not based on Theme 3 (Making best use of natural and cultural resources, including enhancing the value of Natura 2000 sites), there will be a strong commitment to environmental sustainability, and implementation of projects that enhance the environment. Indeed, environmental sustainability is set down as a cross-cutting Programme priority along with equal opportunities and information and communication technologies.

The combined effect of these various statements throughout the Scottish Programme is to leave the reader with a strong sense of the environment and environmental sustainability being a priority for Leader+ action, at least equal to socio-economic priorities. It seems reasonable to expect therefore that the environment should, in theory, continue as a priority through the selection of LAGs, their Themes and development plans and the Leader+ projects subsequently funded.

### *Strategic guidance*

Both the Scottish Programme and its Complement give useful examples of the sorts of Leader+ projects or activities that might be funded under Theme 3 ‘Making best use of natural and cultural resources’, as shown in Box 8.

#### **Box 8: Examples of Leader+ Projects Given in the Scottish Programme**

##### ***Natural Resources***

Scotland has a world wide reputation for its natural environmental qualities. Its natural resources range include landscape - magnificent mountain ranges to picturesque fishing villages and wide expanses of clean beaches, wildlife and world renowned and protected wildlife habitats. As outlined in Chapter 2 of the SPD, such geographical advantages attract millions of tourists every year and contribute significantly to local economies. Activities under Measure 3 may therefore focus on these advantages and work to safeguard and enhance them. It could also be used to identify and utilise as yet unseen or underexploited assets.

##### ***Cultural Resources***

Scotland has a powerful and evocative cultural heritage and thus has a strong basis on which to build. Activities may focus on enabling the community to appreciate and develop its traditions, culture and languages, and to gain economic benefit from these either through developing new skills, establishing businesses and new enterprises or attracting tourists.

##### ***Tourism Initiatives***

Activities could focus on developing cultural tourism initiatives that bring together new and existing providers of events, accommodation and cultural products (such as music CD's). These could be related to Gaelic, Scots and traditional Scottish dialects and be promoted to visitors both during and prior to their visit. Using new technologies could assist this collation of information and could enhance tourism products through promotion and higher visitor numbers. Arts and entertainment venues and visitor attractions with related cultural or historic themes could be networked together and promoted to touring visitors. Managers of tourist attractions and others may also consider diversifying and encouraging new activities. Tourism can be targeted and developed as outlined under Measure 2 (2.21) by focusing on new markets such as short breaks and activity holidays. This local, cultural ‘branding’ may help to promote individual places and attractions gaining wider recognition. New recreational/interpretive opportunities may be created for both visitors and the local community through the development of sites of natural heritage or historical significance. For example footpaths could be established that are environmentally friendly and help to sustain the natural habitat.

##### ***Enhancing the Value of Environmental and Natural Resources***

Activities may enhance the economic value of sites of Community interest selected under Natura 2000 and other sites of high heritage value through relatively low cost measures. Projects might include improving the management of the coastal environment and Natura 2000 sites. Activities could contribute to the restructuring of forests through local co-operative actions by increasing the proportion of native species, removing excess trees, rhododendrons, etc. This would provide more immediate economic benefits through enhanced recreational and interpretive facilities and to support sustainable initiatives, and so complement forestry actions under the Regional Development Plan.

### ***Selection of LAGs and geographic targeting***

The Scottish Programme sets out criteria for the selection of Local Action Groups. Given the emphasis on the environment in terms of setting priorities for Leader+ in Scotland, it is perhaps surprising that both basic information requirements and eligibility criteria set for potential applicants make scant reference to the environment. For example, applicants must state how the geographical area is socially and economically coherent but are not required to make any assessment of environmental coherence. Equally, an analysis of the economic and social position of the rural area covered by a proposed LAG must be undertaken but not an environmental analysis yet it is this analysis that will ‘...identify opportunities within the area...(and) form the basis for each activity or project addressing an opportunity in an innovative way.’ Only at the end of a long list of required criteria does the Programme state:

‘Environmental sustainability – applicants should demonstrate how they have taken account of the environmental objectives of the Programme, the environmental conditions of their area, and of how they can enhance the condition of, and maximize local benefits arising from, the environment.’

Given that much of the information presented by prospective LAGs goes on to form part of the Business Plan for those LAGs approved, it is somewhat regrettable that greater emphasis is not given to the environment in the application and selection process. It is likely that only those LAGs selecting Theme 3 are likely to have given any particular attention to environmental issues and identified the environmental baseline from which the LAG started to operate.

The final list of LAGs approved for Scotland, their main Theme and the funding allocated is set out at Figure 6. Of 13 LAGs, three have selected Theme 3; two of these have Theme 4 as a subsidiary Theme. It is these three LAGs that have been selected for further evaluation through this project. The financial allocation to these LAGs accounts for 26% of the total budget. This suggests that the Scottish Executive in approving LAGs has sought to achieve a balance between Leader+ Themes. The location of the LAGs (see Figure 3) also suggests there is a wide geographic spread. The three LAGs focusing on Theme 3 are located in key areas of environmental importance in Scotland – Cairngorms, Dumfries and Galloway and Argyll, the islands and Lochaber. However, other areas such as the Western Isles, Northern Isles, and North Highland are equally strong in terms of their environmental value and resources. The Themes of these LAGs are ‘Use of know-how and new technologies to make products and services more competitive’ for the first two and ‘Improving the quality of life’ for the third.

**Figure 6: Scottish LAGs, Leader Theme and Financial Allocation**

<b>LAG</b>	<b>Leader+ Theme</b>	<b>Financial Allocation (£)</b>
Argyll, the Isles and Lochaber	Making the best use of natural and cultural heritage with the sub theme of improving the quality of life in the WHELK area	1.9 million
Cairngorm	Making the best use of natural and cultural resources, including the value of sites of community interest under Natura 2000	1.06 million
Dumfries and Galloway	Making the best use of natural and cultural resources, with the subsidiary theme of improving the quality of life	1.8 million
East Fife	Improving the quality of life in rural areas	0.978 million
Lomond and Rural Stirling	Improving the quality of life in rural areas	0.75 million
Moray	Improving the quality of life in rural areas	0.43 million
Northern Isles	Use of know-how and new technologies to make the products and services of rural areas more competitive	1.225 million
North Highland	Improving the quality of life in rural areas	2.57 million
Rural Tayside	Adding value to local products, in particular by facilitating market access for small production units by the way of collective actions	1 million
Scottish Borders	Making the best use of natural and cultural resources, including the value of sites of community interest under Natura 2000	2.035 million
South Lanarkshire	Adding value to local products via collective actions	0.916 million
Tyne and Esk	Improving the quality of life in rural areas	1 million
Western Isles, Skye and Lochalsh	Use of know-how and new technologies to make the products and services of rural areas more competitive	2.5 million
		<b>£18.164 million total</b>

Source: Scottish Leader+ Complement

### ***Management of the Programme***

The Scottish Executive is the Managing Authority for the Programme and the Paying Authority. It is required to maintain an accounting system that can monitor and record all financial transactions made to LAGs and expenditure under the Programme. The Executive is accountable for the expenditure by LAGs and for ensuring that LAGs implement and use effective control and reporting systems.

### ***Monitoring and evaluation***

The Scottish Executive, assisted by a Programme Monitoring Committee, is responsible for general monitoring to ensure the quality and effectiveness of implementation by assessing

progress towards achieving financial, physical and impact indicators defined in the Programming document. The PMC consists of representatives from the principal regional sectoral organisations including the Scottish Executive, public, private and voluntary sectors. SNH is represented on the PMC.

In Scotland, indicators/targets for Leader were established late in the day and are only found in the Programme Complement, not the main Programme document itself. At Programme level a series of targets were established, all of which were numerical e.g. number of projects, number of people assisted. Of these, only one is specific to the environment: ‘No of environmental/sustainability projects – 235’.

For those LAGs choosing Theme 3, the following targets are set out in the Programme Complement (see Figure 7). The targets most explicitly related to the environment (although other targets may have environmental elements to them) are:

- No of environmental projects
- No of sustainability projects
- No of sites with natural heritage interest with interpretation introduced, access improved
- No of Natura 2000 sites with improved management

Such targets are relatively meaningless in terms of being able to assess the real outputs and outcomes of Leader projects and funding. The MTE argues that the small scale, bottom-up nature of Leader is inherently likely to meet sustainable development objectives but provides little or no evidence that this is the case. It also states that ‘Leader+ is likely to impact more on environmental sustainability than sustainable development.’ Again, there is little evidence or justification for such a statement. Even if targets were meaningful, there appears to be a problem in linking project section by LAGs to these national indicators or targets. The MTE concludes:

‘While the selection of projects ... can deliver actions in a local area, which meet the local objectives, there is no simple link to approving projects that will contribute to overall Programme targets. If there were then the local selection process would have to take into account the position relative to Programme targets at any specific time. A procedure to inform LAGs would therefore have to be put in place to allow this to happen.’



**Figure 7: Targets for Action 1: Measure 3**

<b>Action 1: Measure 3</b>		
<b>Making the best use of natural and cultural resources</b>		
LAGs: Argyll, Cairngorms, Dumfries and Galloway, Borders		
<b>Indicator</b>	<b>Target</b>	<i>Field of intervention</i>
No of awareness raising events held	<b>134</b>	
No of environmental projects	<b>150</b>	127
No of tourism projects	<b>120</b>	1310
No of sustainability projects	<b>85</b>	127/162
No of awareness raising events held	<b>195</b>	
No of marketing plans undertaken	<b>15</b>	
No of sites of natural heritage interest with interpretation introduced, access improved	<b>60</b>	1312
No of Natura 2000 sites with improved management	<b>30</b>	1312
No of individuals trained, gaining new skills or re-skilled	<b>510</b>	113/128/167/174
No of training days provided	<b>240</b>	113/128/167/174
No of training courses delivered	<b>25</b>	113/128/167/174
No of jobs created / safeguarded	<b>64</b>	
No of businesses advised / assisted	<b>105</b>	163/164/171/172/173
No of community groups advised / assisted	<b>142</b>	
No of women assisted	<b>250</b>	25
No of young people assisted	<b>300</b>	
No of under-employed assisted	<b>115</b>	
No of micro / small businesses assisted	<b>78</b>	163/164/171/172/173
Other target groups assisted		

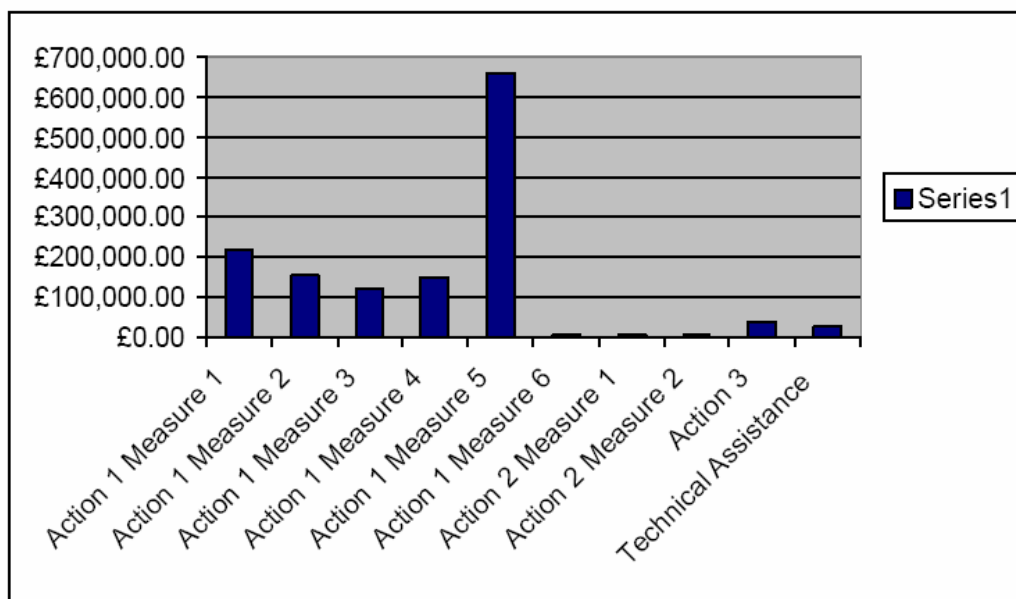
NB: Field of Intervention is an administrative code – only the Target column is relevant here. Also, note blue highlighting on original document and not added here.

Such a procedure does not appear to exist and contact between LAG Programme Managers and the Scottish Executive is limited. Programme Managers made a number of comments on monitoring and evaluation. They feel that many of the benefits of Leader+ are captured at LAG level – both quantitative and qualitative – and that a large amount of information is held. However, much of this information is not required by the Scottish Executive as it is only looking for monitoring data in relation to the indicators in the Programme. Hence only 15-20% of the real outputs of Leader appear to be captured. The indicators selected do not fit the projects very well and there is also a problem in understanding what the indicators mean – interpretations of what should be recorded vary considerably from LAG to LAG. For example, the indicator ‘No of women assisted’ is measured in very different ways, from the number of enquiries by women to LAGs, the number of applications by women, to the number of women who, for example, attended events organised as part of Leader projects. This leads to very variable figures being presented to the Scottish Executive. These are then pulled together to give national figures that are meaningless and convey little about the real value of Leader+. Some LAG staff have requested better guidance from the Scottish Executive on what to measure but the response was that this is for LAGs to decide. Some Programme Managers feel that the Mid Term Evaluation drew conclusions (based on the indicators) that cannot necessarily be substantiated. They feel that part of the problem is that the Scottish Executive does not see Leader as a high priority. An example given was that the Executive is supposed to organise Scottish co-ordinators meetings (of all Scottish Programme Managers) but that there has not been one for the last 14 months.

Assessing progress with Leader+ has been made more difficult by the fact that the Programme appears to have been slow to get underway. The MTE notes that the target spend for Leader+ in Scotland was £2.7 million by the end of the second quarter of 2003. At June 2003, only £448,000 had been claimed, some 17% of the target. By November 2003, the certified spend by Measure (see Figure 8) had increased but only a little over £100,000 had been spent on Measure (Theme) 3. By far the greatest expenditure was under the heading Action 1 Measure 5 which represents ‘Operating Costs’. Various factors may account for this slow progress including the late approval of the Scottish Programme (2 years into the 7 year programming period), the inevitable delays in setting up LAGs and developing Business Plans (accounting for the main expenditure being on operating costs) and hence a time lag in Leader+ projects being developed and coming into operation.

**Figure 8: Certified Spend by Measure**

**Figure 0-3 - Certified spend by measure**



Scottish Executive, claims at November 2003

Overall, the monitoring and evaluation processes for Leader+ appear to be weak. The Mid Term Evaluation report comments:

‘We found it very difficult to find monitoring information that provided a useful guide to progress. Stakeholders tended to agree that monitoring processes were not yet working well. At the LAG level and national level it is difficult to assess progress or to see how existing systems could do this.’

## 5.2 Local Action Groups

This section presents the findings from the evaluation of the selected LAGs. It considers the extent to which the environment is seen as a priority by the LAG, assesses the number and range of environmental projects funded compared to socio-economic projects, reviews administrative and operational performance including environmental representation on the LAG and the role of LAG staff, identifies and evaluates the process of project development, assessment and approval.

The three Scottish LAGs looked at in detail were:

1. Cairngorms
2. Dumfries and Galloway
3. Argyll, The Islands and Lochaber (WHELK)

### ***Environmental priorities in LAG Business Plans***

All three LAGs identify the natural environment as a key strength for their areas and an important asset for community and rural development. The environment as an asset is given particular prominence. For example, Dumfries and Galloway state their strategic theme as ‘building the confidence of the rural communities to enable them to realise the potential of the natural environment as their principal resource’. WHELK expresses its strategic aim as:

‘Support the sustainable, community based development of the fragile coastal and island communities of the WHELK area, enabling them to make the most of the outstanding natural heritage of the area and improve their quality of life.’

Cairngorms states its overall objective as:

‘Helping local communities and businesses to make full use of the opportunities offered by the National Park, whilst helping them to manage the increased expectations and possible restrictions’.

As we can see, a common theme through all these statements is that of the local community with the environment presented primarily as a resource to be used to benefit these communities. This is perhaps not surprising given the community emphasis of Leader+ but greater emphasis on the protection and enhancement of the environment in its own right, rather than as merely a resource to be used, would demonstrate a clearer commitment to environmental sustainability in the Business Plans.

None of the Plans are particularly good at presenting a detailed analysis of the current baseline in regard to the environment. They refer to the environmental strengths and attributes of the areas but reflect little on the environmental problems and how these might be addressed through rural development. The Scottish Programme states Development Strategies should provide baseline analysis against which future success can be measured but such analysis for the environment is lacking. The lack of good baseline data on which to prepare such an analysis along with lack of environmental knowledge of those preparing the Business Plans were issues raised at the stakeholder workshop undertaken for this project.

### ***Proportion of environmental projects***

The WHELK LAG has funded some 150 projects since 2002. Staff identified several projects that they felt were beneficial to the environment e.g. community woodland projects, coastal management and suggested that up to 50% of projects have an environmental element. Staff consider Leader’s strength is in trying to do something different and address cross cutting themes or develop new approaches but also to try to meet economic, social and environmental objectives in an integrated way. One interesting project mentioned was that led by the Employability Unit at Argyll and Bute Council which was taking long term unemployed men and getting them working on environmental projects where labour was needed and, at the same time, giving them training e.g. in using chainsaws, fencing etc. The win-win was the environmental work being done and men developing skills that might help them get back into employment.

In Dumfries and Galloway, the LAG’s own analysis in 2004 records: 35 projects supported under Priority 1 in the first part of the programme and 6 joint projects co-ordinated under

Priority 2. An assessment of the type of projects supported so far shows that the Business Plan is being realised, both in terms of the project numbers and anticipated financial commitment projections. In terms of project type 24% of projects are environmental, 24% tourism related, 20% business orientated, 17% are based on local culture and 15% are community initiatives. This suggests that a number of projects under headings such as cultural resources are seen as having an environmental component.

At first analysis, the emphasis, in relation to projects funded, appears to be on making best use of 'cultural' as opposed to 'natural' resources. There appears to be quite a strong inter-relationship between cultural and tourism type projects e.g. development of cultural heritage as a means of generating tourism and economic activity. A number of the projects in the 'other' category appear to be related more to 'improving quality of life' than Theme 3. The environment does not seem therefore to feature as strongly as it might in relation to projects funded, although it is possible that some projects have 'hidden' environmental aspects e.g. those relating to countryside access, for example.

In Cairngorms, some 64% of all projects appear to relate to cultural/community initiatives as opposed to those targeting natural resources. If tourism projects - activities such as interpretive signs, festivals etc - are added in then almost 82% of projects are socio-economic and only 18% likely to have direct environmental benefits. Of natural resource projects a number are sustainable energy projects for heating community facilities and the main objectives are described as the benefit to the community rather than the environment. Hardly any projects involve direct management (or facilitate such management) of the natural resources of the Cairngorms, with the aim of safeguarding or enhancing these assets.

LAG staff agreed that there was more of an emphasis on heritage and cultural issues in projects funded and that this was largely driven by the LAG and the local community itself. They believe one of the strengths of the Leader+ programme (and its predecessor Leader II with which one person was involved) is that of confidence building and encouraging people to work together. Before such initiatives, communities on the east and west side of the Cairngorms hardly interacted. Local awareness and knowledge of Leader is growing in the area. The introduction of the National Park is making a big difference both in practical terms such as providing financial support and in developing local strategies. The National Park is seen as taking on what has been started by other initiatives and funding streams. Staff feel that there is more of an interest now in looking at landscape, archaeology and natural heritage issues but that this will take time to develop.

#### ***Meeting environmental targets***

Judging environmental outputs (and to a greater extent, outcomes) at the LAG level is extremely difficult due to the targets sets. While it was possible to find the original targets set in the Business Plans, it was not possible in all cases to find information on how much progress had been made in reaching these targets.

WHELK provided a clear table of current and future targets and the extent to which these had been met to date. The targets are drawn directly from the targets in the Programme Document and are all numerical. The explicitly environmental targets are shown in Figure 9 and limited progress towards them had been made by Spring 2005.

<b>Indicator</b>	<b>Current target</b>	<b>* Achieved to date</b>	<b>New Targets</b>
No of environmental projects	<b>14</b>	<i>14</i>	<b>50</b>
No of sustainability projects	<b>25</b>	7	<b>40</b>
No of sites of natural heritage interest with interpretation introduced, access improved	<b>25</b>	5	<b>40</b>
No of Natura 2000 sites with improved management	<b>25</b>	2	<b>25</b>

**Figure 9: Environmental Targets for WHELK**

In Dumfries and Galloway, the original Business Plan was approved without any targets. Following provision of an outline framework of Measures, Activities and Indicators provided by the Scottish Executive targets were prepared and approved by the LAG in March 2003. The target for environmental projects was 28 of the total 88 projects funded and this had been met by 2004. The target for improving interpretation and access to natural heritage sites was 31 and by 2004, 53 such activities had been undertaken. The target for the number of Natura 2000 sites with improved management was 13 and 4 sites had been improved by 2004. By 2004, the LAG had allocated 50% of its funding. Dumfries and Galloway therefore appears to have made better progress in reaching its targets to date than other LAGs examined.

Cairngorms had a number of environmental targets similar to the other two LAGs. In 2004, the LAG commissioned Anne Napier to review progress to date, primarily through a series of interviews with LAG members, applicants, and partners; and held a review session at Badaguish Outdoor Centre on 20<sup>th</sup> January 2004. The review concluded that the LAG had:

- committed almost two thirds of Action 1 funding in one third of the time available.
- met most of the targets set out for 2002-04 in the original Business Plan.
- generally provided a very good service to applicants.

The process also highlighted a number of areas in which the Programme needed to perform better, in particular:

- Committing Action 2 funds;
- Meeting targets for environmental projects, women, and young people;
- Ensuring that all parts of the area benefit from the Programme;
- Monitoring projects more effectively.

The Badaguish meeting considered that as well as looking for the environment to be a strand through all projects, the LAG should focus on green tourism and projects linked to Natura 2000 sites. The recommendation put to the LAG was that of the remaining funds for Action 1, they consider earmarking £100,000 specifically for projects related to young people, women, and the environment, and within this envelope agree some split between these groups.

***LAG staff***

LAG staff play an important role in stimulating project applications, giving advice and guidance to potential applicants, commenting on applications in the development stage and advising the LAG as to whether projects should receive funding or not. They are pivotal in determining the type and quality of projects that come forward. Most staff from the LAGs examined come from community and economic development rather than environmental backgrounds. They are not therefore a main source of expertise on environmental project applications. The Programme Manager for Dumfries and Galloway said there was fairly heavy reliance on the environmental expertise of others such as SNH, Southern Uplands

Partnership and environmental staff within the Council to help judge projects. The Cairngorms Programme Manager said she talks to applicants and encourages them to include environmental aspects in non-environmental projects where practicable. The WHELK North sub-LAG Project Officer said she encourages environmental projects and also that ideas come forward from organisations such as SNH, RSPB etc and also from community groups. She feels that local communities do see the value of the environment, its links to the economy, tourism etc and that people are aware of the need for sensitive development.

SNH invited LAGs who chose themes relating to Natural Heritage and Quality of Life to a specialist environmental-sustainability training event in January 2003. This aimed to help LAGs recognise how Scotland's natural heritage can be used sustainably to create development opportunities. The seventeen participants learnt about the development opportunities and socio-economic benefits of resources such as oak woodlands, peatlands and nationally designated landscapes. This was helpful in flagging up the sort of environmental projects that might be funded through Leader+ but did not cover key environmental issues/problems per se in Scotland or necessarily seek to develop the knowledge of LAG staff on environmental issues.

Recruiting staff with more of an environmental background and ensuring staff receive training in environmental issues would be two ways of improving the environmental competence and role of LAG staff.

#### ***Environmental representation at LAG level***

For WHELK, there are two environmental representatives (out of 24 partners in total) in the Whelk partnership: SNH represents the environmental sector in terms of public partners and Lochaber Environmental Group from Community sector partners. The Forestry Commission and Crofter's Commission represent land use bodies. The LAG has two sub-groups – North and South. The two environmental representatives are split between these two groups: Lochaber Environmental Group in the North (1 of 14 partners) and SNH in the South (1 of 13 partners). Some partners have places on both sub-groups e.g. Forestry Commission, Argyll and Bute Council and Argyll, the Isles, Loch Lomond, Stirling and Trossachs Tourist Board. SNH appears to be particularly active in guiding Leader+ environmental projects.

In Dumfries and Galloway, the LAG has a membership of nineteen split between the principal agencies and the social and economic partners in the community. The partnership is based in the community with nine of the fourteen members being drawn from social and economic partners and through the four area Councils of Voluntary Service, links to many of the key groups in the community. The three target groups of women, the young and micro-businesses are specifically represented and through them the final group i.e. the underemployed are also substantially represented. SNH is the main environmental body represented on the LAG but D&G Council also have an environmental remit as do bodies such as the Southern Uplands Partnership.

In Cairngorms, LAG membership consists of 19 individuals, primarily economic and social backgrounds e.g. Highland Council, Community Councils, Chamber of Commerce, Women's and Youth Representatives, Scottish Enterprise Grampian etc. SNH has a place on the LAG, as does the Cairngorm National Park Authority.

SNH therefore appears to be a key player in Leader+ networks and the main environmental body represented on all three of the LAGs examined. The MTE notes:

‘SNH are now members of the seven LAGs that specifically address natural heritage (four Theme 3 and 3 Theme 4). This has led to better awareness (within the LAG) of environmental sustainability, and in some cases has led to the adoption of sustainability check lists. This strategy has also provided helpful but informal feedback on the LAGs. The seven SNH staff

occasionally meet with the SNH member on the PMC to discuss how environmental sustainability is being mainstreamed, and what particular elements need attention. SNH's informal strategy is then to persuade individual LAGs, as necessary, to address particular areas.'

LAG staff emphasised the value of having SNH on board and all staff spoken to saw SNH as the main source of environmental expertise at various stages of project development and approval. Staff in Dumfries and Galloway were at pains however to emphasise the interest in the environment among all LAG members given the importance of this issue in the strategic objectives and Business Plan. Dumfries and Galloway also cited the example of a decision being taken that SNH should directly administer the Special Places Grant Scheme project as they were best placed to decide which projects should receive funding under this umbrella grant rather than decisions being taken by the Programme Manager or the LAG.

It seems however that SNH may not always be able to sway the debate in cases where projects are seen to be strong in economic or social terms but less positive for the environmental, according to one Programme Manager. We heard of at least one example of a project that SNH had concerns about being approved. Given the number of representatives on the LAGs and the fact that SNH is sometimes the only environmental representative it is perhaps not surprising that other interests sometimes dominate. However, in Dumfries and Galloway, the Programme Manager said that SNH opinion is critical in deciding about environmental projects. Although there were no examples she could think of, projects would be turned down if they were deemed to be detrimental to the environment. She also said it was not uncommon for conditions to be applied to funding if there were concerns e.g. that the applicant must work with the PM on an on-going basis to ensure the project meets its objectives etc.

The continuing involvement of SNH with Leader seems valuable from several perspectives – in terms of providing training for LAG staff, providing expertise in the development of projects, assisting at the approval stage and, in some cases, running projects themselves.

#### ***Previous experience with Leader***

In WHELK, some Local Action Group partners had previous experience of administering Leader II and PESCA Community Initiatives (Argyll and Islands Enterprise, Lochaber Enterprise); large ERDF and ESF funded programmes of assistance (Argyll and Bute Council, North Ayrshire Council, Highland Council, Argyll and Islands Enterprise, Lochaber Enterprise) and have been involved in the delivery of a range of projects and schemes funded by European Structural Funds. The finalised partnership includes members who do not have experience of Leader+. In order to overcome this, training was developed and delivered to LAG members. For monitoring purposes, a record was kept of the number of LAG members trained and also those benefiting from attendance at seminars, workshops and conferences.

Dumfries and Galloway Council is the administrative and financial lead for the LAG. The Council has a lengthy history of involvement in the Leader initiative having been involved in both Leader 1 and Leader II. In developing a bid for Leader+ status it was decided to develop a new and more broadly based partnership approach consistent with the ethos of Leader+.

The development of the Leader+ partnership and bid in Dumfries and Galloway was driven by a steering group with representation from key potential LAG members. This included Dumfries and Galloway Council, Scottish Enterprise Dumfries and Galloway, Scottish Natural Heritage, Dumfries and Galloway Federation of Councils of Voluntary Service and Dumfries and Galloway Health Board. The members of this group also had extensive Leader experience either through involvement in projects, through their employment or their own community and included members of the former Local Action Group and the previous Leader

II manager. The current Programme Manager was involved with Leader II in the Scottish Borders.

The majority of the Cairngorms area benefited from Leader II assistance as part of three larger LAG areas. The Leader+ Programme builds on this and the work of a number of other existing local area partnerships, including Rural Partnerships in Marr, Angus and Highland Perthshire. Most of the area is also eligible for transitional Objective 1, Objective 2 and Objective 3 funding. The Leader+ Programme complements these larger structural funds, through focussing in particular on providing assistance to projects that seek to make the best use of the area's natural and cultural resources in the following categories:

- Pan-Cairngorms;
- Small-scale with an overall value of up to £100,000;
- Community-led; and,
- Those which involve an element of risk and innovation.

All the LAGs examined appear to have substantial experience of previous Leader or rural development programmes in one guise or another. In many cases, the same individuals have been involved in developing Leader+. Retaining expertise and having a degree of continuity in staffing must be seen as beneficial to maximising the impact of funds such as Leader+. It would appear however that even given a degree of staff expertise and continuity, the start-up phase to new programmes can be very slow as demonstrated by low levels of expenditure more than half way through the programming period.

### ***Project appraisal***

In appraising projects, all three of the LAGs examined use a set of criteria or, in two cases (WHELK and Dumfries and Galloway), apply a sustainability checklist. These provide an overall framework in which to judge projects and make decisions on allocating funding. However, the criteria or questions asked in relation to environmental sustainability or environmental impacts are often very broad and vaguely framed. WHELK asks the most specific questions and refers to both positive and negative impacts of projects.

- Does the project demonstrate sustainability in relation to the principles detailed in the WHELK strategy?
- Have the environmental impact/considerations of the project - both positive and negative been considered?
- Can the project be sustained over the longer term?

The sustainability checklist as shown in Box 9 follows asks more specific questions.

These questions are quite specific and could elicit valuable information in relation to a project's likely impacts. They would be much better framed as open rather than closed questions. Questions which ask 'how', 'describe' or 'what are' are more likely to elicit comprehensive answers than 'does' which allows applicants to answer 'yes' or 'no' with little further elaboration. In contrast, other LAGS ask much less specific questions. Cairngorms asks 'Does the project deal competently with all three elements of sustainable development?' while in Dumfries and Galloway applicants are asked, 'Does the project contribute to a sustainable environment?'. Such questions are so vague and loosely framed as to be relatively meaningless.



### **Box 9: WHELK Sustainability Checklist**

<p>1. <u>How does the project help reduce waste and pollution?</u></p> <ul style="list-style-type: none"><li>- REDUCE – Does the project take steps to reduce what resources the project is using, ie. consider buying in bulk to reduce packaging and transport costs.</li><li>- REUSE – Reuse existing resources such as glass jars, furniture or leftover paint. Are new premises or buildings being used rather than making use of existing buildings? Does the project use recycled materials and rechargeable equipment?</li><li>- RECYCLE – Ensure recycling opportunities are used or developed to minimise the amount of waste materials generated.</li></ul>
<p>2. <u>Does the project minimise energy use and/or support the development or use of renewable energy? If so, how will this be achieved?</u></p> <ul style="list-style-type: none"><li>- Has the project undertaken an energy efficiency assessment?</li><li>- Does the project, where appropriate, aim to reduce car use and promote public transport?</li><li>- Has the project considered development or use of renewable energy sources?</li></ul>
<p>3. <u>Does the project provide access to and awareness of wildlife and open spaces? If so, how will this be achieved?</u></p> <ul style="list-style-type: none"><li>- Does the project provide sustainable access to wildlife and open spaces?</li><li>- Does the project support access for all users? (People with disabilities, bike or equestrian access?)</li><li>- Does the project provide interpretation of the local area?</li></ul>
<p>4. <u>Does the project safeguard, protect and enhance the natural environment and support local bio-diversity? If so, how will this be achieved?</u></p> <ul style="list-style-type: none"><li>- Has the project adopted good environmental management practices?</li><li>- Does the project protect fragile ecosystems?</li><li>- Does the project support the enhancement of native species and their habitat?</li></ul>

It would be helpful if all LAGs had a consistent checklist that they gave to applicants with guidance on the kind of information that is required. In addition, the MTE notes:

‘The components of Sustainable Development were not implanted as a pattern into the project application and selection processes - instead Sustainable Development criteria have been developed independently by each LAG. The LAGs now find that their projects, which were selected under independently evolved definitions and criteria for Sustainable Development, are being judged against performance indicators only recently received from the Scottish Executive and which may use a different definition of Sustainable Development.’

### **Project Selection/Approval**

The process for approving projects is broadly consistent in the LAGs examined, being guided by EU and national requirements.

In WHELK, the Secretariat implements the following administrative process on behalf of the partnership:

- Applications appraised by project officers
- Delegated authority to project officers for small project approvals with value up to £1k, in consultation with the Secretariat.

- Fast track approvals by email round sub LAGs in the case of special, time critical circumstances.
- Sub-LAGs now meet quarterly for assessment and approval decision making on appraised applications up to £50k submitted by project officers

For WHELK, we were able to obtain a copy of the formal Project Appraisal Form.

In Dumfries and Galloway, the Programme Manager provides a short summary on each project in advance of the meeting. Following a round table discussion the members decide if they will support the project or scheme. A vote is taken at the meeting. There may be occasions when only part of the grant requested is approved. There may also be occasions when a project is rejected, but encouraged to reapply at the next round.

In Cairngorms, the Programme Manager checks the technical eligibility of all individual projects seeking funding. All applications are considered jointly by a sub-group of the LAG and the Programme Manager. Where the European element of the funding is below £5,000, the Programme Manager has the delegated authority to approve or reject the application, reporting all such decisions to the next meeting of the LAG. Where the European element of the funding is £5,000 or more, the Programme Manager prepares and submits a written recommendation to the next meeting of the LAG for their decision. All projects are assessed against a set of criteria agreed by the LAG. The LAG aims to arrive at decisions by consensus. Where this is not possible, project approval is decided by a majority vote, with each member having one vote. The Programme Manager says that there is considerable discussion with potential applicants before formal applications are made to ensure that the project meets the necessary criteria and is framed in the correct way.

The fact that most LAGs appear to operate a more informal system of verbally presenting and discussing projects at LAG meetings rather than completing proformas or scoresheets means there are limited records of the basis on which approvals are made. A balance clearly needs to be struck between overloading LAGs with paperwork and administration and developing a more auditable approach to project selection.

### **5.3 Projects**

This section presents the findings from the evaluation of the selected projects. It assesses the impacts of the projects in environmental, social and economic terms, identifies the relationship with other priorities (outputs and processes) and also with broader Government priorities. It includes short case studies of projects that demonstrate good (and in some cases, bad) practice in relation to the environment, meeting multiple objectives, building capacity, partnership working and administration.

The projects selected for evaluation in Scotland are listed below. Annex 1 gives a short description of each of these projects:

- Aboyne Community Woodland (Cairngorms)
- Special Places Grant Scheme (Dumfries and Galloway)
- Working Towards Best Practice (Dumfries and Galloway)
- Woodland Grazing Field Trials (WHELK)
- Connecting our Peatland Heritage (Lomond and Rural Stirling)
- Tweed Catchment Management Plan (Scottish Borders)

### ***Impacts on environmental sustainability***

The main impacts arising from the projects examined were in relation to: water quality; biodiversity; landscape quality; public enjoyment of the countryside; and sustainable land management. No significant impacts were discernable in relation to climate change; soil quality; air quality; or landscape scale. Two of the projects evaluated are worth noting here in the context of environmental sustainability: the Woodland Grazing Field Trials and Working Towards Best Practice.

The Woodland Grazing Field Trials project (see Box 10) is a good example of a small-scale, pilot conservation project that set out to demonstrate and trial approaches that could be applied much more widely. As such, while the immediate biodiversity and sustainable land management benefits of the project appear to be limited, the potential for securing such benefits on a much wider scale in future can be seen as a key strength of the project. The project can also be seen as innovative by seeking to trial new and better ways of achieving conservation objectives.

### **Box 10: Woodland Grazing Field Trials**

The original project consisted of two parts:

1. a field based review of woodlands grazing trials to establish best practice for conservation grazing, costs of grazing and the availability of advice for farmers and graziers
2. 6 pilot sites to trial the concept of Woodland Grazing Management Plans (WGMPs) and demonstrate whether WGMPs would be a practical and effective way of organising a grazing grant through forestry grant schemes.

The project was overtaken by events with the Forestry Commission deciding to take the pilot WGMP proposal part of the project and run it Scotland wide. FC provide funding for applicants to produce WGMPs and manage woodlands. In due course, this may become a formal part of the SFGS, which may in turn become part of Land Management Contracts. The pilot targets native woodlands but may in future include plantation woodlands and the conversion of these to native woodlands. So far there have been 60 applications and 40 sites have received funding. The Leader+ project was subsequently revised and for the second part is just finalising the production of a Woodland Grazing Toolkit which gives guidance on preparing WGMPs. This will be available on line and as hard copy for farmers and woodland owners. The Argyll & Bute Biodiversity Partnership (one of the project partners) also hopes to develop a web-based forum for exchange of information and discussion and a booklet, if funding can be found.

The FWAG Project Officer feels the project has been very successful and will lead in time to real conservation benefits. She cited one farmer who, as a result of the pilot, has decided to increase his cattle numbers focusing on traditional breeds and reduce sheep numbers. The FC funding for grazing woodlands is helping to support this. This move contradicts the general trend of loss of cattle grazing in Argyll. Some of the woods have public access which leads to additional benefits.

The FC has clearly played an important role in developing this project from its original conception to something much bigger with potentially far more significant impacts. It is also worth noting that the Leader+ project itself was then able to adapt to focus on producing the Woodland Grazing Toolkit – a valuable advisory resource for farmers and woodland owners reaching beyond the small-scale beginnings of the original project.

In contrast, another demonstration project ‘Working Towards Best Practice’ (see Box 11) had more limited reach and was less innovative and dynamic in achieving conservation goals. The project was led by FWAG and sought to establish a farm conservation competition aimed at creating four good practice demonstration sites on farms locally over a three year period. At the time of writing only three farms had been selected.

### **Box 11: Working Towards Best Practice**

The conservation themes selected for the four demonstration farms were: Wetland Management; Farmland Birds; Hedgerows & Trees and Sustainable Farm Drainage Systems (SUDS). Each farmer is to be awarded a grant of up to £5000 towards capital works that will encourage wildlife and enrich the countryside on their farm land. Training events will be held in the first year of the project focusing on each Theme. These events are open to all farmers. In the following years, the winning farms will host an open day to showcase the work they have carried out. In particular, this scheme provides farmers within the Annan and Dee-Ken catchments with the opportunity to build on existing good environmental practice and develop it further. The need for good demonstration sites within these two river catchments was highlighted in the Annan and Dee-Ken catchment plans.

Given that only four farms are to be involved, the actual direct environmental benefits are likely to be limited although the issues selected e.g. farmland birds and wetland management show environmental priorities are being targeted. The greater value arises from the demonstration aspect of this project, particularly if other farmers can be persuaded to undertake relevant conservation work on their farms. However, Dumfries and Galloway Council’s (the lead authority) own assessment is that it would have been better to have more farms involved to widen the impact.

Demonstration farms have a good track record of changing farmer behaviour and attitudes towards new technologies and farming practices. If farmers can persuade other farmers by demonstration to adopt conservation practices that are relevant to Government priorities, then projects such as this are likely to make a contribution to biodiversity conservation and sustainable land management. Such projects also show how stakeholder groups (in this case, farmers) can be encouraged to work towards similar goals (an example of bonding social capital). The involvement of SEPA in this project and focusing on sensitive water catchments means that bridges are likely to be built between the farming community and SEPA as a regulator. It is difficult to see however how this project is particularly innovative since FWAG already undertakes similar demonstration work. The main innovative feature was to present this as a competition. This is likely to be appealing to some farmers but not to others.

Several projects evaluated also made significant contributions to enhancing public enjoyment of the countryside. Both the Special Places Grant Scheme and Connecting our Peatland Heritage have had significantly positive impacts on enhancing visitor access and/or understanding of the countryside. Their link to sites of conservation importance also means that there have been some, albeit more limited, impacts on issues such as biodiversity and landscape quality. These projects are discussed in more detail below in the section on socio-cultural sustainability as their overall impacts are more significant in this context. A third project that has impacted on public enjoyment of the countryside is that of Aboyne Community Woodland (see Box 12). This project is also developing an educational role and is having positive impacts on improving knowledge and understanding of the environment.

This project demonstrates the influence and proactivity that can result from putting in place a person to act as a facilitator or ‘animateur’ for community and other activity. Another project

that demonstrates this is the Tweed Catchment Management Plan (see below) which also funds a project officer to work with a range of different stakeholders to achieve an agreed set of objectives. In both cases, these individuals are active in seeking other sources of funding (woodland grant schemes in the case of Aboyne) and encouraging initiatives that can also contribute to meeting the objectives.

### **Box 12: Aboyne Community Woodland**

Since 2002 Mid Deeside Limited has acquired a 99 Year lease on the Lady Wood (4 ha) and completed the purchase of the Bell Wood (108 ha) on behalf of the community. The woods were previously owned by the Glen Tanar Estate which allowed public access but had also sold land to developers. Bell Wood is on the eastern edge of Aboyne Village (population c 2500) and the community was concerned about further development. Community ownership was seen as a way of preventing development and securing access rights. The wood is comprised mainly of mixed conifers such as Sitka Spruce, Norway Spruce and Douglas Fir planted in the 1960s.

A Project Plan for the Bell Wood proposed the creation of a Woodland Co-ordinator post to lead the delivery of these aims, as well as promoting the woodlands as an educational resource and as a place for visitors. In addition, MDL wanted to increase public awareness of the natural and cultural heritage of Aboyne's treescape and to develop proposals for the future management of trees within the community, both private and public. The Woodland Co-ordinator post was seen as a means of achieving these objectives. Leader+ funding allowed MDL to proceed to appoint the Co-ordinator, on a three year term, p/t at 18hrs/week.

Through the role of the Co-ordinator and, in particular, work with local schools the project is having a positive impact on improving knowledge and understanding of the environment. The development of a Forest School (one proposal of the Co-ordinator) would be particularly positive. Engagement with the local community is also important; this project was driven by local concerns about the loss of the woodland to development. The woodland is well used by a range of user groups such as an orienteering club, local hacking stable etc. and is being promoted by the Co-ordinator. The aim to link this woodland to other access routes is likely to increase access opportunities and benefit the public.

### ***Impacts on socio-cultural sustainability***

We suggest that socio-cultural sustainability can be related to concepts of:

- bonding social capital – encouraging similar groups of stakeholders to work together e.g. farmers
- bridging social capital – encouraging different groups of stakeholders to work together
- improving knowledge and understanding of the environment

One project stands out as having positive impacts in relation to some or all of these concepts. This is the Special Places Grant Scheme.

The Special Places Scheme (see Box 13) was designed to '...celebrate ... places in ways that sustainably utilise the natural heritage of the area, whilst creating new opportunities for people to experience and understand the natural world.' The 'special places' are areas designated as important in a biodiversity or landscape context. Dumfries and Galloway has nearly 100 Sites of Special Scientific Interest and almost 30 Natura 2000 sites, (Special Protection Areas for bird interests or Special Areas of Conservation for habitats and other species) that are important at a European level. Some wetland sites are also listed as RAMSAR sites under an international convention and there are 3 National Scenic Areas

covering some of the areas most important landscapes. These places form a core natural heritage resource for the area. The Scheme is essentially an umbrella grant scheme administered by SNH. SNH have played a key role in the project – in administration, communication and facilitation – demonstrating the value of having a strong environmental lead for Leader projects to be successful.

### **Box 13: Special Places Grant Scheme**

Types of projects eligible for grant funding under the SPGS are as follows:

- Use of natural heritage resources for education, tourism, recreation, product development or niche market and branding schemes
- Promotion/awareness/understanding activity relating to special sites
- Training in technical skills required for habitat/species/landscape feature management
- Development of schemes and strategies to gain agreement from a wider range of stakeholders on an action programme
- Carrying out inventory and monitoring work to support wider understanding of natural heritage resources

By August 2005, 10 projects had been funded. SNH undertook considerable promotional activity in the area e.g. a mail shot, open days and press releases, to encourage projects to come forward.

The project appears to be strong in advancing socio-cultural sustainability. Sub- projects funded under the SPGS envelope, such as the Glencaple Village Design Principles, appear to have a moderate, positive impact in relation to bonding capital, in this case bringing the village community together to agree principles for sustainable development. This sub-project also bonded stakeholders by bringing the local community and planners together. The SPGS project as a whole appears to encourage bridging between different stakeholder groups such as local communities, businesses, statutory bodies, land managers etc. The Langholm Initiative, seeking to improve moorland management, access and interpretation, is a good example of this being achieved through one of the sub-projects. The Project Officer considers these benefits as key outputs and strengths of the project. The nature of the sub-projects funded under the SPGS envelope also means that the impact on knowledge and understanding of the environment is positive and significant. Public access, interpretation and awareness raising are strong themes of many of the sub-projects funded under this project.

The Project Officer commented that interest and enthusiasm in the environment was already present in the project area but that the project helped to strengthen and build on this. A further key strength of the project is helping people make links with the environment through their own activities e.g. those running tourism businesses and promoting public enjoyment and understanding of the environment. The Project Officer commented that quite a lot could be achieved with relatively small budgets and that the benefits can be long lasting; once community interest is engaged in relation to the environment, it is likely to continue.

Other projects also demonstrate positive impacts in relation to socio-cultural sustainability. Working Towards Best Practice provides an example of bonding social capital whereby one set of farmers (demonstration farms) can act to encourage other farmers to adopt environmentally sensitive farming practices, albeit on a limited scale. The Tweed Catchment Management Plan project (see Box 14) is an example of a project that has led to different groups of stakeholders (with different remits) working together such as the Environment Agency, Federation of Border Angling Associations and Northumberland Tourist Board. Connecting Our Peatland Heritage (see Box 15) is a project that should, on completion, have

significant impacts on improving knowledge and understanding of the environment, specifically in the context of management. This is a transnational project which has allowed managers of peatbogs in different countries to share knowledge about the management of their sites, particularly in relation to improving access and interpretation without damaging the site. The project is probably the most integrated of all the projects evaluated in Scotland and is covered in more detail at the end of this section.

#### **Box 14: Tweed Catchment Management Plan**

The Tweed Catchment Management Plan identified over 200 actions that would benefit the water catchment. Actions relating to diffuse agricultural pollution and water abstraction (two key environmental issues) include:

- identifying and locating those agricultural sectors that contribute most to diffuse agricultural pollution;
- improving farm waste management through nutrient budgeting and other waste minimisation and efficiency measures;
- promoting and extending the use of sustainable farm drainage systems;
- increasing farmers' awareness of and action on practical ways to reduce diffuse pollution, highlighting potential economic savings;
- raising awareness of the legislation on the use of agrochemicals;
- managing the agricultural demand for water, to conserve supplies and reduce abstraction rates.

The appointment of the Project Officer has enabled the partnership to prioritise the long list of actions and drive forward work in three main areas:

- river works – all engineering and instream works (particularly those controlled under the Water Framework Directive). Through partnership working all agency requirements for riverworks have now been combined into a single application form
- water resources – including improving communication with water users about release of water from reservoirs
- wetlands and riparian habitats – management of habitats on both sides of the border to achieve flood mitigation and facilitate access and tourism.

The Project Officer is able to act as a facilitator or animateur, liaising with different partners in the catchment, securing funding for other projects and identifying new opportunities for action.

#### ***Impacts on economic sustainability***

None of the projects evaluated appear to have had any significant positive impacts on economic sustainability although there are links to the economy in projects such as the Special Places Grant Scheme and Connecting Our Peatland Heritage. In both cases, economic benefits may arise from the access and interpretation work undertaken through the projects if this helps to sustain or encourage tourism activity. Flanders Moss is the site on which the Connecting Our Peatland Heritage project is focused. Tourist traffic in summer between Stirling Castle and the National Park Gateway Centre in Balloch is high but the majority of visitors do not stop in any of the communities along the way as there is no tourist attraction to encourage them. Developing access to Flanders Moss (an objective of the project) could bring economic benefits to communities such as Thornhill, Port of Menteith, Kippen, Arnprior and Buchlyvie which are adjacent to the SSSI. Similarly, in Dumfries and Galloway through the SPGS, if improvements in access and interpretation enhance the overall visitor experience this may lead to economic benefits e.g. return visits. It is also possible that raising awareness of, and developing appreciation for, the environment among local businesses may influence their

behaviour and encourage more environmentally sustainable business operations. However, there is no direct evidence that this is the case in this project.

Opportunities to generate positive economic outcomes in the other projects evaluated were limited or non-existent. For example, Aboyne Community Woodland might, at first sight, look like a project that could have used the timber resource for economic benefit. However, the timber resource is of low value with little local demand for it and it is therefore contributing little in economic terms. Sales of thinnings (mainly for fire-wood) do help however to fund some woodland management and contribute to the overall long-term sustainability of the work.

### ***Impacts on Partnership Working***

One project is notable for its impacts on partnership working - the Tweed Catchment Management Plan project (see Box 14). This project builds on a longer running initiative, the Tweed Forum. The Forum, a cross-border liaison group of government bodies, NGOs and stakeholders, was established in 1991 with the aim of 'promoting the wise and sustainable use of the whole Tweed catchment through holistic and integrated management and planning'. In 2003 the Tweed Forum published a Catchment Management Plan (CMP), which was intended to guide and help develop the work of those involved in the management of the river. This work is now supported by a dedicated project officer, whose post is partly funded by a joint Scottish Borders and North Northumberland Leader+ project. A key strength of the project is that it is encouraging and leading integrated inter-agency and community action in order to achieve the goals of the Management Plan. These goals include reducing diffuse pollution and improving water quality and hence the project is also contributing to achieving environmental sustainability. It is also setting a good example of how catchment (or landscape level) management can be delivered and as such has the potential to have a viral effect although it has not been possible to ascertain if this is actually the case.

### ***Impacts on General Government Priorities***

Government priorities relate to issues such as impacts on social inclusion, productivity and employment. None of the projects evaluated, with the exception of the reference to the WHELK project on environmental skills for the unemployed, had any real impact on these priorities apart from those projects encouraging access to the countryside which, in most cases, was being provided for all-ability groups. However, none of the projects selected had issues such as social inclusion etc as their specific objectives.

### ***Integrating Economic, Social and Environmental Sustainability***

One project stands out from the others as having given the most consideration to all three components – economic, social and environmental - of sustainable development. This is the Connecting Our Peatland Heritage project led by SNH (see Box 15). It is essentially a project focused on improving access to, and interpretation of, Flanders Moss peatbog by learning from experiences in other countries. But by considering issues such as potential benefits to the local economy and engaging the local community in decision making, the project appears to have taken a more integrated approach to achieving its objectives than some other projects evaluated by this study.



### **Box 15: Connecting Our Peatland Heritage**

This is a transnational project linking up 4 different Leader+ areas across Europe that have varying levels of expertise in managing access to, and interpretation of, raised peatland bog sites. Flanders Moss SSSI, SAC and NNR, is the focus of a pilot project in the Lomond and Rural Stirling Leader+ area. The four areas are: Perahpohjolan Kehitys ry in Finland; Offaly in the Republic of Ireland; Centre Ouest Bretagne in France and Lomond and Rural Stirling in Scotland. SNH, with the help of the Lomond and Rural Stirling Leader+ transnational officer took on the lead partner role. The project is on-going and due for completion in 2006.

The project seeks to reflect the importance of peatland bogs in terms of natural heritage, cultural heritage, economic development (how local businesses can benefit from peatland bog sites being opened up to visitors) and community development (how the community can benefit educationally plus providing somewhere to walk in an area with restricted access to the surrounding countryside due to private land ownership and safety issues).

There are very few bogs with access and interpretation facilities in the UK and Flanders Moss offered an excellent opportunity to create one near to the majority of Scotland's population. The project is described as innovative for exploring the latest technologies and newest materials that can be used without damaging the site. The project also seeks to explore new and different ways of interpreting peatland bog sites which will appeal to a wide audience (not just specialists). The project is also a pilot which will be used as the basis for a European best practice guide, allowing other Leader+ areas to learn from the experiences of this project.

Of the project funding, almost three quarters is being spent at Flanders Moss on capital works including installing a new access path, interpretation and possibly a viewing tower. Currently, there is extremely limited individual access to the Moss unless people join an SNH guided walk (approx 300-400 people per year make use of this). This project will be the first chance for real open access to the Moss.

The project will also carry out a consultation process with local villages to enable them to have an input to the plans for the facility. This is to be done through newsletter articles, meetings and guided walks. One of the key outcomes of the project is that the resulting access facility becomes of local interest leading to greater involvement in the future of the site by local communities

Developing access to Flanders Moss could bring economic benefits (through tourist traffic) to communities such as Thornhill, Port of Menteith, Kippen, Arnprior and Buchlyvie which are adjacent to the SSSI. The project also aims to engage these communities in the continued conservation of the site and help them to see the economic and cultural benefits of having such as site on their doorstep.

By taking all these facets into account the project seeks to deliver a wide range of positive impacts for the environment, the local community and the economy. It is too early at this stage to determine if these benefits will accrue but the framework provided by the project and the strong lead by SNH bode well.

## 6 Country Analysis – Wales

### Introduction

This section consists of three parts starting at the strategic programming level, moving on to the operation and outputs at the level of the selected Local Action Groups and finishing with an analysis of selected Leader+ projects. It aims to give an overview of the operation of Leader+ in Wales, evaluate the performance of LAGs and the impacts of a number of Leader+ projects. The LAGs and projects selected for evaluation are as follows:

LAGs	PROJECTS
<b>Cadwyn Clwyd</b>	Clwydian Eco-Farm Clwydian Farm Experience and Green Tourism
<b>Glasu</b>	Energy from Waste Local Provenance Tree Nurseries
Menter Môn	Mona Bauhaus

NB: The LAGs in **bold** have been evaluated as part of this project.

### 6.1 The Wales Leader+ Programme 2000-2006

The total indicative budget for the 2001- 06 programme is £22m of which £14m is allocated to the three themes, plus £4m for joint action with other groups (the fourth possible theme has not been used in Wales)<sup>21</sup>:

Theme 1.	Improving the Quality of life in Rural Communities	£0.7m
Theme 2.	Adding Value to Local Products	£8.3m
Theme 3.	Making the Best Use of Natural Cultural Resources	£5.0m
	Joint action with other groups	£4.3m

The Leader+ contribution to this budget is 48%, with the remainder coming mainly from local authorities plus a little from other public bodies such as FC and CCW for specific projects. Private funding accounts for 4.5% of total. Each LAG has prepared two Business Plans covering the periods 2001-04 and 2004-08; many projects run across both, but with separate tranches of funding under each of the two plans. Project applications are made to WEFO for large umbrella projects with an outline of potential sub-projects; once these umbrella projects have been approved there is no further need for the LAG to obtain financial approval for the sub-projects, which may in practice differ from those proposed. This initial project approval process can be lengthy, and at the time of the Mid Term Evaluation<sup>22</sup> less than a quarter of the indicative budget for the three selected themes had been spent.

#### *Strategic priorities*

The overall aim of the Welsh Leader+ programme is to ‘pilot innovative approaches to rural development which will contribute to a more sustainable society, economy and environment for rural Wales’. The target groups include farming families and young people. The

<sup>21</sup> source WEFO financial tables, post MTR and indexation.

<sup>22</sup> Ekos Ltd (2003) *Mid Term Evaluation of the LEADER+ Community Initiative in Wales Final Report for The National Assembly for Wales*. Glasgow.

environment is covered in some detail in the SPD<sup>23</sup>. The rich biodiversity and landscape resources of Wales are described and the impact of agriculture, climate change and pollution noted; reference is made to tourism, particularly on the coast, the footpath network and other opportunities for outdoor recreation, and to the problems of waste disposal.

### ***Strategic guidance***

The SPD offers examples of environmental projects under all three themes but, as might be expected, most of them fall under the theme of making best use of natural and cultural resources. Here the examples include developing green products and products for local markets; community participation in the management of the coastal environment; development of clean technologies and the use of renewable energy; assisting communities to minimise the use of raw materials, and to conserve energy and water resources; waste minimisation through reduction, re-use and recycling, particularly where these will lead to the growth of new community businesses; tackling farm pollution; small-scale projects which preserve or enhance buildings of importance to local heritage or which reflect local distinctiveness; management schemes for local woodlands; enhancing environmental assets for the benefit of local communities and enabling local people and tourists to appreciate these assets. It suggests there should be a focus on Natura 2000 sites without ignoring the wider countryside, and the SPD notes that activities in relation to Natura 2000 site must be developed in conjunction with CCW. Small-scale local sustainable transport initiatives are mentioned under the theme of improving the quality of life in rural communities.

The Mid Term Evaluation found that the analysis and the programme objectives represent well the various issues of the current environmental situation and development opportunities in rural Wales and that this was also reflected in the themes and measures of the programme. Of the 94 projects currently listed on the WEFO database (all approved under Business Plan 2 for the period 2004-08) a total of 45% are related to the environment, not all in LAGs that had selected the 'natural and cultural resources' theme. The relatively high proportion of environmental projects compared to other parts of the UK may be due to the use of umbrella projects, the high quality landscapes and biodiversity found in all Welsh LAGs, the publication of a number of key environmental strategies around the time the programmes were being prepared and the impact in some areas of the 2001 outbreak of Foot and Mouth Disease.

In reviewing the implementation of the cross-cutting themes the Mid Term Evaluation found that expectations of LAG staff were high regarding the positive and lasting impact of Leader+ activity on the environment, whilst the impact of the other crosscutting themes were assessed more cautiously. Despite these expectations it was found that where the environment did not form the basis of the project, most projects failed to address the environmental cross-cutting theme at all.

### ***Selection of LAGs/geographic targeting***

From fourteen applicants in Wales, seven LAGs were selected using criteria weighted as follows: partnership and methodology 10%; analysis of opportunities 10%; thematic focus 20%; projects 10%; cross-cutting themes 5%; target groups 10%; innovation/pilot 10%; sustainability, transferability and viability 15%; finance and value for money 10%. Leader+ operates alongside Objective 1 in west and north Wales with three LAGs lying wholly within the Objective 1 area and a fourth partly within it. All LAGs are in areas of high quality landscapes and are rich in biodiversity; two of the three National Parks in Wales overlap with LAG areas. Several LAGs had the advantage of previous Leader experience and continuity of staff but the Mid Term Evaluation found that approximately a quarter of all LAG staff had no

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<sup>23</sup> The National Assembly for Wales (2001) *Leader+ Single Programming Document For Wales 2000 – 2006*. Cardiff

previous experience in European Structural fund programme management, and many would have benefited from a more formal introduction to Leader+, its objectives, procedures, and principles.

### ***Management of the Programme***

Wales Leader+ is managed by a partnership of three government offices. The Welsh Assembly Government (WAG) is the managing authority and responsible for policy; the Welsh European Funding Office (WEFO) manages the Leader+ budget, administers the programme and is responsible for its evaluation; the Welsh Development Agency (WDA) administers the WAG match funding for Leader+ and is the public face of the programme as a whole and the main day to day contact for LAGs, offering facilitation, business advice and support; it also assists WEFO with the appraisal of Business Plans and prepares progress reports for the Monitoring Committee. CCW sits on the Monitoring Committee but has no other significant involvement nationally, although it is influential at a local level in some LAGs and projects.

### ***Monitoring and evaluation***

No programme targets are quantified in the SPD or the Programme Complement, and only rather vague qualitative environmental impacts are identified e.g. improved understanding/appreciation/protection of environment. Although 27 indicators are listed in the SPD, of which two refer to the environment and two to recreation/interpretation, all are high level activity indicators (e.g. 'number of projects aimed at environmental enhancement/sustainability'). The environmental indicators were heavily criticised in the Mid Term Evaluation report which described them as 'insufficient and weak, particularly when related back to the opportunities identified' and went on to make a series of recommendations on defining activity, output and impact indicators, establishing overall Programme targets and headline indicators, and training LAG staff in the use of performance indicators and the relevance of cross-cutting themes. Two years later an update on the MTE found that there were still problems with indicators, and both the research team and LAG staff remained concerned that the current indicators do not pay enough attention to outcomes and impacts. LAG staff made the important point that 'hard' indicators (like those currently used) need to be supplemented with 'softer' evidence from visits, feedback from beneficiaries and non-participative observation, before robust assessments of performance can be made. The report recommended further development work on current indicator sets, both for formal monitoring purposes and also to support wider learning from experience over the final period of Leader+ operations<sup>24</sup>.

## **6.2 Local Action Groups**

This section presents the findings from the evaluation of the selected LAGs. It considers the extent to which the environment is seen as a priority by the LAG, assesses the range of environmental projects funded, reviews administrative and operational performance including environmental representation on the LAG and the role of LAG staff, and identifies and evaluates the process of project development, assessment and approval.

Two LAGs were selected for more detailed study:

**Cadwyn Clwyd LAG** covers rural Denbighshire and Flintshire, and is dominated by the limestone ridge of the Clwydian AONB running down to the fertile valley of the Dee, with the estuary designated as an SPA and Ramsar wetland of international importance. The transport corridor along the North Wales coast offers good access to the urban areas to the

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<sup>24</sup> Welsh Development Agency (2005) *Mid-Term Evaluation Update for the LEADER+ 2000-2006 Programme*. Aberystwyth.

north and east. Cadwyn Clwyd chose the theme of **making best use of cultural and natural resources**, with a total programme cost for the 2004-08 period of £2.5million.

By contrast, in east central Wales, **Glasu LAG** covers most of rural Powys which is by far the most rural county in England and Wales, with a population density of only 18 per square kilometre in the Leader+ area, and second only to the Orkney Islands in its dependence on agriculture. Most of the land is above 300m, 86% is Severely Disadvantaged Less Favoured Area and transport links are poor; the area has an exceptionally high rate of self-employment. The chosen theme Leader+ theme is **adding value to local products**. Glasu's area includes part of the Brecon Beacons National Park, 57,000 hectares of SSSIs (including 14 SACs) and two National Trails. The area was badly affected by the 2001 Foot and Mouth outbreak but, as the Glasu's second Business Plan observed, 'the period of confinement before re-stocking allowed people time to re-assess and re-evaluate' and 'Glasu's emergence was timely as people were hungry for change, new ideas and a wider range of economic opportunities'.

### *Environmental priorities in LAG Business Plans*

The environment features strongly in both LAGs' Business Plans for 2004-08 and, despite the fact that Glasu did not choose the natural resources theme, their key objectives have notable similarities. Glasu has five aims in its Business Plan, of which two refer to the environment:

- 'to add value to local natural materials; and
- 'to demonstrate and pioneer sustainable approaches to product development and distribution'<sup>25</sup>.

Cadwyn Clwyd's operational objectives include culture and tourism:

'Maximising the use and promotion of local products, enhancement of the environment while using natural resources for sustainable development, valorisation of cultural heritage, the adoption of quality standards in service provision and products, and improving the visitor experience.'<sup>26</sup>

In contrast, the cross-cutting theme of environmental sustainability seems to be seen mainly as applying to the operation of the LAG (e.g. office energy sources and recycling), rather than to the work of individual projects – although many projects would meet environmental sustainability criteria, for example Glasu's projects on energy and waste and Cadwyn Clwyd's Eco-Farm. The MTE pointed out that although sustainable development is referred to frequently in the SPD this is often a reference to the sustainability of a project or community group, or a reference to economic rather than environmental sustainability.

### *Proportion of environmental projects*

In the two LAGs surveyed, thirteen umbrella projects are now running, of which eight are relevant to the environment and, not surprisingly, fit with the rather broadly phrased objectives in the Business Plan in which they were outlined.

Glasu had three umbrella projects in its first Business Plan, of which two have clear environmental links, one with the economic potential of non-food 'natural' resources of the area (Country Store) and the other with sustainable waste management (Energy and Waste). These continued into Business Plan 2, but with different indicative products. Two additional umbrella projects, one of particular relevance to woodland biodiversity, were added to the

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<sup>25</sup> Glasu Business Plan 2

<sup>26</sup> Cadwyn Clwyd (then known as CRAI) LEADER+ 2000-2006 Development Strategy, June 2001.

Glasi programme but do not feature in the Business Plan because they are funded under Action 2 (Joint Working with other LAGs or countries) and were developed after the Business Plan was prepared.

Cadwyn Clwyd, an ‘older’ LAG with more experienced staff, has eight umbrella projects spanning both Business Plan periods, of which five are likely to have an impact on the environment or on public access to the countryside; these projects are on alternative energy (Clwydian Eco Farm), agri-tourism and green tourism (Clwydian Farm Experience and Growing Green Tourism), forestry and woodland (Coetir Clwyd), and industrial and heritage tourism (Industrial Footprints & Heritage Alive).

The range of sub-projects within each umbrella project can be quite varied, as the list of sub-projects for Glasi’s Country Store illustrates (Box 16). There may also be other sub-projects with environmental potential ‘hidden’ in umbrella projects with a quite different theme – for example Bwyd Clwyd (Clwyd Food) has a sub-project identifying varieties of orchard fruit indigenous to the area.

**Box 16: Illustrating the wide range of sub-projects within one umbrella project in Wales (Country Store, Glasi LAG)**

*Willow* – this sub-project includes tests to determine which of 40 different varieties grow best and what they can be used and sold for, willow growing instruction days for potential growers and weaving workshops for those who are interested in making products with the willow

*Ground Glass in Plaster* – Ty Mawr Lime is a growing local company specialising in sustainable building materials. On their behalf, Glasi is carrying out tests to see if recycled ground glass can be used instead of sand as the aggregate in plaster.

*Wild Flowers* – a project with local provenance wild flowers in which the owner of a farm will be collecting seeds and cuttings and propagating them to test whether there is a market for local wild flower plants.

*Oats for Thatching* – Powys used to have many thatched buildings, but the art has all but died out in the county. Trials are being carried out on different thatching oats, followed by thatching courses and information. This sub-project is targeted at both sustainable building materials and farm diversification.

*Laminated wood techniques* – a sub-project to ascertain a method of high volume wood lamination, using off-cuts of local wood that are currently considered to be a low value product.

*Wooden Shake Tiles* – these were traditionally made within Powys, and tests are underway to see if local timbers, different from those traditionally used, can be successfully used as a shake tile.

*Sustainable building materials* – the sub-project is supporting trials of wood wool and hemp for structural soundness (within building regulations) and of hemp with lime as a sustainable cement alternative. Trials are also underway of ‘rammed earth’ building blocks.

*Pontbren Woodchip Compost* – a group of farmers has been trialling the use of woodchip for animal bedding on farms, and the sub-project will help to test mechanical sieves for the resultant compost and the use of this compost on pastureland, under stock, in the tree nursery and on organic vegetables.

***Meeting environmental targets***

All targets are project specific. There are no targets at LAG level. In Business Plan 2 each of the umbrella projects has a standard WEFO indicator of ‘number of projects aimed at environmental enhancement/sustainability’, which is defined as:

‘Projects which make a clear improvement to a specific element of the environment or which focus on reducing the negative impact of activities on the environment OR

projects focused on the process of sustainable management or adopting a sustainable process.’

Glasu project officers use a formal paper system to assess the project against the targets, the target groups and to determine the project aims. The only environmental target on the form is the standard WEFO indicator of ‘number of projects aimed at environmental enhancement/sustainability’.

One member of WEFO staff commented to the IEEP team that the cross-cutting themes have been useful in applying rigour to intentions, with a tendency to build on energy, re-cycling and re-use as environmental themes – and added that expectations of Leader’s environmental output were too high. The MTE noted that the expectations of LAG managers and project officers ‘regarding the positive and lasting impact of Leader+ activity on the environment were high, whilst the impact of the other cross-cutting themes were assessed more cautiously.’ But the MTE also concluded that ‘where the environment does not form the basis of the project, most projects fail to address this theme at all’.

### ***LAG staff***

Both LAGs employ a number of project officers, each directly responsible for one or more of the umbrella projects and related sub-projects. This is common in Wales where the projects are largely managed ‘in house’ and is seen as one of the strengths of the Welsh Leader approach, allowing project officers to develop expertise in particular sectors such as energy and waste, farm tourism or woodland management.

There were significant differences between the LAGs in staff experience and turnover. Finding suitably qualified staff, capacity building and staff turnover have all presented problems for Glasu, which is a new LAG delivering only Leader. The Glasu manager reported that it was particularly difficult to find project officers outside the food sector and there had been only two suitably qualified applicants for three posts; the relatively remote rural location and long travelling times in Powys also probably affect recruitment. In contrast, Cadwyn Clwyd was able to recruit existing members of staff of Cadwyn (a Leader II company), optimising experience and expertise from the previous programme. This LAG also delivers a wide range of other funding and services including Objective 1, Rural Community Action (a first stop shop for community groups), Article 33, and Farming Connect (the Welsh Assembly Government farm advisory service). The two Leader funded project officers in Cadwyn Clwyd can seek advice within the office from staff working on these other projects. None of the staff in either LAG had previously worked within the environment sector. One of the key roles of WDA has been capacity building of LAG staff, particularly in the new LAGs.

### ***Environmental representation at LAG level***

The LAG Boards vary in size from six to a maximum of twenty one members, but all LAG Boards in Wales are based on the principle of one third representation of public, private and community sectors, with the flexibility to change the membership as appropriate. Cadwyn Clwyd’s small Board (of six Directors) is supported by a Partnership Technical Advisory Group (PTAG) with twelve members (including the six Directors) which plays a key role in all the LAG’s work including assessment of applications. It is seen as a source of professional support, knowledge, funding, and funding advice. Working with the PTAG are Project Working Groups that include potential funders, sources of specialist assistance and local supporters of the pilot projects. Glasu also uses Project Steering Groups to contribute specialist expertise, and these include some LAG members - the manager recommends this as good practice as it ‘keeps the LAG members interested’.

Glasu LAG members with an environmental interest reflect the programme's emphasis on energy, waste and woodland projects<sup>27</sup>; the National Park is represented by their community development officer and CCW is not represented on the LAG but is involved in the tree nursery and energy from waste projects. In Cadwyn Clwyd CCW is an active and valued member of the Partnership Technical Advisory Group, with additional advice and support provided by AONB staff, and local authority countryside and transport officers. It seems that the experience of this LAG with Leader II and a range of other rural funding has led to a very well developed network of support and advice on the environment particularly on landscape, heritage, access and tourism.

In general the influence of environmental 'champions' appears to be most powerful on project steering or advisory groups rather than on the LAG Boards.

### *Previous experience with Leader*

Cadwyn Clwyd has extensive experience of delivering Leader II in the past and currently delivers a wide range of other European and Welsh Assembly Government funding<sup>28</sup>. In addition, this LAG has successfully attracted and levered in other funding streams such as the Aggregate Levy Sustainability Fund, WDA Food Directorate funds and the Environment Development Fund, which add value to its activities and assist in mainstreaming projects. In contrast Glasu is a new LAG delivering only Leader+ and, unlike Cadwyn Clwyd, had almost no continuity of staff from the Leader II programme that operated in the area. Glasu had other problems at the beginning of the programme and between Business Plans 1 and 2 the LAG 're-invented itself' because it was felt that there had been a mis-match between the LAG and its projects. Significant changes were made to the LAG membership, and the relationship between the LAG and Powys County Council was carefully redefined to secure Glasu's independence<sup>29</sup>.

There are significant differences between these LAGs in both age and experience and in the range of other funding and functions they deliver – for example Cadwyn Clwyd also runs Farming Connect, the government's farm advisory service, in its area and Menter Môn is an enterprise agency, not just a LAG. The older LAGs, with access to a greater range of funds and to other specialist staff within their office, appear to have attempted bigger projects - or perhaps they have simply been able to progress further with their projects in the time available. It is not clear what, if any, influence the age and experience of the LAG has on the environmental impact of projects or on the likelihood of transferring them to the mainstream.

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<sup>27</sup> LAG members include Coed Cymru, Festival of the Countryside, Environment Agency, Brecknock Wildlife Trust, ADAS Renewables, Mid Wales Energy Agency, Centre for Alternative Technology, Powys County Council (recycling officer), and Welsh Assembly Government (Environment, Planning and Countryside).

<sup>28</sup> The LAG also manages funding from: **Objective 1** (a project which will enable local communities to sympathetically exploit their natural environment and heritage with the aim of achieving economic productivity and viability) **Rural Community Action** (a first stop shop for community groups to access support and funding from a variety of sources), **Article 33, Farming Connect** (Welsh Assembly Government farm advisory service), and (with partners from Germany, Poland, Bulgaria and Portugal, piloting the implementation of a trans-European web-based training model for agri-tourism enterprises)

<sup>29</sup> An indication of earlier problems is given by the clarification in Business Plan 2 of the County Council's role: 'Powys County Council will be Glasu's "lead body" though it is expected that their role will be more of a facilitating one than strictly a "leading" one.....it is important to note that Powys County Council will not have any decision making powers or be involved in determining Glasu's work programme; that responsibility will remain with the Local Action Group.'



### ***Project appraisal***

In Wales there are two levels of project application/approval, the first by WEFO and the second by the LAG itself. For each LAG the Business Plan justifies and sets the context for several large umbrella projects, and is followed by an application from the LAG to WEFO for relatively large tranches of funding for each project (typically £40,000 - £200,000, but two projects in the current period exceed £500,000). The WDA assists LAGs to develop project applications and provides an initial assessment for WEFO. The WEFO standard application form has a section on environmental sustainability, which asks:

- if the project will involve activity in or impact on any Natura 2000 site, NNR, SSSI, SAM or Listed Building, National Park, AONB or other designated area, or if it will require any authorisations (e.g. from the Environment Agency);
- for a description of the positive and negative environmental impacts of the project, plus justification in cases where the project will have no adverse or positive effects;
- if an environmental impact assessment is required;
- for a copy of the LAG's Environmental Policy.

In the second stage of project approval, at LAG level, the active involvement of project officers at all stages of project development ensures that much of the discussion and re-working takes place before the project is submitted to the LAG Board. In Cadwyn Clwyd, all projects are assessed by the Project Technical Advisory Committee, which includes a member of CCW area staff, before submission to the LAG for approval. In Glasu LAG specific environmental guidance is given to project officers dealing with applications, as shown in Box 17.

Within the Glasu office itself, checks before the applications are put in front of the LAG include discussion with the applicant to ensure the project would be eligible and discussions with colleagues at the weekly team meetings. The WDA co-ordinator will be involved, to discuss the merits of Glasu's funding and whether it would be better being funded elsewhere. The manager commented that talking through projects, particularly in the initial stages, with experts among the LAG members provided a very good 'sounding board', and he said that projects are unlikely to be rejected or accepted solely on environmental grounds.

#### **Box 17: Written guidance on the environment, for project officers dealing with applications in Glasu LAG**

**'Initial meetings with applicants** ..... What exactly do they want to do? Is it green, innovative and involving natural products?..... Find out the way the project is supposed to work – where raw materials are sourced, what packaging is used, ask to see the premises if applicable etc. Try and work out where we can improve the situation. For example, can they:

- Buy their raw materials locally?
- Buy in their expertise locally?
- Sell it locally?

Can their production methods be more environmentally sound – i.e. can they use composting for waste, recycled and ideally recyclable packaging. Alternatively, can a deposit be used for packaging etc, etc.

**On receipt of the application form**..... Check whether they need any consents from other bodies – i.e. planning permission, is it a listed building / SSSI / Conservation Area etc. If in doubt, ask. Carry out check with other grant awarding bodies to see whether other grants have been awarded on same basis.'

LAGs found that obtaining approval for both Business Plans and projects could be a lengthy process, particularly in the early stages of the programme, partly because WEFO regarded it as very important to ensure that business plans were additional to existing rural development initiatives and funding sources; the rigour of this process was one of the contributing factors to the delay (others included the one-off administrative effects of devolution).

It is not surprising that there is often a mis-match between possible sub-projects outlined in umbrella project applications and those that actually 'get off the ground'. Project applications are deliberately rather vague, giving the LAGs considerable freedom to pick up good projects during the four years or so of the financial envelope approved for the umbrella project. This is the ethos of the Leader+ approach to innovation and risk taking and, provided the focus of sub-projects sits within the main project theme, should not be seen as a failure of either the approval process or the LAG.

### **6.3 Projects**

This section presents the findings from the evaluation of the selected projects. It assesses the impacts of the projects in environmental, social and economic terms, identifies the relationship with environmental priorities (outputs and processes) and also with broader Government priorities. A total of five umbrella projects were examined in detail, each with a number of sub-projects:

#### ***Mona Bauhaus (Menter Môn)***

This is a large and ambitious project delivered by an experienced LAG which is also a Local Enterprise Agency delivering Objective 1. The aim is to harness the island's raw, secondary and waste materials in order to add value to them, working in partnership with the private sector to prototype and market-test new products. Phase I provided a database of local resources, subsequent design workshops produced over 400 product ideas and identified potential new products that could be produced utilising local resources, manufacturing capacity, skills and expertise. Of those, eleven products or product ranges were progressed to prototype phase. The LAG has used Leader+ funding to set up two new companies<sup>30</sup> which are about to launch four new ranges of products on the market— cosmetics, ceramics, a garden chair and a range of garden/fishing/riding smocks.

#### ***Clwydian Eco-Farm (Cadwyn Clwyd)***

This project is piloting techniques of using farm and woodland waste to create commercially useful products, such as environmentally sustainable peat alternatives. Two pilot projects have been implemented through to the second Business Plan. A trial of woodchip as an alternative to straw bedding has been running since 2002 at Llysfasi Agricultural College using timber harvested on the farm and chipped on site. In a review of the use of live willow in a civil engineering role, the LAG is supporting a three year trial by Ruthin based environmental engineers. Traditionally willow spilling was used to support riverbanks subject to erosion, with strong willow stakes driven into the ground and thin flexible withies woven through them. This has largely been replaced by steel piling, concrete retaining walls and gabion baskets. The first stage of the work was a review of technical literature and an assessment of the types and quantity of willows growing on the LAG area.

#### ***Energy from Waste (Glasu)***

Most of the sub-projects are at the feasibility study/pilot stage and cover:

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<sup>30</sup> *Parys Design*, a company to take the new products to market, is named after Parys Mountain, an historic former copper mining complex with brightly coloured spoil heaps which is one of the island's visitor attractions. *Monamon* is producing the range of cosmetics, and after two years the LAG's majority shareholding will be bought out by an established local sea-salt production business

*Wood Fuel Powys* - the main aim of the project is to improve the quality, availability and competitiveness of renewable wood fuels. The project has supported the pilot production of wood pellets and the development of new machinery for small-scale production. A pellet burning technology grant, promotional work and exploring the technical capacity of installers have been part of the project.

*The potential for bio-diesel in Powys* - a scoping study at this stage.

*Innovative waste management* – exploring ways of dealing with commercial and community wastes not covered by local authorities' or national recycling targets for waste management. This includes a research project on innovation and good practice in rural kerbside and other collection of recyclables across the UK; an analysis of the quantities, time and costs associated with processing green waste harvested from road verges, and the potential value of anaerobic digestion and composting products. This project will be carried out in conjunction with CCW and the local wildlife trusts.

*Waste audit of the Dyfi Valley* - mapping flows of waste; identifying materials that might be processed or marketed locally; identifying new opportunities for collection and sale; and identifying barriers. The methodology could be transferred to other areas.

*Waste wood burners* - there are a number of existing and proposed waste wood or cardboard burners in the county; a study will examine their effectiveness and any modifications needed. This project could not only reduce the landfill of waste, but also the transportation of it, and provide environmentally friendly heating.

#### ***Local Provenance Tree Nurseries (Glasu)***

This is a project to establish local tree nurseries to satisfy the unmet demand from many environmental schemes for young trees. This will provide not just native species, but those grown from local provenance seed collected in the seed zone in which they will be used (Wales has two of the twenty four GB native seed zones). The project officer was appointed in Spring 2005.

#### ***Clwydian Farm Experience and Green Tourism (Cadwyn Clwyd LAG)***

Two umbrella projects have been combined in Business Plan 2 and include the following sub-projects:

*Wales on Horseback* – a project, managed by the LAG, which commissioned a report on horse tourism (provision of holiday accommodation for both horse and rider) proposing five potential riding routes linking accommodation providers and livery yards. The LAG funded the formation of a company that now has around 40 members including B&B, liveries, farriers and vets. Holidays can be based on local rides from a single base or on riding from place to place with luggage transport and accommodation as part of the package. The routes mainly follow existing bridleways, byways and quiet lanes. Initially many of the bridleways required clearance of vegetation and obstructions, which took time and persistence on the part of group members to persuade the local council to act. As the project grows, more overnight accommodation will be needed and it may be necessary to negotiate permissive riding routes with local farmers to give access to extra accommodation not directly on the riding routes.

*Ride the Clwyds* – a cycle tourism project similar to the horse project but developed by the local authority transport officer, which has lost momentum since he left.

*3 Villages Community Energy project* - a project based on a County Council proposal to select the three villages of Nercwys, Llanfynydd and Treuddyn to be exemplar 'environmental villages'.

### ***Impacts on environmental sustainability***

Because many of the Leader projects examined are at the stage of feasibility studies and pilots, almost all of the impacts identified here are potential impacts which will depend on the extent to which the projects are adopted by the mainstream and on the environmental constraints attached to them in the long term.

Most of the Energy from Waste pilot projects have the potential for significant impact on the use of renewable sources of energy if they are adopted more widely. Some seem to be particularly well adapted to small-scale local implementation – wood pellet production and micro anaerobic digestion for example. The 3 Villages project within the Farm Experience umbrella project could have a significant impact in reducing energy use and substituting renewables in the local communities, businesses and schools (see Box 18).

#### **Box 18: Development of a community energy project (3 Villages project, under the Clwydian Farm Experience umbrella)**

In 2004 the Centre for Alternative Technology was commissioned to report on how environmentally efficient 3 selected villages were and how they might improve their performance. It was decided to develop the project involving Cadwyn Clwyd LAG, Denbighshire County Council and the Energy Efficiency Advice Centre. All residents were invited to consultation sessions to discuss energy efficiency in the home, sources of renewable energy and how the village might take collective action. 150 people attended the events and almost half have requested further advice. Some farm businesses and three residents are looking at a ground heat scheme and more than thirty residents put themselves forward as being interested in developing a Community Energy Project. All nine businesses in the villages were offered an environmental audit and business plan by Arena Network<sup>31</sup> and each now has a business plan that, if followed for the next 3 years, will lead to the Green Dragon award<sup>32</sup>. The project is funding exemplar renewable energy projects in three schools, one using biomass, the other two using small wind turbines. Flintshire County Council aims to run a sustainable energy programme with the three schools which would fit in with the curriculum and give local children the opportunity to get actively involved with the project.

The only project likely to have a significant impact on water quality is the Eco-Farm willow pilot that, if mainstreamed and used along water courses in place of concrete or steel reinforcements, could have some impact on reducing surface run-off. None of the projects is likely to have much impact on soil quality other than the potential use of organic fertilisers such as those produced by the wood-chip bedding and road verge projects, if they are technically and economically viable.

The project with most potential for a long term positive impacts on biodiversity is Glasu's Local Provenance Tree Nurseries through planting and restocking semi-natural woodlands with native genotypes suited to the habitat. Other projects where timber is the raw material could encourage re-introduction of management in neglected woodlands, or planting of new woodlands, for example Eco Farm (wood chip for livestock bedding, willow for slope stabilisation) and Energy and Waste (wood pellets for fuel). These benefits will depend on the success of pilots and mainstreaming.

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<sup>31</sup> an independent organisation providing practical support on environmental management and training to business and other organisations in Wales on a membership basis (£150 - 200 per year).

<sup>32</sup> a stepped standard applicable to companies for whom a formal environmental management system can be very daunting, and in some cases not relevant to their current business needs. There are five levels of the standard, with each step contributing towards achievement of the International and European environmental standards, ISO 14001 and EMAS. During the appraisal and audit processes for the Green Dragon Standard, there is an evaluation of costs as well as environmental performance.

No project appears so far to have had any adverse impact on the environment, but a few have the potential to cause problems in the future if this risk is not managed – for example collecting large quantities of wild plants for cosmetic extracts in Mona Bauhaus; and new planting of willow in Eco-Farm and new woodlands for local energy projects (if inappropriate locations or species are chosen). There is the possibility of soil erosion and path deterioration caused by the intensive use of bridleways by horses and mountain bikers in the Clwydian Farm Experience projects, if the off-road routes are not carefully maintained - there is no evidence of any such problems so far.

The woodland projects are also the most likely to have positive impacts on the landscape (except perhaps the Local Provenance tree project, simply because these trees will be substituting for trees which would be planted in any case, but sourced abroad). If the willow project is successful and mainstreamed the landscape impact could be significant but whether it is entirely positive will depend on the guidelines on site suitability taking full account of landscape issues. Other projects which may result in generally improved woodland management over a large area have made few discernible impacts yet, but local sourcing of timber, processing of waste (road verge and farm) and use of local provenance trees could all have a potential impact on the landscape, with the slight risk that this could be negative if the projects stimulate inappropriate planting, either in choice of species (conifers) or location.

The horse tourism and cycling projects in north-east Wales have already brought significant numbers of additional visitors to the AONB; the horse project has had the beneficial effect of clearing and improving local bridleways which will be now be available for local people to use too.

Of the projects examined in Wales it is possible to characterise four types of environmental project:

- where the environment is an important selling point for another product, but the owners/managers of the environmental assets gain little benefit and the assets may possibly be damaged (specialist tourism in the wider countryside – off road cycling and horse riding; the use of local pigments and herbal extracts in Anglesey);
- where the environment is an important selling point but the owners and managers of the assets do benefit indirectly (farm tourism, grazing for tourists' horses, B&B for cyclists), but their economic benefit is not directly linked to their positive environmental management of landscape and biodiversity;
- a new use for, or new way of adding value to local raw materials whose production may lead directly to environmental benefits (woodchips for livestock bedding sourced from farm woodland, local provenance trees). An important caveat is that even here the environmental benefits are not automatic - for example, farmers could grow conifers to chip for livestock bedding, local provenance trees could turn out to be poor producers of marketable timber, willow species could be introduced in inappropriate locations. A major challenge in mainstreaming such projects will be to ensure that negative environmental impacts are avoided.
- resource protection, through the development of new techniques (micro-scale anaerobic digestion), new uses for existing techniques (composting road verge cuttings), application of techniques used in other countries (wood pellets as fuel) and community action (3 villages energy project).

Even the most carefully designed environmental projects may encounter unforeseen problems in implementation. Box 19 shows a good example of a project where the project officer has

identified some of these problems and attempted to address them at an early stage in the project.

**Box 19: Potential barriers to achieving long term environmental benefits (Local Provenance Tree Nurseries, Glasu LAG)**

There would appear to be a significant market for local provenance trees both within the Glasu area and beyond, but the project officer has already identified a number of barriers to be overcome if the project is to be successful and mainstreamed, including:

*Availability of local provenance seed:* additional care needs to be taken in collecting local provenance seed, avoiding collections from mature native trees in the area which may have been grown from imported seed in the past. Seed should only be collected from trees reliably identified as of longstanding local origin, such as from ancient semi-natural woodland, but within Seed Zone 304 (eastern Wales) there is relatively little truly indigenous woodland left from which to gather seed.

*Timber quality of local provenance seed:* this is an important issue for the long term future of local provenance tree planting, and is being addressed by the British and Irish Hardwoods Improvement Programme. Commercially available planting stock has been grown from seed carefully selected for timber production qualities but most local provenance seed will be collected from untested parents. This may not matter if the trees are planted solely for the benefit of wildlife and landscape but if local provenance trees are planted as a future source of quality hardwood timber it becomes an important factor.

*Accessing major markets;* apart from the problems of several small suppliers delivering a uniform product of consistent quality to meet large orders, the project officer anticipates that it will not be easy to persuade customers needing bulk supplies of native tree seedlings (e.g. the Forestry Commission's central buying unit) to abandon the large nurseries which currently provide their trees in favour of smaller local co-operatives.

***Impacts on socio-cultural sustainability***

Several projects have brought together people from similar businesses working in isolation, with a view to improving both their environmental and economic performance – these include owners of tree nurseries, B&B providers and farmers.

Other projects have had a positive impact on bridging social capital, in three ways:

- bringing different economically active groups of people together produce new products – in Mona Bauhaus entrepreneurs, designers and manufacturers, in Farm Experience B&B providers, farmers with grazing, livery yards and farriers;
- bringing together providers and suppliers, as in the Energy and Waste wood pelleting project;
- bringing together different sectors of the community - residents, businesses (including farmers) and schools in the 3 Villages Energy Project.

At a community scale, the 3 Villages energy project has had a significant impact on the communities' understanding of energy efficiency and generation of renewables, and the long term involvement of schools should be of benefit. The awareness raising events organised as part of the Local Provenance Tree Nurseries reached a much wider audience than just nursery growers, and may have raised environmental awareness among the wider community.

The projects which have most effectively involved the local community seem to be those where the project officer has the technical knowledge and skills to engage a range of local actors and provide them with useful information/support at an early stage, and where the project officer's drive and enthusiasm is matched by that of one or more local actors – a good example is the 3 Villages energy project drawing in specialists to provide an energy audit and advice, and the involvement of local schools (interestingly this project arose from a local authority initiative). The Local Provenance Tree Nursery Project depends on the project officer providing detailed and specialist knowledge (in this case well supported by the resources of Coed Cymru and FC) to an audience which knows little or nothing of the environmental issues and facilitating contacts between small tree nursery businesses who would normally see themselves as competitors.

### ***Impacts on economic sustainability***

Creating and maintaining new jobs and businesses can be very difficult in rural areas such as Powys with relatively poor transport links and limited local demand. Of the projects studied, those most likely to keep new economic activity within the local community are the Cadwyn Clwyd horse and cycle tourism projects aimed at the tourist market in the urban areas to the east and north, the small scale Glasu energy projects aimed at a local market and the Mona Bauhaus range of new local products, which offers existing businesses the opportunity to expand. Both the Eco-Farm wood chip project and the Energy and Waste wood pelleting projects report other local farmers/woodland owners as being interested, and these projects have the potential to enhance both the economic and environmental sustainability of the local wood supply chain (but only if they are marketed locally and do not encourage woodland owners to plant quick growing conifers rather than native broadleaved trees).

Many LAGs have projects (not examined in this study) which attempt to add value to local farm produce, but several of the projects discussed here are attempting the perhaps more difficult task of adding value to previously unused local products – willow, farm timber, mineral pigments, road verge mowings. It is not surprising that several have encountered setbacks but in the absence of Leader+ funding it is difficult to see how any of these projects would even have been attempted, and a relatively high failure rate may be necessary to find a small number of new uses. In the Mona Bauhaus project, a great deal of effort has been put into producing innovative designs and using quality materials. If the new products survive in a competitive market, sustainable new jobs and businesses will have been created but the ambitious attempts to use local resources seems to have been severely constrained by the commercial viability of certain products and the lack of high quality raw materials (e.g. timber) and local manufacturing capacity (see Box 20). The project uses the environment and historic image of the island as a selling point but relatively few of the raw materials actually originate on Anglesey, despite exhaustive research at an earlier stage in the project.

Improving the environmental sustainability of existing businesses may prove easier than creating new businesses, and if the cross-cutting theme of environmental sustainability had been rigorously applied to all projects it is possible that this effect would have been more widespread. As it is, a number of projects are likely to change the economic behaviour of those involved in an environmentally friendly direction – in the case of the 3 villages project, the nine local businesses which may achieve an environmental award, and the local education authority if they adopt renewable energy sources for all schools, not just those in the 3 villages.

The ability of the business activity to survive in the longer term, without Leader funding or support, is crucial to economic sustainability. In the words of one Cadwyn Clwyd project officer “*if you have the group driving it you are half way to sustainability (of the project)*”. She was comparing the Wales on Horseback project (where the group of livery yards B&B providers and farriers run the project themselves) with a similar but less successful cycle tourism project where the local authority Leader+ funded transport officer was the motivating

force, and the project lost momentum after he moved to another job. A key feature of successful projects seems to be tapping into economic sustainability already in the area - the Mona Bauhaus project officer commented that, if he were to attempt another project to design, develop and market new local products, he would try to involve established successful companies in manufacturing, rather than set up manufacturing capacity from scratch.

**Box 20: The difficulties in using local resources to develop new products (Mona Bauhaus project, Menter Môn LAG)**

The original list of 400 possible products was narrowed to eleven which were developed as prototypes, but only four of these are likely to reach the market:

**Cosmetics:** the original intention was to market products (soap, salt scrub etc) branded as Parys Elements on the themes of air, fire, earth and water but after discussions with a local herbalist who has an extraction machine, it was decided to abandon these themes in favour of locally sourced natural extracts (bramble, seaweed etc); some of the natural sources of extracts will be gathered from the wild, others cultivated. The products cannot be manufactured on the island yet but a chance mention by a well established local company (producing Anglesey sea salt for the gourmet market) that they were seeking to diversify, led to the establishment of a new company Monamon to produce the cosmetics, in which Menter Môn are the majority shareholder for the first two years after which the sea salt company will buy out the LAG's share.

**Ceramics:** it had originally been intended to sell pigments derived from the old copper workings but as this was not profitable it was decided to use them as glazes for ceramics instead. Menter Môn commissioned a Cardiff ceramicist to design the pieces and employed an ex-industrial potter living on the island to make them, using his own premises. The range will be launched in early 2006 and it is anticipated that within 6 months the potter's salary will be covered, with the aim of employing more people in the longer term.

**Smoca:** a range of garden/fishing/riding smocks, to be manufactured by a local textiles company, which was seeking to expand its range. The designs are owned by Parys but none of the materials is locally sourced.

**Garden Chair:** designed as part of the Bauhaus project, this will be manufactured by a county council owned workshop with the canvas supplied by the same company as produces the smocks. The timber used is hybrid plywood, instead of ash they had wanted to use; it is difficult to find a reliable source of good quality ash, but Coed Cymru is providing advice.

**Jewellery:** Phase I of the project showed that the designs were not sufficiently distinctive to be likely to succeed in the market, and it was dropped.

***Impacts on partnership working***

There are several examples of institutions working together where one of the actors is likely to gain a better understanding of the environment. Examples include: the improved working relationships between the horse tourism company and the Highways Authority, which probably involved at some stage AONB and CCW officers (who are both actively involved with project development in this LAG); also in Clwyd, the local agricultural college has worked with environmental organisations as a result of the wood chip pilot; and in Powys the development and running of the Local Provenance Trees project has involved the Forestry Commission, CCW (Tir Gofal agri-environment officer), Powys County Council and Coed Cymru working together, probably reinforcing the well established working relationships which already exist in Wales, rather than building new ones. The more experienced LAGs



have a well-established network of contacts and access to other expertise within and outside the office. Steering groups and scoping studies seem to be a useful way of bringing expertise and organisations together, although it was pointed out that NGOs, especially local ones, may have the interest but lack the time or staff resources to make a useful input.

It is generally too early to detect any shift in public perceptions of the environment as a result of the projects, but some impacts might be expected among farmers - for example if they find a future market for undervalued assets such as woodland, grazing or permissive horse riding and cycling routes. The Clwydian Farm tourism projects, which use the high quality of the landscape as a major selling point, are likely to demonstrate to the local community the value of the environment – but it is not clear how far this understanding extends to the need to take positive action to maintain the environment.

***Impacts on general Government priorities***

Government priorities relate to issues such as impacts on social inclusion, productivity and employment. The only project known to have a limited impact is the Mona Bauhaus where one of the products is partly manufactured in a local authority workshop. It is possible that mainstreaming several of the pilot projects would improve the viability of existing jobs for example on farms and in woodland management, but in this study it is impossible to assess the extent to which any new jobs created are displacing other jobs.

***Integrating economic, social and environmental sustainability***

The renewable energy projects in Glasu and Cadwyn Clwyd are most likely to achieve all three elements of sustainability, provided the pilots demonstrate both technical and economic feasibility.

## **7 Country Analysis – Northern Ireland**

### **Introduction**

The Leader+ Programme for Northern Ireland was set out in a Single Programming Document, written by the Department of Agriculture and Rural Development (DARDNI) and approved by the European Commission in September 2001. A Mid-Term Evaluation was submitted in March 2004, followed by the publication of a Programme Complement in May 2005 and an Annual Implementation Report in 2004 in June 2005. The analysis draws mainly from these documents and through consultation with one Local Action Group.

The total value of the Northern Ireland Leader+ Programme is £20million (30.834 meuro), which is 13.68 per cent of the total EAGGF allocation to Leader+ for the United Kingdom. 86 per cent if this is allocated to ‘territorial rural development strategies, 11 per cent to co-operation, 2 per cent to networking and 1 per cent to programme management, monitoring and evaluation).

Because of the lack of environmental focus of the Northern Ireland programme, the reasons for which are fully described below, this chapter takes a slightly different format to the previous chapters. A thorough consideration of the national programme follows, followed by a LAG level appraisal of Fermanagh Local Action Group. There is no project level focus as very few projects in Northern Ireland relate to the environment. Whilst a number of projects focus on waste management or recycling, it was felt that these did not directly concern this study’s primary interests. One project was found that focussed on renewable energy, but this only started in early 2006 and the LAG manager was unable to forward any relevant documentation. However, this analysis does serve the purpose of identifying the central lack of environmental direction to the national programme, and some of the problems in interpreting the national programme at the local level.

### **7.1 The Northern Ireland Leader+ Programme 2000-2006**

#### ***Strategic Priorities***

Little emphasis is placed on the environment in the Northern Ireland Leader+ Programme. Similarly, sustainable development is not a highly developed theme. The focus of the Northern Ireland Programme is on micro-business development and job creation and there are no objectives relating to the environment. The Northern Ireland Leader+ Programme does not attempt to relate these two economic objectives to the delivery of environmental goals. The May 2005 Programme Complement made a number of substantial revisions in regard to how Leader+ could be used in respect of the environment.

The Programme states that the aim of the Northern Ireland Leader+ Programme is:

‘To increase the economic and employment contribution that very small businesses, including small farms, make to the rural economy by encouraging local partnerships to test out new approaches to micro-business development and, where beneficial, to work in collaboration with similar partnerships in other rural areas.’

Three of the four specific objectives for the Programme relate to small business development: to increase the number of small businesses in rural areas; to assist the growth of small businesses in rural areas; and to create and maintain employment in very small businesses in rural areas. Each of the four EU priority themes around which a LAG designs its programme

of work<sup>33</sup> need to be delivered by focussing on micro-business development<sup>34</sup> and job creation. The Programme suggests that ‘environmental goods and services and environmentally sensitive processes’ might form a broad area of activity for Leader+. Examples given in the Programme are waste management and recycling initiatives, and there are examples of these kinds of projects having received funding. The outputs of the programme are measured in terms of these objectives and relate, for example, to the number of new small businesses created, the number of permanent jobs created and through impact indicators that, for example, measure the change in total turnover of small businesses in rural areas. The ex-ante evaluation remarks on this emphasis, stating that a high priority was given to job creation, whilst no detailed discussion was given to any of the four priority themes, including the use of natural and cultural resources.

The Leader+ Programme for Northern Ireland singularly fails to address the way in which the Leader can be used to meet environmental needs. DARDNI justify the choice of emphasis on job creation over and above environmental considerations for the following reasons:

- It is considered that other rural development measures adequately meet the need of enhancing the natural heritage (through the accompanying measures of the agri-environment programme, support for Less Favoured Areas and the forestry programme).
- Leader+ fulfils a particular role in the overall rural development programme in Northern Ireland. Whilst the overall aim of the Rural Development Programme is ‘to promote comprehensive and integrated action towards the sustainable and equitable development of rural areas and, in doing so, contribute to the economic, environmental, social and cultural well being of the rural community for the benefit of the whole community of Northern Ireland’, the aim of Leader+ is seen to be to develop the private sector, and in particular very small businesses in rural areas.
- It is therefore stated in the Programme that Leader+ will not be used to support any activities which set out to conserve and enhance the environment and the extent to which it is understood and enjoyed, including those actions:
  - that improve air or water quality;
  - that support the conservation and appreciation of natural biodiversity;
  - that support the character, quality and enjoyment of the landscape.

Leader+ was not regarded as a tool that could simultaneously encompass other objectives or as a tool that could meet economic objectives through projects that incorporate a significant environmental element<sup>35</sup>. The authors of the Mid Term Evaluation found that the Programme was weak in establishing the rationale for this micro-business focus, in that it failed to analyse the specific needs and problems of micro-businesses in rural areas. It was recommended that DARD should clearly describe the programme rationale when developing future programmes by demonstrating the market failure it seeks to address.

Few safeguards were placed in the Programme to help ensure that Leader+ does not result in negative environmental impacts. Opportunities to implement safeguards occur at the LAG selection stage and the project appraisal stage. Furthermore, in the Programme’s brief consideration of the possible environmental impacts of the Programme as a whole, it is stated that the Programme is expected to be broadly neutral in terms of its impact on the

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<sup>33</sup> Know-how and new technologies, improving the quality of life, adding value to local products and making the best use of natural and cultural resources.

<sup>34</sup> Micro-businesses have fewer than 10 employees.

<sup>35</sup> For example, projects that seek to improve job opportunities by developing local products that promote themselves on the basis of the benign way in which the land is managed.

environment. Therefore, although no negative environmental impacts were anticipated, no positive impacts were expected either.

Respondents to the consultation on the Leader+ programme commented on the inadequate manner in which the environment had been dealt with. One respondent felt that environmental issues had not received enough attention and argued that the Environmentally Sensitive Area scheme, the Countryside Management Scheme, the draft Northern Ireland biodiversity strategy and Natura 2000 should all have been given a higher profile. Another respondent felt that the rural environment is a major strength and should be more positively promoted as an opportunity for economic development. Environmental 'priority themes' also received support, such as 'access to the countryside', 'custodianship of the countryside' and 'the improvement of the rural environment.' There was also a call by one respondent for environmental interests to be represented on LAGs. Some environmental considerations also featured in the mini-business plans submitted by prospective Leader+ groups at the time the Programme was written. These ideas included the 'development of environmental skills', 'support for community-based environmental projects', 'encouragement for the emergence of environmentally friendly products and practices', 'encouraging the advancement and marketing of environmental tourism products and practices', 'helping to foster among the population an interest in the environment', and 'a biodiversity scheme to support landowners to protect, manage and enhance the landscape with environmentally beneficial methods'. These responses were evidently not catered for by the final Programme. However these comments do point to a recognition locally and by stakeholders of the environmental remit that Leader+ could have had in Northern Ireland. Some of these concerns were addressed by the Programme Complement, which was published in May 2005.

The Programme Complement contained a number of substantial revisions in regard to the environment and represents something of a reversal of emphasis. Whilst the Complement specified clearer goals for each of the four EU priority themes for Leader+, the changes in respect to Theme 4 on making the best use of natural and cultural resources are remarkable given the lack of specificity in the original Programme.

The aim of Theme 4 is to assist the achievement of the following, all of which are relevant to the environment:

- A distinctive local countryside; landscapes with cultural and architectural features protected and enhanced.
- A better understanding and knowledge of local traditions, culture and language;
- An enhanced resources for tourists.
- An enhanced use of local products.
- A better appreciation and use of local resources.
- An increase in the sensitive and sustainable use of environmental and cultural resources for economic and recreational purposes.
- An increased environmental knowledge and skills of people living in rural areas.

An indicative list of project activities are suggested, and local action groups were encouraged to come forward with their own interpretations of the above objectives. Suggested activities could focus on:

- Initiatives which safeguard, or enhance natural resources, or minimise the use of raw materials.
- Conserving energy and water resources through sustainable use of natural resources.
- Waste management initiatives, through reduction, re-use and recycling.
- The adoption of best practice to prevent pollution and minimise risk to the environment, or to carry out sustainable land use management.
- Enhancing the value, through sustainable management, of coastal environment;

- Measures to tackle issues relating to farm pollution.
- Initiatives to preserve or enhance buildings of importance to local heritage.
- 'Eco farms', eco-tourism ventures.

The timing of this revision is questionable, given that the above aims only took effect with about 18 months of the Leader+ programme left to run. This re-orientation to a Programme that is inclusive of environmental objectives is welcome, albeit possibly too late to have a resounding impact on the performance of LAGs in delivering environmental objectives, for a number of reasons:

1. The 12 Northern Ireland LAGs had been selected on the basis of the requirements set out in the original Programme, and therefore were not set up with any environmental impetus to their programme of work.
2. LAGs already had a strategy and there appears to have been little requirement to adjust this in light of the Programme Complement.
3. The LAGs were already defined in terms of their composition (i.e. probably with very little environmental representation).
4. The majority of the spending for the programme had been allocated.

From an examination of the projects funded, it seems that the Programme Complement has failed to have an impact on the types of project funded.

The strategic overview taken by the Northern Ireland Department of Agriculture and Rural Development compartmentalised Leader+, designating it with the role of job creation, with little possibility of this role being developed in an integrated manner with social and environmental aspirations. Due to the way the Leader+ Programme for Northern Ireland was designed, there is limited scope for Leader+ projects to work towards any environmental objectives. Despite the Programme Complement including strategic objectives for the environment, the change in direction of the Programme came too late. Environmental goals therefore need to be set at the start of the Programme rather than in a revised complement towards the end of the programming period. All of the factors that influence rural development (economic, social and environmental) should be accounted for and all the possible linkages between these factors considered. The EAFRD Regulation goes some way to promoting this integrated approach.

### ***Monitoring and evaluation***

The monitoring of the programme is carried out by DARD as the Managing Authority, with the assistance of a Leader+ Monitoring Committee, which is itself supported by a permanent secretariat. The Managing Authority seeks to ensure the effective delivery of priorities, outputs and targets; the effective implementation of cross-cutting themes; the conversion of strategic focus into good quality projects; effective, fair and timely appraisal of project proposals and the dissemination of good practice. The secretariat ensures the implementation of the Programme, draws up a work programme, advises on regulations and among other tasks, gathers financial and monitoring information.

The composition of the Monitoring Committee is important for influencing the environmental direction of the programme. The Committee is chaired by DARD's Head of Rural Development Policy and as of December 2004 was composed of representatives from DARD, local authorities, the Rural Development Council, the agriculture sector (Ulster Farmers' Union and Northern Ireland Agricultural Producers' Association), the Equality Commission, an expert from Queen's University of Belfast and members of business groups and trade unions, and representatives of the community and voluntary sectors. The sole environmental representative comes from Northern Ireland Environment Link. It is difficult to envisage how influential the environment representative could have been given the focus of the Programme.

### ***Selection of LAGs***

Local Action Groups were selected on the basis of 14 criteria, with variable levels of weighting. The most highly weighted criterion relates to the impact a LAG's strategy will have on creating, sustaining and retaining jobs. The second most highly weighted criterion relates to enhancing job opportunities for certain target groups (women, young people, farm families and the long-term unemployed). Although no specific consideration was given to the possible environmental impact a LAG's strategy may have, one criterion questioned the sustainability of each LAG's strategy. Each LAG's strategy was assessed to see whether resources were going to be used in such a way that the options available for future generations would not be undermined, that they will help to sustain the community of the area that they cover, and that they will have a lasting impact on the LAG area after the expenditure of the available funds. These are general questions based on the principle of sustainability and fail to address in any detail the environmental implications of Leader+ funding. However, during the project application process, all projects were to be assessed to ensure that they would not have a negative effect on the environment.

At the LAG selection stage, all proposed development strategies were considered by a ten-member assessment panel. This panel was made up of members of DARD, including the Rural Area Co-ordinators, the Equality Commission, the Local Enterprise Development Unit, the Chairperson of the Rural Development Council, the Chairperson of the Rural Community Network, and two independent members who were selected for their knowledge of rural areas. It has not been possible to elucidate what interests the independent members represented, but it seems the environmental sector was not present on the selection panel. However, a representative from Northern Ireland Environment Link does sit on the monitoring committee.

### ***Administrative arrangements for LAGs***

The Programme states that Local Action Groups must consist of a balanced and representative selection of partners from a range of socio-economic sectors, and include representatives from the main public, private and voluntary sector interests in the area. The members of a LAG must either select an administrative and financial leader with the ability to administer public funds or come together as a legally constituted common structure in order to administer public funds. Unlike England, it seems that LAGs have the freedom to delegate funds as they see fit, without first having to consult another body (in England, this would be the Regional Programme Monitoring Committee).

LAGs must ensure that their activities do not overlap or duplicate with other rural development measures. To assist this, DARD's Rural Development Rural Area Co-ordinators play a key role in co-ordinating the operation of Leader+ activities, aiming to assist a 'strategic approach to rural regeneration at the local level.'

## **7.2 Local Action Groups and Projects**

Due to the lack of emphasis on the environment in the Northern Ireland Programme, only one LAG was examined in detail: Fermanagh Local Action Group (FLAG). The following section therefore acts as a case study of how the environment might be treated by LAGs in Northern Ireland, and draws on information provided by the LAG and the case study of the LAG conducted as part of the MTE.

### ***Environmental Priorities in the LAG Business Plan***

FLAG was established as a Leader group under Leader II. The guiding theme of the Fermanagh LAG is 'Making the Best Use of Natural and Cultural Resources.' According to the LAG's website 'Fermanagh's rich natural and cultural heritage presents the opportunity for sustainable, economic, cultural and social development whilst retaining and preserving the

landscape for future generations.’ In terms of project eligibility, all applications need to relate to this central aim and must not have a potential negative environmental impact.

Despite this focus, it was difficult for the LAG to develop a programme of work that had strong environmental goals, given the political decision taken by the Northern Ireland administration that Leader+ should focus on micro-businesses and job creation. This outlook concurs with a finding of the MTE that Programme Managers did not feel ownership of the national Programme and the micro-business focus that it contained. Furthermore, whilst at a national level it was felt that using Leader to target environmental objectives would overlap too closely with other rural development measures, FLAG felt that there was a significant risk of overlap between the micro-business focus of Leader+ and other business support initiatives in the area.

The case study of FLAG in the MTE states that FLAG felt that the approach taken by DARD was too confrontational, and that there was not enough discussion and negotiation between DARD and themselves. In contrast, the local Rural Area Co-ordinator was praised for the support they were able to give to the LAG. These Rural Area Co-ordinators are from DARD, and the experience of FLAG indicates that more informal relationships between LAGs and DARD may be beneficial to the development of LAG development plans.

#### ***Environmental Representation at LAG Level***

There is no environmental representation on the LAG board. The board is made up of local councils, farmer groups, and commercial groups. The lack of environmental capacity on the board was a weakness given the programme is built around the theme of natural resources. All projects are discussed among an advisory panel before a decision is taken by the LAG board.

#### ***Environmental Projects***

Despite the selection of the theme ‘Making the Best Use of Natural and Cultural Resources’, environmental considerations fail to seep through to the various funding programmes that are operated by FLAG. Indeed, it was a finding of the MTE that the coherence of some LAG Business Plans was not all that it might be with a number of them being over complicated with too many measures. For example, in FLAG the funding measure for the theme of ‘natural resources’ is an ‘Innovative Food Producers Programme’ that grants funding to assist new or existing food enterprises to implement new products or processes. Another theme is called ‘Culture, heritage and environment’, with an associated measure called ‘Traditional Skills’ that aims to ‘encourage individual and joint enterprise initiatives, focusing on traditional activities’, which might or might not involve environmentally beneficial practices. There are two related funding streams for the theme of ‘physical resources for the natural environment’. The first is an ‘environmental programme for micro-businesses’ and the second is called the ‘storm water programme.’ The first programme is used to ‘Actively encourage the adoption of good environmental practice among small businesses and stimulate the emergence of environmentally friendly products.’ The Storm Water Programme aims to ‘identify innovative solutions for the collection, storage and utilisation of storm water in specific designated geographical areas in Fermanagh’. There is one final funding stream that is based on the premise of ‘people as the natural resource.’

The interpretation of the term ‘natural resources’ therefore does not strictly equate to environmental priorities. Given the ‘rich natural heritage’ is one of the key factors in selecting Theme 4, there appear to some issues limiting the translation of this theme to environmentally orientated projects.

One reason for this interpretation is the pressure applied nationally by various stakeholders for Leader+ funding to be directed towards micro-businesses and job creation. Another important factor is the eligibility criteria. It appears that community or statutory sectors are ineligible for Leader funding, meaning that funding can only be directed at private individuals

or businesses. This means that environmental NGOs or statutory organisations, which are major recipients of funds in other parts of the UK, are not eligible for Leader funding. In addition, the 50 per cent funding limit of Leader+ has resulted in limited uptake in some quarters due to the needs to find co-funding, or to change management practices<sup>36</sup>. Applicants also found the application form too long and difficult to complete. The findings of the MTE reflect this, stating that the project application process was cumbersome and bureaucratic, and discouraging to potential applicants.

The LAG embraced the Natural Resources theme through the funding available for micro-businesses. Financial assistance was provided to an organic herb business, and another business that made fruit juices. Also, the LAG tried to establish a niche farm products funding stream but were unable to proceed with this because its goals were too close to other measures in the Northern Ireland RDP. In early 2006 a new project started which aims to increase reliance on renewable energy sources. This project is a transnational project which will bring in advice from experts from Sweden. This project will also help FLAG meet its one clear environmental target of conducting 25 environmental assessments.

### ***Project Appraisal***

There are nine assessment questions. It is unclear how these questions impact on project selection, what the scoring range is, and whether the scores for certain questions can be weighted. Two of these assessment questions relate to the environment. The first is used to assess whether 'The project is sustainable - physically, socially and environmentally' and the second whether 'The project has positive environmental impact'. Other questions relate to job creation, the targeting of priority groups, innovation and experience (it is unclear whether lack of experience could be an entry barrier), and relevant skills. It is unclear as to how rigorous an assessment of environmental impacts the project selection process has. Similarly, the consideration of project sustainability may be improved if sub-divided into three questions, one each for the economic, social and environmental aspects of sustainability.

In FLAG projects are subject to an 'environmental path analysis' before funding is granted. This incorporates a range of topics, questioning the recipients commitment to recycling or whether solutions are presented to correct instances of previous environmental damage. However, this forms just one of ten key areas that projects can score in, and if the environment is not the main focus, little attention appears to be paid to this category. FLAG felt that DARD should have put more trust in them to develop selection and appraisal processes so that these systems could at the very least have been developed in conjunction between DARD and the LAGs. The MTE found that there was poor communication between DARD and the LAGs, and that LAG Managers and DARD staff had a poor relationship. The MTE authors also recommended that DARD should review the way it communicates with LAGs.

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<sup>36</sup> E.g. under the traditional skills banner, some applicants such as stone masons did not apply for funding due to accompanying constraints over insurance requirements.



## 8 Conclusions and Recommendations

The following conclusions and recommendations are based on the findings of the evaluations undertaken in each of the four UK countries. We direct the reader to the country sections for a better understanding as to how these conclusions and recommendations have been reached. Conclusions and recommendations are presented under three main subject headings relating to: country programmes; Local Action Groups; and, Leader+ projects. We have sought to identify clearly the main, overarching issues arising from our analysis (organised under relevant sub-headings) and to present recommendations that can be used to influence: future programming for Leader in the context of the European Agricultural Fund for Rural Development; the administration and implementation of funds allocated to Leader; and the type of activities to which Leader funding is applied.

### 8.1 Country Programmes

#### *Strategic priorities*

At country level, the overall framework for, and the strategic direction of, Leader+ are set out in Single Programming Documents (SPDs). The four UK countries differ in the priority given to the environment/sustainable development in their SPDs. The rhetoric within the England SPD, at least, is positive from an environmental perspective. The role the environment plays in sustainable development is also clearly identified. The Scotland SPD leaves the reader with a strong sense of the environment and environmental sustainability being a priority for Leader+ action, at least equal to socio-economic priorities. The situation is similar in Wales with considerable discussion of the environment. All three of these SPDs however are weaker in terms of identifying environmental threats that Leader might address and in setting out specific environmental objectives for Leader action. The English SPD is notable in that it conflates objectives for the natural heritage with cultural heritage (perhaps in line with the Leader Action 1, Measure 3 Theme of ‘Making best use of natural and cultural resources’). This is not entirely helpful in terms of objective setting and there may be benefits in establishing separate and specific objectives for each of these two different issues. The SPD for Northern Ireland is the weakest of all four documents with the environment relegated to a much less important priority than socio-economic development.

#### **Recommendations**

1. For Leader to maximise its potential, there should be a strong and clear sense of the environment as a priority for Leader action, alongside other priorities e.g. meeting socio-economic objectives or roles that Leader might fulfil e.g. encouraging partnership working and capacity building
2. Objectives for Leader should be SMART – Specific, Measurable, Achievable, Relevant and Timebound – and relate to each of the strategic issues and priorities established in the SPD.

#### *Strategic guidance*

The English, Scottish and Welsh SPDs give broad examples of how Leader+ might be used to benefit the environment. The lists are by no means exhaustive but they do present some interesting suggestions that might stimulate ideas for environmental activity at the level of the LAGs and project applicants. In Northern Ireland examples do not appear in the SPD but in the Programme Complement. Unfortunately, this document was not produced until May 2005, almost four and a half years into the seven year programming period and arguably too late to have influence. Experience in England also suggests that it would be helpful to identify those types of actions that might be best funded through Leader (especially in the context of

sustainable land management) and where other funds e.g. agri-environment schemes might be more appropriate.

### **Recommendation**

3. Future programming documents (or related documents) should set out interesting and innovative examples for how the Leader approach can be used to benefit the environment, as well as contributing to social and economic development.
4. National administrations (or the UK Leader+ network) should develop best practice guidance on Leader for LAGs and project applicants, illustrating how to deliver a range of objectives and identify types of activities where the use of other funding streams might be more appropriate.

### ***Selection of LAGs/geographic targeting***

There is a fairly strong coincidence between the operational area covered by the LAGs selected to implement national Leader programmes and areas of environmental importance such as National Parks, Areas of Outstanding Natural Beauty, National Scenic Areas and Natura 2000 sites. Other issues also appear to have influenced the selection of LAGs e.g. the Foot and Mouth Disease outbreak in 2001 appears to have driven the selection of some LAGs in England and Wales. There are also issues around those appraising and selecting LAGs. In England, each LAG's development plan was assessed against nine core criteria. Only one of these considered the environment, albeit loosely through the LAG's 'commitment to sustainability'. The information that potential LAGs in Scotland were asked to supply was inadequate in relation to the environment with much stronger emphasis placed on completing an analysis of the social and economic situation of the areas and describing their coherence as areas in relation to these issues. Given that this analysis was to '...identify opportunities within the area...(and) form the basis for each activity or project addressing an opportunity in an innovative way', the omission of the environment is of some concern. In addition, environmental representation and expertise on the secretariats and national selection panel was weak.

In future, it is essential that there is some degree of targeting of Leader funding (through LAGs and local development strategies) to those areas where it can deliver greatest environmental benefit. While Leader can be an important mechanism for encouraging, for example, partnership working in areas of environmental importance or where there are specific issues to address e.g. diffuse pollution in water catchments, there is also a case for using the Leader approach in areas where the environment is poor or has been degraded and needs improving.

### **Recommendations**

5. National administrations, should approve future LAGs and allocate funding, in areas where Leader can deliver greatest environmental benefit (based on full analysis of the environmental situation and identification of environmental priorities).

### ***Monitoring and evaluation***

Arrangements for monitoring and evaluation were widely criticised by those interviewed at LAG and project level. The process is often little more than a number crunching exercise with meaningless numbers and the results convey little about the real outputs and outcomes of Leader projects. Some key issues raised include:

- Indicators for assessing progress are poorly defined and do not relate well to the nature of Leader projects.
- LAGs interpret indicators in different ways (due to a lack of national guidance) and hence the data sent to national administrations is inconsistent.

- indicators were provided late in the programming period and changed in Wales and England at the time of the MTE resulting in shifting goalposts and a mismatch between national and LAG level targets.
- indicators/targets are very limited with respect to the environment and tend to measure outputs e.g. of types of projects and not project outcomes but, it is not easy to find appropriate and meaningful targets/indicators.
- LAGs collect a lot of information about projects but are not required to pass much of it on. In Scotland, one LAG Programme Manager considered that 80% of data gathered by the LAG was not required by the Scottish Executive. This information, which can help to usefully explain project outcomes, is therefore grossly under utilised.
- There is value in local flexibility for measuring outputs, but this needs to be set within a clearer strategic framework.
- The nature of Leader projects necessarily makes them difficult to evaluate.
- LAG staff have concerns that making reporting too bureaucratic defeats the underlying value of Leader.
- The relationship between national administrations and LAG programme managers is often weak e.g. infrequent meetings and opportunities for exchange of knowledge and information.

A balance needs to be struck between on the one hand developing a more rigorous and meaningful monitoring and evaluation process and on the other hand creating an overly time consuming and bureaucratic process. SNH provides useful guidance on evaluation<sup>37</sup> which is helpful in the context of Leader. Some information has been gathered through this project on the role of the Programme Monitoring Committee (primarily for England), although this was not a specific task of the work. This body appears to have an important role in monitoring and evaluation and further evaluation of its role would be helpful.

Ideally, monitoring of projects should continue after Leader+ funding ceases in order to gauge the long-term effectiveness and relevance of Leader+ funding. It is difficult, for example, to observe benefits for biodiversity in a project that is funded for only two years. Project progress reports should be an opportunity to report on the environmental performance of a project so that any negative effects can be identified and rectified and any positive impacts substantiated and relayed as an example of best practice. The evaluation of the ongoing environmental impacts of projects should not be left as a retrospective exercise when the project is complete, but should feature throughout the project cycle.

### **Recommendations**

6. National administrations should develop better monitoring and evaluation processes (within the framework set down by the European Commission) and provide guidance to LAGs (and future delivery bodies) on how best to monitor and evaluate Leader progress.
7. Greater emphasis should be given in the new programming period to measuring the real ‘impacts’ and ‘outcomes’ of Leader (both quantitative and qualitative) rather than ‘outputs’ e.g. numbers of projects funded.
8. Adequate baseline information on the state of the environment and environmental priorities must be a prerequisite for the granting of Leader funding to an area. Without this, it is very difficult to judge if Leader is making any difference.
9. The relationship between national administrations, monitoring committees and those delivering Leader should be reviewed and strengthened with a regular cycle of

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<sup>37</sup> <http://www.snh.org.uk/pdfs/news/adviceonevaluation.pdf>

meetings and clear communication channels. National administrations should take the lead and provide sufficient resources to ensure this happens.

## **8.2 Local Action Groups**

### ***Environmental priorities in LAG Business Plans***

The extent to which the environment is explicitly mentioned in LAG Business Plans is variable. Most Plans evaluated give some weight to the environment but socio-economic issues are sometimes given greater weight. There are examples of the environmental rhetoric being strong in some plans but then few clear environmental objectives or targets and projects not matching this rhetoric (see below). The environment can be used to chase funding with subsequently little follow through. SWOT analyses do not always pay adequate tribute to the environmental strengths of the LAG area.

The best plans are good because:

- There is a clear and thorough discussion of the environmental significance of the LAG area.
- Evidence is provided to substantiate the environmental importance of the LAG area.
- Environmental goals are tied in with social and economic objectives, and are not treated in isolation. The renaissance of the local economy is regarded as a prerequisite for sustainable land management.
- Objectives have been generated which reflect the environmental, economic and social significance of certain land management practices.
- An emphasis is placed on enhancing the environment, not just maintaining it.
- The environmental significance of certain farming activities is recognised.
- Reference is made to the importance of broader policy changes e.g. the changing system of farm support.

In addition to proposing that LAGs adopt this best practice, we offer the following recommendations:

### **Recommendations**

10. The environmental strengths, weaknesses, opportunities and threats of LAG areas should be clearly expressed in business plans.
11. The environment should be a consistent 'thread' throughout a plan from the Leader themes selected, the strategic priorities chosen through to the setting of clear and SMART objectives and targets.
12. The synergy the LAG hopes to achieve between economic, social and environmental objectives should be clearly expressed.

### ***Proportion of environmental projects***

The extent to which projects selected/funded reflect environmental priorities is variable. In England, for the LAGs examined, projects with an environmental element were generally adequately represented given the relative emphasis placed also on social or economic goals by the LAGs concerned. In Scotland, for LAGS adopting the Theme 'Making best use of natural and cultural resources' there were far more examples of projects with a cultural than a natural environment focus' yet the environment was often expressed as a high priority in the Business Plan. The situation in Wales is slightly different with sub-projects being funded under more generic umbrella projects. A substantial range of projects do appear to be focused on the environment or have an environmental component although there are also examples of a mismatch between projects actually funded and the stated objectives and focus of the umbrella

project. Given the vast number of Leader projects funded so far and recognising that only a small fraction were evaluated in any detail by this study, it has been difficult to get a sense of how much of Leader activity is focused on the environment. Of the long list of projects we initially identified for this study it is possible that some had ‘hidden’ environmental aspects that were not easily discernable from the information available on LAG websites. It is our feeling however, based on all the evaluation work, that Leader could be used to good effect in funding more projects that benefit the environment, where these projects also involve beneficial social and economic outcomes.

### **Recommendations**

13. Greater emphasis should be given to environmental sustainability in all projects funded, but particularly where the environment is expressed as a strength and high priority in the Business Plan.
14. LAG Managers, the agencies and environmental bodies should encourage environmental projects to come forward and help build capacity within local communities to undertake such projects.

### ***Meeting environmental targets***

Many of the comments here substantiate or add to comments made earlier in relation to monitoring and evaluation. There are no hard targets that relate directly to key environmental priorities; most targets used to evaluate Leader+ programmes are focussed on measuring processes and outputs. These targets most frequently relate to the socio-economic aspects of projects. For example, the focus of indicators is generally people (e.g. no. of people who have attended training events) or economic (e.g. no. of jobs created). There is a case for such socio-economic indicators being supplemented with more specific indicators for the environment. LAGs have adopted indicators and targets suggested by national administrations, and as MTEs have also suggested, these indicators are not always appropriate or relevant to what the LAG is trying to achieve. Ultimately, the appraisal process and targets need to be appropriate to the size of projects/budgets. Some LAGs have also experienced problems with collecting suitable baseline data from which to measure the environmental impact a Programme has had.

### **Recommendations**

15. Country administrations should organise a 1 day stakeholder workshop on monitoring and evaluation (including target setting) to consider potential improvements to future arrangements
16. Where projects do not directly embrace environmental concerns, there should still be an obligation to consider and manage environmental outcomes through the use of business-related Environmental Management Systems.

### ***LAG staff***

Very few current LAG staff appear to have an environmental background or formal training in the subject although some staff did express environmental interests. Most staff appear to have economic or community development expertise. Given that LAG staff play an important role in project development and giving advice to potential applicants, it appears that in future staff should have environmental training. In Scotland, SNH ran a training course for LAG staff to highlight the importance of the environment and development opportunities. This was valued by those staff who took part. The approach in Wales is also interesting in that LAGs employ a number of project officers, each directly responsible for one or more of the umbrella projects and related sub-projects. This allows project officers to develop expertise in particular sectors such as energy and waste, farm tourism or woodland management. Such an approach could, potentially, be replicated elsewhere. Lack of continuity in individuals involved with Leader makes it difficult for people to build up real expertise and make real

impacts. Finding suitably qualified staff, capacity building and staff turnover have all presented problems for Glasu, one of the newer Welsh LAGs.

### **Recommendations**

17. LAG staff should be provided with appropriate and on-going environmental training and support.
18. Where feasible, employing and developing staff with an environmental specialism would be beneficial

### ***Environmental representation at LAG level***

There are variable levels of environmental representation on each of the 5 LAGs examined in England, with particularly good representation in the New Forest, Cumbria Fells and Dales and Herefordshire Rivers. Some LAGs experienced difficulties with fully engaging LAG partners with an environmental remit. There are examples of LAG Members being able to influence the environmental direction of the LAG at the Programme Level. In Scotland, SNH is a key player at LAG level and are represented on all three of the LAGs examined. However, given the number of individuals/organisations on LAG Boards (often 15+), only 1 environmental representative suggest there may often be an imbalance with socio-economic interests taking precedence. In Wales, Glasu LAG members with an environmental interest reflect the emphasis on energy, waste and woodland projects e.g Coed Cymru, Environment Agency and the Centre for Alternative Technology. In Cadwyn Clwyd CCW is an active and valued member of the Partnership Technical Advisory Group (which supports the LAG Board), with additional advice and support provided by AONB staff, and local authority countryside and transport officers. It seems that the experience of this LAG with Leader II and the range of other rural funding has led to a very well developed network of support and advice on the environment particularly on landscape, heritage, access and tourism.

In England, LAG Managers were keen to stress that decisions taken are based on consensus and that no one figure plays a dominating role in steering the LAG partnership to particular projects. However, an examination of the projects funded shows a prevalence of some organisations such as FWAG and the Wildlife Trusts in making successful project applications, but such groups are not always part of the LAG. In Wales, in general, the influence of environmental ‘champions’ appears to be most powerful on project steering or advisory groups rather than on the LAG Boards.

In Scotland, LAG staff often rely on SNH for expertise in developing and assessing projects at early stages. In England, this is generally not the case. However there are examples of public agencies being involved in projects such as EN with the Lifescapes project in Herefordshire, but it does not seem they were brought in explicitly to work up projects. There are examples of some LAGs/projects using Leader money to employ facilitators/experts e.g. food marketing expert. This may be a way of bringing in environmental expertise.

### **Recommendations**

19. LAGs that identify environmental needs must have adequate environmental representation. If this representation is not forthcoming from local voluntary bodies, expertise could be sought from public agencies.
20. LAGs should consult all local bodies at the Development Plan stage in order to comprehensively review the social, economic and environmental needs of the area as voiced by the local community. Those that bring in relevant views should be encouraged to join the LAG partnership.
21. LAG staff should be more proactive in seeking to engage experts outside the LAG Board in developing and assessing projects. Greater use could be made of facilitators/experts.

### ***Previous experience with Leader***

Some of the LAGs had previous experience with Leader II funding and other EU funding streams, but whilst this may have proved beneficial from a programme administration point of view, it seems unlikely to have had an overwhelming influence in terms of the development plans submitted or the projects subsequently funded. The picture in Scotland appears to be similar. In Wales, experienced and multi-functional LAGs do seem to be savvy as to how to find funding from other sources if Leader+ funding not available. In some cases they are likely to be administering other funding (EU or WAG). Previous experience with Leader does not appear to be a prerequisite for staff who will administer Leader in future but can be helpful. There may be equal merit however in bringing in staff with no experience but who have new ideas and ambitions and providing them with the necessary training.

### **Recommendation**

22. Future LAGs should seek, where possible, to employ staff with previous Leader or other rural development fund experience to aid retention of knowledge and skills.

### ***Project appraisal***

The assessment of the potential environmental impact a project may have is variable, even for LAGs where the environment is a strong guiding theme of work. There is evidence of inadequate procedural issues when projects are assessed e.g. with sustainability checklists and scoresheets. In Wales, at LAG level, when assessing sub-projects, the environment is considered alongside other criteria, but as almost half the projects in Wales have some environmental dimension; it is in some senses 'just there'. WEFO's project application form requires details of designated sites likely to be affected (SSSI etc) but it is not clear how much weight is given to this. In Scotland, applicants are required to complete a sustainability checklist but it is not clear how this is judged by the Programme Manager and the LAG or to what extent it influences the approval process. LAG staff do sometimes impose conditions on projects e.g. applicant has to have regular contact with Programme Manager if LAG has concerns. In all countries the analysis undertaken at LAG level on environmental impacts/sustainability is not clear. Scoresheets are not commonly used with most LAGs simply discussing applications and basing decisions on LAG staff recommendations. There would appear to be considerable responsibility placed on LAG staff in assessing projects.

### **Recommendations**

23. National administrations need to provide more guidance on appropriate project appraisal. Comprehensive sustainability checklists and scoresheets should be developed and applied to all projects.
24. The social, economic and environmental dimensions of proposed projects should be assessed separately initially, before examining the links between all three strands.

## **8.3 Projects**

### ***Impacts on environmental sustainability***

The main impacts arising from the projects examined in Scotland were in relation to: water quality; biodiversity; landscape quality; public enjoyment of the countryside; and sustainable land management. No significant impacts were discernable in relation to climate change; soil quality; air quality; or landscape scale. Two of the projects evaluated are worth noting in the context of environmental sustainability: the Woodland Grazing Field Trials and Working Towards Best Practice in Scotland. In Wales, projects of note are: Glasu's local provenance tree nurseries, at least if it meets its ambition and is mainstreamed; Cadwyn Clwyd – tourism, using environment to bring horse tourists in, leading to improvement of bridleways (access

and recreation and income for farm families); eco-farm – wood chips for livestock bedding from local woodlands, returned as fertiliser – has potential if technical problems can be overcome. In England, there have been a number of projects that have had reasonably positive environmental impacts, albeit at the very local micro-scale. The most positive impacts have been in regard to biodiversity, although this statement is made based on the fact that most project leaders cannot provide data to substantiate such comments. Benefits have been provided through a range of delivery mechanisms such as: advisory service to farmers landowners; an ‘environmental facilitator’ who sets out to engage with the local community and all relevant stakeholders; small delegated grant schemes; one off pilot projects and those projects that focus on behavioural change and community involvement.

### **Recommendation**

25. In order to achieve environmental sustainability, the following best practices are recommended:

- Produce a well-written and thorough project business plan that adequately accounts for all the local environmental issues that matter locally.
- Ensure those appraising projects have a sound understanding of environmental issues in the local area.
- Have a realistic sense of what is achievable locally. Some project applicants appear to have oversold themselves in terms of project outputs at the project application stage.
- Assess all economic or socially focused projects for their likely environmental impact. As a minimum ensure projects will not damage the environment and, wherever possible, encourage projects to seek win-win solutions that deliver environmental benefits.
- Adopt realistic timescales so that projects receive funding long enough to have an impact.
- Set clear environmental objectives for the project that aim to make positive contributions to regionally/nationally important habitats/species at the local level.
- Ensure there is a project steering group made up of appropriate local actors who are dedicated to the goals of the project and can advise and influence the evolution of the project as necessary.

### ***Impacts on socio-cultural sustainability***

In England, most of the projects had clear positive impacts on social capital and on knowledge and understanding of the environment. There are some examples where it was difficult to achieve the desired level of community interaction e.g. Lifescapes, and on the other hand, those projects which became fundamental to local people’s needs e.g. Woolhope Dome. The most significant example of a project that has had a positive impact on bonding and bridging social capital is the Cumbrian Hill Sheep Initiative (CHSI). The CHSI emerged as a holistic umbrella project to aid the recovery of the hill sheep sector following FMD in 2001. The project supports and drives a range of schemes that support the hill farming community and the social ties that are necessary for sustaining grazing activity on the Fells. Through the project two hill sheep breed associations have been supported and a Rough Fell Trust established. Each organisation has received support in terms of how to market and promote meat, and through the establishment of related tourism initiatives. In Wales there are examples of projects that may achieve small-scale bonding and bridging although it is too early to say what the long term impact might be. In Scotland, several projects appear to have positive impacts on socio-cultural sustainability including the Special Places grant Scheme. Sub- projects funded under the SPGS envelope, such as the Glencaple Village Design Principles, appear to have a moderate, positive impact in relation to bonding capital, in this case bringing the village community together to agree principles for sustainable development. This sub-project also created bridging capital by bringing the local community and planners



together. The SPGS project as a whole appears to encourage bridging between different stakeholder groups such as local communities, businesses, statutory bodies, land managers etc. The Langholm Initiative is a good example of this being achieved through one of the sub-projects. The Project Officer considers these benefits as key outputs and strengths of the project. The nature of the sub-projects funded under the SPGS envelope also means that the impact on knowledge and understanding of the environment is positive and significant. Public access, interpretation and awareness raising are strong themes of many of the sub-projects funded under this project.

The whole question of innovation in Leader has been much debated. In practice, much innovation in Leader comprises transfers of ideas from one context or location to another. Rather than struggling to ascertain whether a project idea is genuinely innovative, it is probably more important to ask whether in a particular geographical setting – the LAG area - any project contains process elements or product elements which are new to the area or sector. This can be seen to comprise innovation of a sort.

### **Recommendation**

26. In order to achieve socio-cultural sustainability, the following best practices are recommended:

- Ensure there is a clear need in the local area for the project, so there is ‘guaranteed’ interest from the relevant local people when the project starts;
- Engage a key person, funded through the project, who has the time and energy to dedicate themselves to engaging with the local community;
- Facilitate the sharing of experience where this can be used as a way to bond the community (e.g. Cumbria Hill Sheep Initiative following FMD);
- Aim the project at the right level e.g. basic conservation volunteering for local people who might not have much environmental knowledge or a project officer with detailed agri-environmental scheme knowledge in areas where farmers are interested in this.
- Promote projects in a lively and inspiring way e.g. through mailshots, local advertising, press releases, newsletters etc.

### ***Economic sustainability***

There has probably been less success in this category, at least in relation to the projects evaluated by this study. Whilst there have been minor positive impacts in employment (mainly in helping to retain jobs or and to create jobs directly relating to the project), most of the projects examined did not have explicitly economic goals. Some projects have potential to deliver in this respect for the future e.g. Woolhope Dome, which hopes to develop local brands, or work as part of a number of projects that aim to achieve greater food chain sustainability locally e.g. FFF Advisor, where there is also a local produce co-ordinator in the New Forest LAG. The best example of wood chain sustainability is the Energy from the Forest project, but this project is yet to be successful in developing a wood supply chain locally. The integration of environmental and economic goals therefore seems a little weak at the moment in England. In Scotland, there are some links to the economy in one or two projects such as the Special Places Grant Scheme and Connecting Our Peatland Heritage. In both cases, economic benefits may arise (not yet demonstrated) from the access and interpretation work undertaken through the projects if this helps to sustain or encourage tourism activity. In Wales, the best examples are where beneficiaries ‘take it and run with it’ e.g. horse tourism where real progress has been made in creating a network of actors who can deliver the access, the accommodation and the infrastructure for an expanding project. Other projects are either too early to judge or it is doubtful whether there will be any positive economic impacts.

### **Recommendations**

27. Projects should bring people with the right skills set together. For example, the development of markets and branding requires quite different skills to those needed for sustainable land management.
28. The development of producer networks both within the LAG, across LAGs and with groups outside of LAGs is important for giving local producers the security they need to focus on particular activities e.g. breeding of traditional breeds for slaughter. However, to be successful, these networks must ultimately connect to networks of consumption.
29. Projects developing access to, and interpretation of, natural heritage sites should, where feasible, be expanded to make more explicit links with the tourism sector to help generate economic benefits for local communities
30. The stock of human capital seems to be improved most amongst those who are active land managers rather than those who interact with the environment on a more casual, voluntary basis. The training and mentoring of farmers, landowners and woodland owners is therefore paramount for traditional skills not to be lost and for sustainable land management practices to be mainstreamed in LAG areas.
31. Local products need to be founded on the principle of sustainable land management as well as the cultural character of the area from which they are produced. These social and environmental links need to be made for primarily economic products to be successful.

### ***Partnership Working and Other Priorities***

In England, there is little evidence of integrative inter-agency action, but a number of projects have helped to embed sustainability in local action (eg Green Life). There are also some good examples of the viral effect in terms of the project stimulating further interest (e.g. Biodiversity Means Business). Networking and project promotion, and in some cases, a genuinely innovative project, could be seen to be important factors in this respect. There is limited evidence that Leader+ projects are changing wider public perceptions of the environment as a source of wellbeing. In Wales, there are some examples of a viral effect, but little evidence of new inter-agency action given that agencies already work well together. In Scotland, one project is notable for its impacts on process priorities; this is the Tweed Catchment Management Plan project. This project builds on a longer running initiative, the Tweed Forum. The Forum, a cross-border liaison group of government bodies, NGOs and stakeholders, was established in 1991 with the aim of ‘promoting the wise and sustainable use of the whole Tweed catchment through holistic and integrated management and planning’. In 2003 the Tweed Forum published a Catchment Management Plan (CMP), which was intended to guide and help develop the work of those involved in the management of the river. This work is now supported by a dedicated project officer, whose post is partly funded by a joint Scottish Borders and North Northumberland Leader+ project. A key strength of the project is that it is encouraging and leading integrated inter-agency action in order to achieve the goals of the Management Plan. These goals include reducing diffuse pollution and improving water quality and hence the project is also contributing to achieving environmental sustainability.

### **Recommendations**

32. Public agencies should take a stronger lead in encouraging and instigating inter-agency action, using Leader as a potential tool to achieve this. Leader project officers should also seek to engage public agencies in projects at strategic points in a project’s development, or through a project steering group
33. To improve public perceptions of the environment as a source of wellbeing, projects should be publicised well locally and project officers need to engage with the local community, for example by giving talks or hosting visits to school groups or local voluntary organisations.

34. Embedding sustainability in local action takes time and projects need a long enough gestation period to buy in the support and interest of the local community.
35. LAGs should look to roll out best practice identified by a project to other areas of the LAG.
36. LAGs should produce best practice guidelines for project officers detailing the successes and failures of projects so that others can benefit from lessons learned.

### ***General Government Priorities***

In the projects studied, the weakest set of impacts were in regard to general government priorities (although none of the projects selected had such priorities as specific objectives). There is some evidence of positive impacts on social inclusion (particularly Green Gym and some access projects), but there is little evidence of positive outcomes for productivity or employment with the exception of one Scottish project. It may well be that other Leader projects which have much stronger socio-economic objectives are more likely to have impacts in relation to these priorities.

### ***Integrated projects***

Leader has the potential to deliver genuinely integrated projects that can encompass a range of economic, social and environmental objectives. However, many of the projects we examined failed to achieve true integration. In the projects studied, environmental projects appear to be particularly weak in generating positive economic benefits although a number of projects could potentially deliver some benefits in the longer term e.g. projects seeking to develop local brands or where linked to tourism opportunities. However, there is evidence from other work<sup>38</sup> that Leader+ natural heritage projects do deliver socio-economic benefits. Links between environmental and socio-cultural sustainability were much stronger in a number of the projects examined, demonstrating benefits both for the environment and for local communities. There are several projects that demonstrate improvements in bridging and bonding capital that is of ultimate benefit to the environment e.g. the Tweed Catchment Management Plan project and Connecting Our Peatland Heritage. The benefits of integrated inter-agency action are also demonstrated in a number of projects. The value of the Leader approach in terms of encouraging partnership working and networking is, we feel, amply demonstrated by many of the projects we have examined. This appears to be a key strength of Leader and future rural development programmes would do well to ensure the continuation of this approach.

### **Recommendations**

37. Greater emphasis should be given in future to developing, selecting and funding Leader projects that offer an integrated and sustainable approach to rural development.
38. Bodies responsible for the delivery of the Leader approach in future should ensure that there is continued emphasis on partnership and inter-agency working.

### **Embedding the Leader approach in future UK rural development programmes**

In July 2004, the European Commission published proposals for a European Agricultural Fund for Rural Development (EAFRD), the so-called 'new Rural Development Regulation'. The resulting draft regulation was the subject of political agreement in the Agricultural Council in June 2005 and was formally adopted in September 2005 (Council Regulation (EC) No 1698/2005 of 20 September 2005). Implementing Regulations for EAFRD have been drafted but not approved. European Strategic Guidelines on rural development have also been

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<sup>38</sup> Hecla Consulting (2005) *Evaluation of the socio-economic outputs of Leader+ natural heritage projects*. A research report for SNH. SNH, Inverness.

published. EAFRD requires Member States to prepare national strategies in line with the EU Strategy and then rural development plans for the period 2007-2013. Both national strategies and plans will need to be approved by the European Commission and, together, will determine the actions Member States take in relation to rural development. In the UK, there will be four country strategies (combined into an overall UK strategy) and four separate RDPs for England, Scotland, Wales and Northern Ireland. The overall budget for EAFRD and the amounts allocated to individual Member States (and, subsequently, regions) will also determine what can be achieved through the Regulation. The final budget for EAFRD was agreed in December 2005.

Leader constitutes the fourth Axis of the new EAFRD and can be used to contribute to the priorities of the first three Axes (i.e. improving competitiveness, the environment and countryside, and the quality of rural life and diversifying the rural economy) as well as encouraging bottom-up rural development and improved governance. Some 5 per cent of total EU EAFRD funds will be allocated to the Leader Axis – a small proportion but substantially more than under the current 2000-2006 programming period. The new legislative framework for Leader is set out at Annex 2.

We consider there is much to be gained from embedding the Leader approach in future rural development programmes, using it to enhance the delivery and/or effectiveness of other Axis 1, 2 and 3 measures and facilitating cross-Axes projects. We feel Leader has particular value as a cross-cutting, area-based partnership approach bringing individuals, organisations and communities together to work in concert to achieve collectively agreed objectives and targets. Examples of areas where the Leader approach might be employed in future are as follows:

#### *Axis 1*

- Facilitating groups of farmers, foresters and others to work collectively on marketing and processing initiatives for food and forest products.
- Piloting innovative approaches to training and advice for farmers and foresters.
- Ensuring cost effective (and often shared) use of resources to enable more efficient land management.

#### *Axis 2*

- Encouraging farmers, foresters and other land managers to work collectively to achieve environmental benefits at scales larger than individual holdings/forests etc e.g. at landscape, catchment, natural area scale .
- Promoting transnational projects focused on Natura 2000 habitats and species that seek to improve understanding of the management of such habitats and species by learning from experiences in different countries.
- Developing demonstration projects or other mechanisms to improve the knowledge and understanding of land managers.

#### *Axis 3*

- Supporting community groups to record and document the natural and cultural heritage of their area and promote this both to improve wider appreciation and understanding of the environment and encourage economic activity such as tourism.
- To facilitate community and stakeholder engagement in the drawing up of management plans for Natura 2000 sites and other sites of environmental importance.

While these suggestions relate to applying the Leader approach within individual Axes, we consider there is potential to use the Leader approach to facilitate integration across the Axes and help co-ordinate and facilitate cross-Axes projects. For example, Leader could be used as a mechanism to help build and co-ordinate relationships between different stakeholders such as land managers, experts in processing and marketing, local businesses, local communities,

tourism specialists etc in rural areas to achieve a range of economic, environmental and social objectives funded by Axis 1, 2 and 3 measures respectively. In other words, Axes 1, 2 and 3 would provide the main funding for activities such as adding value to products, land management, the preparation of management plans, while Leader could provide the ‘glue’ to help stick them together in a meaningful way. In both ways – within and across Axes – the Leader approach would not be replicating what could be achieved through other measures but would genuinely be offering additionality and playing to its strengths.

To ensure that the Leader approach maximises its contribution to the environment, environmental considerations need to be factored in at all the following stages:

At the programme level:

- In the Single Programming Document and Programme Complements;
- In the composition of LAG selection panel membership;
- In deciding LAG selection criteria;
- In formulating the composition of programme monitoring committees;
- When selecting appropriate targets and indicators

At the LAG level:

- In writing the LAG Development Plan and Business Plan
- When composing the LAG membership;
- When putting together the LAG Decision Making Body;
- In deciding project selection criteria
- When selecting appropriate targets and indicators for monitoring activity.
- When assessing the more qualitative outputs that are not easily recorded by quantitative means.

At the project level:

- In writing the project’s Business Plan;
- In putting together a suitable project team, including a steering group;
- In assessing the potential environmental impacts of the project;
- In selecting relevant targets and indicators;
- When reporting on progress made in relation to environmental objectives.
- When assessing the more qualitative outputs that are not easily recorded by quantitative means.

### **Recommendations**

39. The Leader approach should be used to facilitate the delivery of integrated projects – projects that deliver economic, social and environmental benefits – funded by Axis 1, 2 and 3 measures.

### **Delivering Leader in the UK**

Future arrangements for the use of Leader by the UK devolved administrations are not yet entirely clear. However, this study highlights the need for an integrated approach to delivery. Splitting delivery of the 3 Axes and Leader between different delivery bodies (as proposed in England) inevitably raises some concerns as to whether an integrated approach to rural development can be achieved effectively in future. There is a danger that environmental sustainability will not be given sufficient priority, as in previous programming periods and as highlighted by this research. There would appear to be a strong case therefore for a formal memorandum of understanding between delivery bodies as to how economic, social and environmental objectives will be achieved in an integrated way by each Axis (and Leader) and across Axes. There is also clearly a need to strengthen the Department of Environment Northern Ireland's influence over Leader in future given the limited environmental use of Leader in Northern Ireland in the past.

### **Recommendations**

40. A formal Memorandum of Understanding should be developed to define the role and responsibilities of bodies charged with the delivery of rural development programmes. Equally, it is important that environmental bodies play an active role in the range of Leader institutions, rather than a 'sleeping presence' role.

## Annex 1: Details of Case Study Projects – England

The table below shows some details relating to the 13 projects examined in England. After the table are short descriptions of the aims and objectives of each project.

Project Name	LAG	Applicant Organisation	Duration	Total funding	Total L+ Contribution	Match Funders
Biodiversity Means Business	Northern Marches	FWAG	2003-2005	£38,010	£25,250	Farmers, Shropshire County Council, Cheshire Rural Recovery
Wessex Ridgeway	Dorset Chalk and Cheese	Dorset Countryside Ranger Service (council)	April 2003- March 2008	£552,000	£168,207	Public sector (AONB, Council), public bodies (Ramblers. Cycling groups), private sector
Woolhope Dome	Herefordshire Rivers	Herefordshire Nature Trust	April 2003- March 2005	£107,201	£69,680	English Nature, FC, Wye Valley AONB, Herefordshire Nature Trust, Herefordshire Ornithological Club, Charitable Trusts (Eg Esmee Fairburn)
Herefordshire Lifescapes Project	Herefordshire Rivers	Conservation Section, Herefordshire Council	Mar 2003- Feb 2005	£97,400	£49,650	English Nature
Wealden and Rother Sustainable Farms	Wealden and Rother	FWAG	Feb 2003 – Dec 2004	£43,800	£17,670	Rural Regeneration Fund (E Sussex County Council), FWAG, Sussex Wildlife Trust and farmer contributions.
Green Gym	Wealden and Rother	BTCV	Nov 2003 – Dec 2006	£166,577	£83,288	Defra, others?
Weald Meadow Initiative	Wealden and Rother	High Weald AONB Unit, E Sussex CC	Jan 2004 – Jan 2006 (extended to June 2006)	£111,243	£43,155	Not known
Forest Friendly Farming Advisor	New Forest	Hampshire and Isle of Wight Wildlife Trust	Apr 2004 – Mar 2007 (extended to Dec 2007)	£22,000	Not known	Not known

Green Life	Isle of Wight	Footprint Charitable Trust Ltd	Apr 2003 – Mar 2007	£126,049	£56,081	Private sector, Defra and other public bodies
Farmland Birds	Isle of Wight	Island 2000 and Wight Wildlife (branch of Wildlife Trust)	July 2004 – Dec 2005 (but will continue w/o L+ funding till Dec 2007)	£88,450	£25,450	Wildlife Trusts, Island 2000
Energy from the Forest	Rockingham Forest	Rural Energy Trust Ltd	July 2003- Sept 2006	£85,376	£42,688	In-kind contributions from Trust directors; Forestry Commission and New Opportunities Scheme)
Northumberland Coast AONB Small Grant Scheme	North Northumberland	Northumberland County Council	Sept 2004- Sept 2007	£156,020	£78,010	Northumberland County Council, Countryside Agency
Cumbrian Hill Sheep Initiative (CHSI)	Cumbria Fells and Dales	Voluntary Action Cumbria	June 2002- Sept 2003	£36,000	£29,500	Not known



## ***Project Descriptions***

### **Biodiversity Means Business**

This project provides an advisory service to farmers to inform them of the financial benefits of entering into agri-environment schemes. The project targets farms and farm-based businesses in the Northern Marches. The objectives of the project, as set out in the grant application form, are as follows:

- Increase the sales of locally produced food and generate more business for tourist establishments through highlighting the environmental credentials of farms in the Northern Marches.
- To produce promotional material for farm enterprises and their allied businesses such as farm shops, B&Bs, food products (cheeses, ice cream, speciality sausages and meats, etc.) that highlights the green credentials of their holding, focusing on BAP species and habitats and what they are doing to encourage them.
- To develop closer links between food, rural products and services and the environment and the consumer and the environment.
- To highlight the importance of BAP species and habitats on farmland to farmers, landowners, consumers and tourists.
- To produce meaningful and practical management prescriptions for farmers and landowners so that they can encourage BAP species and habitats on their holdings.
- Bring target farm businesses closer together to facilitate co-operation, sharing ideas, joint marketing ventures and economies of scale.

These goals are partially met by a research phase of the project, which aims to identify related initiatives such as environmental branding and assurance schemes and methods of green marketing used by local businesses. There are also related promotion and publicity objectives. The key delivery mechanism is one-to-one advice between the FWAG adviser and the farmer. The project is split into a short pilot phase and a prolonged delivery phase. There is one pilot farm in Cheshire and one in Shropshire. There is an aim to undertake a minimum of 32 farm visits during the lifetime of the project.

### **Wessex Ridgeway**

The project focuses on the development of the Wessex Ridgeway trail and the project proposal points to a number of environment, landscape and heritage benefits, but aims to chiefly inspire local communities to lead environmental improvements and awareness projects. The project aims to support the restoration and re-introduction of traditional elements of the rural landscape including chalk downland, native woodland (including coppice regimes), and to support conservation and biodiversity initiatives. The environmental need of the project is outlined; a large part of the trail passes over species rich chalk downland and the scope of the project to re-establish this wildlife habitat and field boundaries is presented.

The aims of this project, as outlined in the original project proposal are as follows:

- Support and assist with the development of the rural economy through the creation of a sustainable recreational resource aiding economic diversification.
- Support and assist in the development of a range of community led environmental, landscape, and heritage improvement projects, through development of a regional recreational trail and its surrounding corridor, supporting a range of local community needs and aspirations.
- Establish a community led environmental / landscape project in 20 parishes.
- Foster awareness of environmental issues and support for local community led projects.
- Encourage and involve local communities in the identification, implementation and ownership of local environment, landscape and heritage improvements.
- Encourage local communities to raise funds to support local projects.

### **Woolhope Dome**

The project takes a landscape-scale approach to conservation management in the Woolhope Dome, a 58km<sup>2</sup> area east of Hereford that contains significant concentrations of wildflower

grasslands, ancient semi-natural woodland and traditional orchards. The overall aim of the project, as stated in the original project application, 'is to work with local communities to protect and enhance the biodiversity of these habitats within the Woolhope Dome and foster the adoption of this approach as best practice in other areas of high biodiversity value within the Leader+ area. There are three main objectives, developed following a 'vision mapping' exercise that happened some years earlier, which identified the need to address the problem of lack of management on nationally important habitats within the Woolhope Dome.

1. To ensure a significant proportion of existing high wildlife value grassland, woodland and traditional orchards are brought into favourable and sustainable management by providing equipment and resources to land managers to positively manage their sites.
2. To identify existing markets and where necessary create new brands for products based on the sustainable woodland, grassland and orchard management of the Woolhope Dome. By:
  - a. Providing business marketing training and a framework for local producers to market their own goods (websites and events etc).
3. To encourage the adoption of the Woolhope Dome approach as best practice in other areas of high biodiversity value within the Leader+ area e.g. the Letton Lakes which contains important wet grassland habitats.

The project used a community approach to identify and overcome barriers to the long-term sustainable management of land for biodiversity, and followed on from a number of community consultation events in 2001 and 2002, before the Leader+ project started. These events involved local residents, land owners and managers and identified barriers to fencing, grazing and cutting grassland sites (lack of stock, the need to use fertilisers, pesticides and high stocking densities to make grazing commercially viable, lack of stock proof fencing and access to specialist machinery in order to manage small grassland sites); identified barriers to achieving woodland management for wildlife (poor economic returns for timber, lack of specialist equipments, deer and squirrel damage); and identified generic barriers to implementing management for key habitats (lack of skills, time, funding and co-ordination).

### **Herefordshire Lifescapes Project**

The Herefordshire Lifescapes Project was one of four pilot projects run under the Lifescapes banner. The Lifescapes concept, developed by English Nature, was devised as a landscape scale approach to conservation management, melding together landscape scale habitat mapping with community based conservation projects. The aim of this project, in comparison with the other Lifescapes pilot projects, was to put the local community at the heart of the conservation process. The project took the form of two clear stages. The first was the mapping exercise, undertaken by the project team and a consultancy. This was a technical procedure and one from which the local community was largely excluded. The second stage brought in the local community and attempted to engage them in identifying small-scale conservation projects by using the data collected in the first stage of the project.

### **Wealden and Rother Sustainable Farms**

This project aimed to provide affordable conservation advice/consultancy to farmers in order to contribute to improving the sustainability of rural businesses (by extolling the financial benefits of joining agri-environment schemes to farmers) and to help enhance landscape and biodiversity. This was delivered by advisory visits, which led to the production of detailed Whole Farm Conservation plans that highlighted areas on the farm that can be managed and developed to benefit both the farm business and the environment through access to incentive schemes such as CSS, the Vocational Training Scheme and the Woodland Grant Scheme. Follow up visits were also carried out to farmers once plans were in place in order to provide further advice and to monitor progress. The project team state that such advice would otherwise be unaffordable to farmers and that such an advisory resource would otherwise be unavailable in the LAG area. Typical High Weald farms have small unimproved grassland fields, hedgerows, wooded shaws, ancient woodland and woodland ponds.

The specific objectives of the project were to:

- Improve access for farm businesses to advisory services, sources of rural development funds and training courses.

- Help to sustain farm businesses by creating links to direct and local marketing initiatives and “adding value” to farm produce.
- Improve farmers skills in environmental management.
- Improve farm efficiency and reduce farm business costs through targetted advice relating to Farm Operations and increasing on-farm skills.
- To maintain and improve the management of the landscape to sustain its value to tourism.
- Work in partnership with other organisations to develop a “Gateway” to advice, training and marketing in the region.

### **Green Gym**

The Green Gym concept combines environmental management with a range of social objectives. The core tenet of the project is to engage individuals in physical activity through conservation volunteering, thus simultaneously benefiting the individuals’ health and the environment. Individuals benefit from participating in regular exercise, where the Green Gym offers an alternative to the traditional gym or other forms of physical exercise such as sports. The Green Gym also targets marginalised groups, including those with mental health needs and the long-term unemployed. The environment benefits in many ways through the conservation activities carried out on a range of sites.

### **Weald Meadow Initiative**

According to the project application, the Project aims to protect a cultural and natural resource, wildflower meadows, whilst using the resource in a sustainable way to create an added value rural product. The project aims to assist rural businesses (its target audience) – a local seed merchant, nursery and farmers, to diversify their activities and maintain the natural and cultural resource. The project aims to provide opportunities for young people to develop their understanding of the resource and become engaged with its care. The Weald Meadow Initiative has existed for six years in various forms prior to the receipt of Leader funding.

The project essentially is a pilot to decide the most suitable harvesting approach to wildflower seeds. There is an uncertain alliance between the environmental and productive sides of this project as the environmental pursuits (encouraging AES uptake etc) are not well integrated with the proposed system of growing local provenance seed. The seed produced is designed to supply the needs of AES, but this seed is not coming from a production system that is environmentally responsible (i.e. use of mechanical harvesting and pesticides does not fit with the more environmentally benign portrayal of wildlife rich meadows in the proposal). The project proposal states that ‘By enabling the management and creation of wildflower rich grasslands the project plays an important part in conserving a rare habitat for future generations’. However, little appears to have been done in terms of habitat management, with the emphasis on production techniques rather than assessing the role that wildflower grasslands can play as part of a network/mosaic of habitats.

### **Forest Friendly Farming Advisor**

Leader+ helps provide the funding to employ a dedicated Project Officer to give free advice to commoners and landowners about environmentally friendly farming practices. A small grant scheme is provided through the project to provide financial assistance so that commoners can undertake small-scale improvements such as hedge-laying. The Project Officer works with commoners both within the open forest (the common-like land of the New Forest) and with enclosed holdings on the edge of the Forest.

The aims of the project, as set out in the application form, are to:

- Support the commoning economy in the New Forest, so that livestock grazing becomes a viable and sustainable habitat management tool for the Natura 2000 site.
- Undertake environmental improvements on private landholdings within the New Forest Heritage Area.
- Increase knowledge and understanding amongst the commoning community of environmentally friendly farming practices.
- Increase awareness amongst residents and visitors of the ecological value of the New Forest and the importance of commoning for its management.
- Maintain and enhance the special features of the New Forest.

These aims are achieved by (according to the project application form):

- Delivering the New Forest Countryside Stewardship incentive scheme by encouraging commoners to join the “open forest scheme” and providing advice on positive habitat management and environmental improvements to landholdings. The New Forest CSS is a tailor-made agri-environment scheme for the New Forest and is administered by a project officer who is employed by the Forest’s governing body, the Verderers of the New Forest.
- Providing free advice and assistance to commoners and landowners in general on sustainable land management practices, such as grazing regimes and positive habitat management for biodiversity.
- Providing financial support for small-scale practical projects and infrastructure, for example provision of fencing or water supply or undertaking scrub control to facilitate grazing.
- Acting as a central point of contact for agri-environment schemes and sources of advice on sustainable land management – liaising between land managers and other advisory/grant giving bodies as appropriate.
- Delivering tailor-made training courses and demonstration events to promote sustainable land management, for example: pollarding, hedge management, ditch management, grazing regimes, grassland management and woodland management.
- Raising awareness of the conservation value and management needs of the special features of the New Forest, through collaborative projects and events involving local people and the landowning and commoning community.

### **Green Life**

This project aims to reduce the energy and water usage of the Isle of Wight’s community as well as the quantity of waste produced. This stems from an analysis of the island’s ecological footprint conducted in 1998/99, which concluded that residents were using around 2.5 times the amount of resources actually available on the island. The project seeks to enhance the sustainability of resource use on the island through three separate measures:

1. Green People: aimed at encouraging low-income rural residents to use low/no cost water and energy-saving devices and practices and to adopt waste minimisation and recycling measures. To reach this target group by working through housing associations, charities, amenity groups, WIs etc. To deliver outreach at school fetes and similar events. Use of parish and community newsletters will be made.
2. Green Kids: working through schools to inform children and staff about sustainable living and working.
3. Green Communities: To carry out environmental audits of community buildings, working through Parish Council’s, churches and other local groups.

### **Farmland Birds**

The two aims of the project, as given by the application form for Leader+ funding are:

1. To enhance the Leader countryside experience for those who live work and visit there by creating refuges for farm wildlife accessible by the public who can enjoy the sight and sound of living countryside.
2. To evaluate pilot including community feedback in sympathetic land management for vulnerable and declining farm birds and plants as prioritised by the Island BAP; to make the science of farm wild life conservation something real and relevant to the communities who enjoy the birds and flowers and who are concerned at their decline. To target farm industry workers.

The main aim of the project is to test five different seed covers to aid the recovery of a number of bird species, as well as brown hares and water voles. The bird species are target species from the RSPB’s red and amber lists, and the principle species of interest are: Skylark, Yellowhammer, Corn Bunting, Grey Partridge, Linnet, Song thrush, Mistle thrush and Reed Bunting. Changes to the size and behaviour of the brown hare and water vole populations are also being monitored. Leader+ provides funding for the first two years of this project, which will continue without Leader+ funding until 2007.

### **Energy from the Forest**

This project aims to create a local market for wood fuel by installing small and medium scale wood heating systems in the forest area and in local towns (Kettering, Corby, Market Harborough, Rushden, Stamford, Peterborough, all outside of the LAG area). It is an aim of the project to create a supply chain of wood fuel from local woodlands and from farm energy crops. The project is seen to deliver a range of benefits: economically, by providing a market for woodfuel, and an alternative product that local farmers are capable of supplying; socially, by providing and safeguarding on-farm jobs and creating new jobs for the installation and maintenance of wood boilers; environmentally, by bringing back the management of coppice woodlands, which can have positive impacts on species diversity by helping to create a mosaic of habitats.

### **Northumberland Coast AONB Small Grant Scheme**

The Northumberland Coast AONB runs along a thin strip of land from Amble to Berwick. The AONB is considered to be a high quality unique landscape. The AONB Small Grants Scheme is a three-year long project that provides financial aid to community groups, voluntary groups and to statutory organisations for ‘capital and revenue projects that improve the area for the benefit of the environment, cultural heritage, communities and visitors in ways that conserve or enhance the quality of the landscape.’ Grants of around £500 to £5,000 are considered for projects that are assessed by a Project Appraisal Group drawn from community and other representatives of the AONB partnership. Match-funding is required, ranging from 25% of the total project cost for community and voluntary groups, to 50% for business, public bodies and local authorities. The Project Appraisal Group consists of two parish council representatives, one Community Development Trust representative, one Countryside Agency Officer, one AONB officer, one Leader+ LAG representative and one scheme administrator. Projects must contribute to the implementation of the AONB management plan and the purpose of the AONB designation, Increase community involvement and partnership working in AONB management, and seek innovative approaches to existing problems.

### **Cumbrian Hill Sheep Initiative (CHSI)**

The CHSI is an umbrella project that supports and drives a range of schemes that support hill farming. The CHSI emerged as a holistic response to aid the recovery of the hill sheep sector following FMD in 2001 and animates activity across the whole LAG. A central element of the CHSI was to bring farmers together and to carry out a process of engagement with the hill sheep breed communities in order to assess the issues that needed to be addressed as part of the recovery process, thus regenerating their interest and faith in keeping traditional breeds. The Initiative has evolved by developing separate areas of activity for each of the three main breeds (Rough Fell, Swaledale and Herdwick) as well as a number of cross-cutting schemes that operate throughout the LAG area. The initiatives that have been driven by the CHSI are listed below.

1. Fell Farming Traineeship Scheme (FFTS).
  - This was a pilot scheme that originally ran from July 2003 to June 2004 with an overall aim ‘to tackle the issue of providing the effective transmission of the culture (skills, knowledge and understanding) of hill farming in a situation where the labour market is falling.’ The FFTS was designed as a vehicle to secure knowledge transfer, to produce a desired upland landscape environment and to underpin certain cultural and economic needs. A full evaluation of the pilot was conducted by the University of Central Lancashire, the authors of which strongly recommended continued support for the FFTS.
2. Social Capital Research Programme
  - This evolved out of an initial project that was to trial ‘Land Management Contracts’ across the LAG area. It was the original intention to develop the concept of LMCs on a number of pilot farms in response to the then imminent changes that were taking place at the time of the 2003 CAP reform. The LMCs looked to reward farmers financially for environmental

performance, with accompanying measures to incentivise social activity and community involvement. The Social Capital Research Programme eventually developed as a stand alone project following lengthy negotiations with funding partners and members of the Technical Group supporting the proposal. The research work was conducted by the International Centre for the Uplands, with part-funding from Leader+, the NW RDA and Rural Regeneration Cumbria. The work sought to quantify the 'public goods' benefits of hill farming.

3. Three breed based initiatives:
  - Rough Fell
    - i. Formation of the Rough Fell Trust
    - ii. Application to Heritage Lottery Fund
    - iii. Development Plan with actions on marketing, Product of Designated Origin, a demonstration farm and associated promotion work (this received separate funding of £50,000, with £25,000 from Leader+).
    - iv. Demonstration Farm/breed centre and local produce trail at Catholes Farm.
  - Swaledale
    - i. A Swaledale Centre at Kirkby Stephen (funded as a capital project of £530,000).
    - ii. Funding of a Market Analysis and Promotion Study, completed by Newcastle University. This has formed the basis of further L+ work on marketing red meat.
    - iii. Local Produce Trail
  - Herdwick
    - i. An Education facility and food hall at Mitchell's Auction Mart at Cockermouth.
    - ii. PDO Status in development.
    - iii. History Group working on the cultural inheritance of the breed.
4. Fell Farming Landscapes
  - This project considers the relationship between the cultural and historic landscapes that have been created as a result of sustained grazing in the fells, and how this can be used to enhance marketing opportunities for local produce.

## Annex 2: Details of Case Study Projects – Wales

The table below shows some details relating to the 5 projects examined in Wales. After the table are short descriptions of the aims and objectives of these projects.

Project Name	LAG	LAG Theme	Applicant Organisation	Duration	Total funding	Total L+ Contribution	Match Funders
Clwydian Farm Experience and Growing Green Tourism	Cadwyn Clwyd	Natural and cultural resources	LAG	July 2004 – June 2008	£250,000	£118,750	WAG, Flintshire County Council, Denbighshire County Council, private sector (cash and kind)
Clwydian Eco Farm	Cadwyn Clwyd	Natural and cultural resources	LAG	July 2004 – June 2008	£102,500	£48,687	WAG, Flintshire County Council, Denbighshire County Council, private sector
Energy from Waste	Glasu	Adding Value to Local Products	LAG	July 2004 – June 2008	£431,998	£205,199	WAG (37.51%), Powys County Council (9.5%), Private (5.49%)
Local Provenance Tree Nurseries	Glasu	Adding Value to Local Products	LAG	February 2005 – December 2007	£218,860	£103,959	WAG, Forestry Commission, private sector
Mona Bauhaus	Menter Môn	Adding Value to Local Products	LAG	2004-2008	£530,000	£251,750	WAG, Anglesey County Council, private sector

## **Project Descriptions**

### **Clwydian Farm Experience and Growing Green Tourism**

A new and active approach to farm tourism, involving the visitor in the cultural experience of the Clwydian farming community and the beauty of the area's natural environment through events and in appreciation of the natural agricultural landscape through themed trails. It has now been combined with the *Growing Green Tourism* project which is a holistic approach to 'enjoying the countryside' and maximising usage of the existing network of paths, bridleways and cycle routes, promoting all year round hinterland tourism. The following sub-projects have been supported under this combined 'project envelope'; horse tourism, providing holiday accommodation and treks for both horse and rider; cycle tourism, a network of off-road routes; joint marketing of recreational fisheries; a 3 villages community energy project; village interpretation leaflet; joint marketing and website for farm B&B and self-catering; and small marketing grants for farm tourism.

### **Clwydian Eco Farm**

The objective is to test the techniques and economic viability on individual farm units. The Phase 1 application (2001-04) suggested three possible pilots – woodchip as animal bedding, composted bracken as an alternative to horticultural peat and composting council office waste. The latter two pilots were found not to be viable, the bracken because of problems of mechanical harvesting, the office waste because a farmer was already doing this under contract to the local council. A pilot of recycling waste plastic from farms did not go ahead either, because a company is already developing this. Two pilot projects have been implemented through to the second Business Plan – woodchip as an alternative to straw bedding (which has to be bought in by many livestock farmers in Wales, from areas with more arable land); and a review of the use of live willow in a civil engineering role (this project was not mentioned in the project application to WEFO in June 2004).

### **Energy from Waste**

The project aims to: develop new products, technologies or methods of creating energy from sustainable natural sources; pilot new ways of conserving energy and new ways of reducing, re-using or recycling waste; establish optimum raw material supply for product or technology development; develop markets for new products, technologies or methods; and to create jobs which are sustainable both financially and environmentally. Indicative products or methods under Business Plan 1 were: wood pellet products, waste cardboard fuel, biofuel from organic waste and products resulting from anaerobic digestion processes. For Business Plan 2 there are 4 main sub-projects: wood fuel Powys, renewable transport fuels, innovative waste management and accessing innovation. Other potential products include: maximising the ability of communities to access wind energy; biomass technologies covering wood fuel, grasses, plant fibres, roadside verge vegetation; products and services for incorporating energy efficient and renewable energy technologies in to the county's building stock; community scale waste management including the development of materials and products from waste, including plastics, fibres, glass; and composting.

### **Local Provenance Tree Nurseries**

Part of a woodland revival project in co-operation with the neighbouring LAG, under Action 2 Measure 2 (Joint Action with other Groups within Wales). A feasibility study concluded that there was a gap in a growing market for small-scale local provenance tree nurseries, but potential businesses and individuals taking part in this scheme would require expert technical and business advice. Glasu decided that the most practical way to implement the project was to employ a full time project officer who could supply the necessary advice and help for both the nurseries and their potential local customers. A small research contract will provide information on appropriate scales of nursery operation and innovation on the marketplace. The project officer is planning to create a central 'hub' which would operate as the central point of contact for marketing, administration and advice as well as being a holding site for surplus trees from the satellite nurseries. This may be a 'virtual tree nursery', using the stand-alone website which will be set up as part of the project, initially to raise awareness. There are



opportunities for developing a range of different products including trees and hedging plants for the two altitude zones within the Seed Zone 304 in which Glasu lies.

### **Mona Bauhaus**

Objectives of the Mona Bauhaus project are to: address the pressing need to expand the island's product range and to rejuvenate its small scale manufacturing sector which has all but disappeared; provide help for the private sector in developing new products; promote cooperation between designers, producers and the marketplace in order to create a range of branded products embodying the island's raw materials, its imagery and heritage; improve the island's positioning in the marketplace; harness the islands raw, secondary and waste materials in order to add value to them; work in partnership with the private sector to prototype and market test new products; and to establish new enterprises within the private sector in order to take the products to market. Phase I of this project produced the Mona Bauhaus Major Study which provided a database of local resources. The subsequent design workshops produced over 400 product ideas and identified a list of potential new products that could be produced on Ynys Môn utilising local resources, manufacturing capacity, skills and expertise. Of those, eleven products or product ranges were progressed to prototype phase. Phase II of this project aims to: establish a route to market for the products developed in Phase 1; expand the product ranges developed in Phase 1 and prototype products already identified, but not previously selected, in the design workshops.

### Annex 3: Details of Case Study Projects – Scotland

The table below shows some details relating to the 7 projects examined in Scotland. After the table are short descriptions of the aims and objectives of these projects.

Project Name	LAG	Applicant Organisation	Duration	Total funding	Total Contribution	L+	Match Funders
Aboyne Community Woodlands	Cairngorm	Mid Deeside Limited	2004-2007	£31,641	£14,238		Scottish Land Fund (£9,492) and SNH (£7,911)
Special Places Grant Scheme	Dumfries and Galloway	SNH	Oct 03 to Mar 06	£142,800	£56,800		SNH (£70,000) and Dumfries and Galloway Council (£16,000)
Working Towards Best Practice	Dumfries and Galloway	FWAG	Mar 04 to Oct 06	£61,399	£30,699		Contributions from SNH, FWAG, ENTRUST, Annandale & Stewartry Area Committees of D&G Council plus in-kind time from a number of other bodies such as RSPB, SEPA
Woodland Grazing Field Trials	Argyll, The Islands and Lochaber	Argyll and Bute Local Biodiversity Partnership	Apr 04 to Mar 05	£18,170	£4,750		Forestry Commission (£6,080), SNH (£2,340) and SEERAD (£5,000)
Connecting Our Peatland Heritage	Lomond and Rural Stirling	SNH	Jan 05 to Oct 07	£132,700	£51,700		SNH (£80,000), Argyll and Stirling Area National Nature Reserve Budget (£1,000)
Tweed Catchment Management Plan	Scottish Borders and North Northumberland (Joint Project)	Tweed Forum	Jan 04 to Dec 06	£98,808	Scottish Border £24,629, North Northumberland £9,762		SNH (£31,917), Scottish Water (£6,000), SEPA (£7,500), Environmental Agency (£10,000), Landfill Tax (£9,000)

## **Project Description**

### **Aboyne Community Woodland**

Since 2002 MDL has acquired a 99 Year lease on the Lady Wood (4 ha) and completed the purchase of the Bell Wood (108 ha) on behalf of the community. The woods were previously owned by the Glen Tanar Estate which allowed public access but had also sold land to developers. Bell Wood is on the eastern edge of Aboyne Village (population c 2500) and the community was concerned about further development. Community ownership was seen as a way of preventing development and securing access rights. The wood is mainly mixed conifers such as Sitka Spruce, Norway Spruce and Douglas Fir planted in the 1960s.

The Project Plan for the Bell Wood (2002; Donald McPhilimy Associates) proposed the creation of a Woodland Co-ordinator post to lead the delivery of these aims, as well as promoting the woodlands as an educational resource and as a place for visitors. In addition, MDL wanted to increase public awareness of the natural and cultural heritage of Aboyne's treescape and to develop proposals for the future management of trees within the community, both private and public. The Woodland Co-ordinator post was seen as a means of achieving these objectives. Leader+ funding allowed MDL to proceed to appoint the Co-ordinator, on a three year term, p/t at 18hrs/week.

### **Special Places Grant Scheme**

Designated sites include nearly 100 Sites of Special Scientific Interest and almost 30 Natura 2000 sites, (Special Protection Areas for bird interests or Special Areas of Conservation for habitats and other species) that are important at a European level. Some wetland sites are also listed as RAMSAR sites under an international convention and there are 3 National Scenic Areas covering some of the areas most important landscapes. These places form a core natural heritage resource for the area. This resource is increasingly recognised as a critical backdrop to both the quality of life of local residents and businesses and a major reason why businesses locate here and visitors chose to visit Dumfries and Galloway.

The Special Places Scheme was designed to celebrate these places in ways that sustainably utilise the natural heritage of the area, whilst creating new opportunities for people to experience and understand the natural world. It is an umbrella fund that can fund a range of other sub-projects. The types of projects eligible for funding are:

- Use of natural heritage resources for education, tourism, recreation, product development or niche market and branding schemes
- Promotion/awareness/understanding activity relating to special sites
- Training in technical skills required for habitat/species/landscape feature management
- Development of schemes and strategies to gain agreement from a wider range of stakeholders on an action programme
- Carrying out inventory and monitoring work to support wider understanding of natural heritage resources

There is currently a gap between the management and maintenance of the natural heritage and its sustainable utilisation. While schemes and mechanisms exist to support the former there is undeveloped potential in exploiting what is seen as one of D&G's principle strengths and assets. This project aims to stimulate activity which explores how the best of our natural heritage can be better understood, better managed and better utilised.

### **Working Towards Best Practice**

A farm conservation competition aimed at creating four good practice demonstration sites on farms locally over a three year period. The successful farms will focus on a key aspect of farmland conservation, namely: Wetland Management; Farmland Birds; Hedgerows & Trees and Sustainable Farm Drainage Systems (SUDS). Each farmer is to be awarded a grant of up to £5000 towards capital works that will encourage wildlife and enrich the countryside on their farm land. Training events will be held in the first year of the project, focusing on Hedgerow Management, Wetland Creation, Sustainable Farm Drainage Systems (SUDS) and

Farmland Birds. These events are open to all farmers. In the following years, the winning farms will host an open day to showcase the work they have carried out. In particular, this scheme provides farmers within the Annan and Dee-Ken catchments with the opportunity to build on existing good environmental practice and develop it further. The need for good demonstration sites within these two river catchments was highlighted in the Annan and Dee-Ken catchment plans.

By March 2005, work had been undertaken on the Farmbirds farm in New Galloway and the Wetlands farm in Lochmaben and work was about to start on the Hedges farm in Kirkcudbright. The SUDS farm had just been selected from one of the original applicants.

### **Woodland Grazing Field Trials**

The aim of the project was to assess the use of cattle grazing in woodland as a conservation tool. It set out to undertake a field-based review of the current woodland grazing trials in the region. The review was to involve making site visits, to approx 20 sites in Argyll & Lochaber, where domestic livestock were currently grazing woodlands. Following the fieldbased review, six trial sites were to be set up to pilot the concept of a Woodland Grazing Management Plan. It was hoped that the results would inform the process of developing a stewardship grant for conservation grazing within woodland areas.

The project was overtaken by events with the FC deciding to take the pilot WGMP proposal part of the project and run it Scotland wide. FC provide funding for applicants to produce WGMPs and manage woodlands. In due course, this may become a formal part of the SWGS, which may in turn become part of Land Management Contracts. The pilot targets native woodlands but may in future include plantation woodlands and the conversion of these to native woodlands. So far there have been 60 applications and 40 sites have received funding. The Leader+ project was revised and for the second part is just finalising the production of a Woodland Grazing Toolkit which gives guidance on preparing WGMPs. This will be available on line and as hard copy for farmers and woodland owners. The A&BBP also hopes to develop a web-based forum for exchange of information and discussion and a booklet, if funding can be found.

### **Connecting Our Peatland Heritage**

This is a transnational Action 2 project linking up 4 different Leader+ areas across Europe that have varying levels of expertise in managing access to, and interpretation of, raised peatland bog sites, using Flanders Moss SSSI, SAC and NNR, as the focus of a pilot project in the Lomond and Rural Stirling Leader+ area. The four areas are: Perahpohjolan Kehitys ry in Finland; Offaly in the Republic of Ireland; Centre Ouest Bretagne in France and Lomond and Rural Stirling in Scotland. SNH, with the help of the Lomond and Rural Stirling Leader+ transnational officer has taken on the lead partner role.

In order to capture the expertise already residing with partners and develop the knowledge base further, the following project elements were agreed:

- A series of training workshops spread over 18 months and held in each area (the partner area with the most experience on the respective topic):
  - Planning the site – general overview and consulting with communities
  - Use of natural materials in walkways and interpretation
  - Interpretation through art and success for all
  - Involving young people
- A practical pilot project in each area to trial each of the themes identified by the resident experts from each area
- Production of a common template to monitor progress of the projects
- Regular meetings of the partners to discuss and inform the development of the pilots
- Production of a best practice guide on managing access and interpretation of peatland bog sites which would be made widely available for all peatland reserve managers across Europe
- Final dissemination event

Of the project funding, almost three quarters will be spent at Flanders Moss on capital works including installing a new access path, interpretation and possibly a viewing tower. Currently, there is extremely limited individual access to the Moss unless people join an SNH guided walk (approx 300-400 people per year make use of this). This project will be the first chance for real open access to the Moss.

### **Tweed Catchment Management Plan**

A cross-border liaison group of government bodies, NGOs and stakeholders, the Tweed Forum, was established in 1991 with the aim of 'promoting the wise and sustainable use of the whole Tweed catchment through holistic and integrated management and planning'. In 2003 the Tweed Forum published a Catchment Management Plan (CMP), which is intended to guide and help develop the work of those involved in the management of the river. This work is supported by a dedicated project officer, whose post is partly funded by both the Scottish Borders and North Northumberland Leader+ projects.

The CMP identified over 200 actions to take forward to benefit the management of the Tweed. The Project Officer has helped to categorise these actions into high, medium and low priorities. Three main areas or groups of work are now being taken forward:

- River works – all engineering and instream works. E.g. of one activity is the development of an application form for those wishing to undertake river works that combines all agency requirements
- Water resources – e.g. communication with landowners and river users regarding Tweed reservoirs and the release of water
- Wetlands and riparian habitats – management for flood mitigation, access and tourism

The Project Officer acts as a key facilitator encouraging partnership working and bringing groups together, identifying opportunities for new projects and funding sources.

## **Annex 4: LAG Appraisal Questions**

The documents collected from the Local Action Groups were analysed from an environmental perspective, considering the questions below. The interviews were also based around these questions.

### The LAG's Plan/Strategic Vision

1. Was the environment explicitly mentioned in the LAG plan?
2. If the environment features in the LAG plan, has this theme been reflected in the projects funded? If not why not?
3. How successful has the LAG been in meeting any targets it set itself for the environment?

### Role of LAG staff or member groups

4. Was there anyone championing the environment cause among the LAG staff. If so what was the modus operandi of this person. How did he/she 'work-up' environmental projects?
5. Was the environment sector represented on the LAG partnership, either directly, or through a member of some other interest (e.g. farming) with strong environmental (e.g. FWAG) interests?
6. If environmental interests were represented at LAG partnership level, was any representative a pivotal or a more marginal figure in the operation of the partnership (in terms of attendance at meetings, key input to decisions etc)?
7. Did any of the LAG staff have previous work experience in the environment sector either for LUPG members or NGOs?
8. If there is no expertise in the LAG relating to the environment, have any efforts been made to use LUPG agency or other environmental expertise in vetting or developing projects?
9. Did the LAG have previous experience with European funding e.g. Objective 5b or Leader II?

### The Project Appraisal System

10. Did the project appraisal system identify an environmental dimension to the project such as 'contribution to sustainable development' 'impact on environment' or similar in any project scoresheet?
11. If there was a project scoresheet, or informal decision making mechanism, were there any occasions when the low score on environment caused the rejection of the project? Equally, were projects with positive contributions to environmental priorities given special attention?

## Annex 5: Project Appraisal Questions

### Project Appraisal Sheet

**LAG:**

**Name of project:**

**Brief description:**

In the table below 'mod' means moderately and 'sig' means significantly.

LUPG Output Priorities	Impact on environmental variable				
	No discernible effect	Mod -	Sig -	Mod +	Sig +
<b><i>SUSTAINABLE DEVELOPMENT</i></b>					
<b>Environmental sustainability</b>					
Impact on climate change					
Impact on soil quality					
Impact on air quality					
Impact on water quality					
Impact on biodiversity					
SSSI					
Natura 2000 site/habitat/species					
BAP, LBAP connected					
Impact on landscape quality					
Impact on public enjoyment of c'side					
Impact at landscape scale					
Impact on sustainable land management					
<b><i>Socio-cultural sustainability</i></b>					
Bonding social capital					
Bridging social capital					
Impact on knowledge and understanding of environment					
<b><i>Economic sustainability</i></b>					
Local employment					
Stock of human capital re environment					
Local value added to primary prods					
Food chain sust. enhancement					
Wood supply chain sust. enhancement					
<b>PARTNERSHIP WORKING AND OTHER PRIORITIES</b>					
Impact on integrative inter-agency action LUPG + others e.g. councils NGOs etc.					
Impact on embedding sustainability in local action					
Viral effect (evidence of positive imitation/replication)					
Impact on wider public perceptions of the environment as a source of wellbeing					
<b>GENERAL GOVERNMENT PRIORITIES</b>					
Impact on social inclusion					
Impact on productivity					
Impact on employment					

## ***SUSTAINABLE DEVELOPMENT***

### **Environmental sustainability**

**Impact on climate change** - self evidently an environmental concern (and a much wider government concern). Although it is recognised that Leader projects' effects on climate change are likely to be individually very small, the demonstration effect may well be of relevance.

**Impact on soil quality** – self evidently a concern. Quality is a function of sustaining productive potential, as well as soil biodiversity. Any action that inadvertently encouraged erosion or loss of soil quality would clearly compromise sustainability.

**Impact on air quality** – As in soil quality

**Impact on water quality** – As above

**Impact on biodiversity** – These impacts can best be considered at a number of levels, recognising the distinction between EU and national designations as well as BAP and LBAP species and habitats

SSSI -

Natura 2000 site/habitat/species

BAP, LBAP connected

**Impact on landscape quality** – Understandably an environmental concern. Quality can be assessed in various ways including protection of iconic species, or more general support for landscape maintenance or enhancement. It is recognised that individual project may have modest impact, but their exemplar status should at least be flagged.

**Impact on public enjoyment of c'side** – Projects that enhance visitor access and/or understanding of the countryside should be flagged.

**Impact at landscape scale** – can impacts could be discerned at landscape scale?

**Impact on sustainable land management**- Some projects enhance sustainable land management practices. There is an obvious link between enhanced sustainability and many environmental priorities from increased biodiversity to reduced road miles and climate change connections.

### ***Socio-cultural sustainability***

**Bonding social capital** - Bonding social capital is of interest insofar as it enhances the contribution of similar groups of stakeholders to environmental priorities. Thus groups of farmers or forest owners who build trust amongst themselves in ways which contribute to environmental or sustainable development priorities should be identified. The Leader approach can often be seen as an important way of building and bonding social capital.

**Bridging social capital** - Bridging social capital connects one group of stakeholders with another. In the rural arena, the breakdown of barriers between different stakeholder groups can provide a potential bridgehead for the entry of new ideas

**Impact on knowledge and understanding of environment** – can individual projects help individuals or groups to improve their knowledge of the environment in ways that bring positive benefits.

### ***Economic sustainability***

**Local employment** – The traditional farmers slogan 'You cannot eat the view' has been challenged in a number of studies. Rural areas can and do derive substantial benefit from groups eating the view, through the provision of accommodation or from charging for a range of day-visitor services. Where projects discernibly impact on visitor numbers or provide additional accommodation for tourists or provide jobs for those directly involved in generating environmental outputs, there can be a clear employment gain. This is not only a central government issue, but also one of the three legs on which sustainable development stands.

**Stock of human capital re environment** – This category addresses whether rural actors benefiting from Leader support are building a stock of human capital which is likely to result in behaviour which impacts beneficially on the environment. Human capital is normally conceived of as a facet of economic behaviour, as distinct from more general educational benefits referred to above.

**Local value added to primary prods** – Generally Leader has actively promoted projects that add value to local produce. Such activities might be expected to contribute to sustainable development and therefore to ameliorating environmental concerns.

**Food chain sustainability enhancement** – Sustainability in supply chains can be improved by shortening or improved efficiencies. Both are likely to contribute to sustainable development.

**Wood supply chain sustainability enhancement** - sustainability in supply chains can be improved by shortening or improved efficiencies. Both are likely to contribute to sustainable development.



## **PARTNERSHIP WORKING AND OTHER PRIORITIES**

**Impact on integrative inter-agency action** – many people would argue that institutional innovation is a fundamental prerequisite of sustainable development. Getting institutions to work together effectively can be seen as a major means of enhancing the delivery or facilitation of sustainable development.

**Impact on embedding sustainability in local action** – ‘embeddedness’ is seen as beneficial attribute where there is evidence that development opportunities are grounded in a particular locale/particular, with production systems. In many ways the greater the degree of embeddedness, the greater degree of distinctiveness of any product. If the virtues of sustainability can be given manifestation in particular local styles of production/processing and this hinges around local social capital the net effect is likely to enhance sustainability.

**Viral effect (evidence of positive imitation/replication)** – Some projects are likely to soak up total the local market in a product or service and have virtually no replicability. Other projects may set others doing. For example, a biofuel project which initiates a demonstration project showing how wood waste can be exploited might be replicable, whereas a visitor centre might soak up the entire local demand for that particular service.

**Impact on wider public perceptions of the environment as a source of wellbeing** – in many parts of the UK, especially remoter regions, there has been an antagonism towards nature conservation/the environment, because the environment is seen as a constraint on local livelihoods. Where there are projects that demonstrably show that the environment is good for local well-being, the ability to influence public perceptions in the direction of endorsing environment-friendly actions is much enhanced.

### **GENERAL GOVERNMENT PRIORITIES**

**Impact on social inclusion** – some projects may not impact positively on social inclusion; others might contribute to it. As a central government core concern, one might hope that all government agencies would engage.

**Impact on productivity** – the Treasury concern with competitiveness (especially in rural areas) suggests a need to factor in any project impacts on competitiveness. Some projects e.g. trialling different biomass boilers might contribute positively; other projects may be neutral. We should also recognise that competitiveness can come from price or quality or distinctiveness. Productivity is a measure of the efficiency of conversion of inputs to outputs.

**Impact on employment** – self evidently important in the economy as a whole.

## **Annex 6: Structure of Stakeholder Discussions**

The first session considered:

- How are environmental issues addressed at the level of the Local Action Group?
- The key factors that make for good environmental projects?
- How to measure the environmental success of programmes and projects – what are the best indicators?

The second session looked at Leader in the context of the EAFRD, asking for stakeholder input into the following questions:

- What are the opportunities for using Leader to meet environmental priorities in the 2007-2013 programming period?
- What might be the barriers/constraints to using Leader in future?

For each session four discussion groups were held, each containing between six and eight individuals from a range of the main stakeholder groups present. Detailed notes were made of each discussion group, and these notes have fed into the comparative analysis that preceded the drawing of conclusions and recommendations.

## Annex 7: Attendees of the Stakeholder Seminar

Name	Surname	Organisation
Jenny	Bashford	Environment Agency
David	Boyce	Northern Marches Leader+
Amanda	Bryan	Scottish Natural Heritage
Fiona	Bryant	RDA
Cathy	Butterfield	Countryside Agency
Alex	Comber	Defra
Maria	de la Torre	Scottish Natural Heritage
Gillian	Dalgetty	Dumfries & Galloway Leader LAG
Steven	Dunkley	RDS
Janet	Dwyer	CCRU
Martin	Farmer	IEEP
Alan	Hampson	Scottish Natural Heritage
Kaley	Hart	Countryside Agency
David	Jepson	UK Leader+ Network
Clunie	Keenleyside	IEEP
Graeme	Kerr	Countryside Agency
Catherine	Leach	Blackdown Hills AONB
Yvonne	Loughrey	Rural Development Council for Northern Ireland
Ian	Matheson	SEERAD
Gareth	Morgan	English Nature
Alex	Page	Defra
Graham	Peters	WARR Partnership
Richard	Robinson	Scottish Natural Heritage
Donna	Sibley	SW of England RDA
Rosie	Simpson	English Nature
Bill	Slee	CCRU
Vicki	Swales	IEEP
Helen	Thompson	GO SW
Susan	Thompson	Rockingham Forest Leader+
Sarah	Tunncliffe	English Heritage
Sarah	Watson	Dorset Chalk and Cheese Leader+
Neil	Wilson	North Northumberland Leader+
Brian	Wither	Scottish Executive
David	Fine	Peak, Dales and Moorlands Leader+

## **Annex 8: The Legislative Framework for Leader 2007-2013 and Budgetary Issues**

### ***The Legislative Framework***

Regulation 1698/2005 sets out the legislative framework for applying Leader in the 2007-2013 programming period. The preamble makes the following statements with regard to Leader:

- (47) Support should be granted for other measures relating to the broader rural economy. The list of measures should be defined on the basis of experience of the Leader initiative and having regard to the multi-sectoral needs for endogenous rural development.
- (48) The implementation of local development strategies can reinforce territorial coherence and synergies between measures intended for the broader rural economy and population. Therefore, measures relating to the broader rural economy should be preferably implemented through local development strategies.
- (50) The Leader initiative, after having experienced three programming periods, has reached a level of maturity enabling rural areas to implement the Leader approach more widely in mainstream rural development programming. Provision should therefore be made to transfer the basic principles of the Leader approach to the programmes building a specific axis in them, and provide a definition of the local action groups and measures to be supported, including partnership capacity, implementation of local strategies, cooperation, networking and acquisition of skills.
- (51) Given the importance of the Leader approach, a substantial share of the contribution of the EAFRD should be earmarked for this axis.

Of greatest significance in this Preamble is the intention for the Leader approach to be mainstreamed in rural development programming rather than applied as a small-scale, pilot-type initiative, as in previous years. This suggests an enhanced role for the Leader approach compared to previous programming rounds, reflected in the statement that a 'substantial share' of the budget should be earmarked for the Leader Axis. The Leader Axis is described in full at Articles 61-65 of the Regulation as follows:

### ***Article 61***

Definition of the Leader approach

The Leader approach shall comprise at least the following elements:

- a. area-based local development strategies intended for well-identified subregional rural territories;
- b. local public-private partnerships (hereinafter local action groups);
- c. bottom-up approach with a decision-making power for local action groups concerning the elaboration and implementation of local development strategies;
- d. multi-sectoral design and implementation of the strategy based on the interaction between actors and projects of different sectors of the local economy;
- e. implementation of innovative approaches;
- f. implementation of cooperation projects;
- g. networking of local partnerships.

### ***Article 62***

Local action groups

- 1. A partnered local development approach shall be implemented by the local action groups satisfying the following conditions:

- (a) they must propose an integrated local development strategy based at least on the elements set out in Article 61(a) to (d) and (g) and be responsible for its implementation;
  - (b) they must consist of either a group already qualified for the Leader II or Leader+ initiatives, or according to the Leader approach, or be a new group representing partners from the various locally based socioeconomic sectors in the territory concerned. At the decision making level the economic and social partners, as well as other representatives of the civil society, such as farmers, rural women, young people and their associations, must make up at least 50 per cent of the local partnership;
  - (c) they must show an ability to define and implement a development strategy for the area.
2. The Managing Authority shall ensure that the local action groups either select an administrative and financial lead actor able to administer public funds and ensure the satisfactory operation of the partnership, or come together in a legally constituted common structure the constitution of which guarantees the satisfactory operation of the partnership and the ability to administer public funds.
  3. The area covered by the strategy shall be coherent and offer sufficient critical mass in terms of human, financial and economic resources to support a viable development strategy.
  4. The local action groups shall choose the projects to be financed under the strategy. They may also select cooperation projects.

### ***Article 63***

#### Measures

The support granted under the Leader Axis shall be for:

- (a) implementing local development strategies as referred to in Article 62(1)(a), with a view to achieving the objectives of one or more of the three other axes defined in Sections 1, 2 and 3;
- (b) implementing cooperation projects involving the objectives selected under point (a);
- (c) running the local action group, acquiring skills and animating the territory as referred to in Article 59.

### ***Article 64***

#### Implementing local strategies

If the operations under the local strategy correspond to the measures defined in this Regulation for the other axes, the relevant conditions shall apply in accordance with Sections 1, 2 and 3.

### ***Article 65***

#### Cooperation

1. The support referred to in Article 63(b) shall be granted to inter-territorial or transnational cooperation projects. ‘Inter-territorial cooperation’ means cooperation within a Member State. ‘Transnational cooperation’ means cooperation between territories in several Member States and with territories in third countries.
2. Only expenditure relating to the territories within the Community shall be eligible for support.
  1. Article 64 shall also apply to cooperation projects.

Although Leader is to be mainstreamed, many of the rules and requirements relating to Leader are the same as in previous programming periods. In future, Leader is still to be implemented by LAGs based on local development strategies. The emphasis on bottom-up, innovative approaches, co-operation projects (including transnational projects) and partnership networking is retained. In the context of this research, it is regrettable that there is no specific mention of the environment particularly in terms of required LAG membership/representation. Greatest emphasis is given to economic and social partners. EAFRD does make it clear however that Leader support shall be granted to implement local development strategies with a view to achieving the objectives of one or more of the other three Axes. Since Axis 2 is for 'Improving the environment and the countryside', this can be taken to mean that Leader should contribute to achieving environmental objectives. In addition, the use of the word 'integrated' (Article 62, 1 (a)) could be taken to mean that local development strategies should take into consideration the economic, social *and* environmental development of rural areas. However, an explicit reference here to sustainable development would have been beneficial in ensuring that national administrations give consideration to all aspects of development and use Leader across all Axes rather than picking and choosing between them.

### ***The Budget***

EU Heads of Government finally reached agreement on the 2007-2013 Financial Perspective in December 2005, giving a budget over the seven years of 862 billion Euro, representing 1.045% of the EU's GNI - a substantial cut compared with the Commission's original bid. In two years' time there will be a fundamental review of EU spending and revenue, but it is not entirely clear to what extent this will apply to the 2007-2013 Financial Perspective.

Pillar 1 expenditure will be at the minimum compatible with the October 2002 agreement, meaning that Bulgaria and Romania will have to be accommodated within the sum available possibly leading to a significant cuts through the 'financial discipline' process by 2013. This, together with compulsory EU modulation of 5% from 2007, may limit the scope for voluntary modulation although the settlement permits this up to a maximum of 20% with no limit on the time period, no requirement for national co-financing and no constraints on expenditure between EAFRD Axes – but implementing rules may limit the scope of this.

Pillar II spending on rural development, at 69.75 billion Euro, has been slashed by more than one fifth compared with the Commission's original proposal and a large share (33.01 billion Euro) is reserved for EU10, Romania and Bulgaria. By 2013 the Pillar 2 budget ceiling will be as much as 12% below the comparable 2006 figure.

In 2000-2006, the UK secured about 3.5% of the Guarantee element of the rural development budget but the share may be different under EAFRD – the Commission has still to propose a 'key' to cover nine of the EU15 MS (six have been allocated a guaranteed share as part of the budget negotiations). The UK share is likely to be very modest (although it will be topped up by a share of compulsory EU 5% modulation) and it is clear that current Pillar II expenditure plans in the UK will not be sustainable without significant top up from state aids and/or voluntary modulation.

The budget in the UK will be made up of three components:

- 1) Allocation of EAFRD from EU pot: The UK is pushing the Commission to base the allocations on objective criteria rather than historical allocations, however, given the overall budget is much lower than originally proposed by the Commission it is unlikely the UK will get substantially more funding than at present. If the UK was to receive 3.5per cent of an estimated 18.91bn Euro pot, this would mean approximately 662m Euro being made available to the UK. England currently gets around 53per cent of the overall UK pot, which would mean around 351m Euro being made available to England.

2) Compulsory modulation receipts (transfers from Pillar 1 of CAP to the rural development budget as determined by the Mid Term Review of the CAP). 2006 is the first year where funds will be available, and this will be approximately 50m Euro in England. The amount generated will increase gradually on an annual basis, and DEFRA have estimated the total sum for England will be 526m Euro for 2007-2013.

Note: For these two pots of money - i.e. allocation from EAFRD and compulsory modulation - the minimum thresholds on the four Axes will apply, and there is also a requirement on Member States to co-finance (i.e. requirement for match funding) these two sources of funding.

3) Voluntary modulation - additional transfers of up to 20 per cent of Pillar 1. This is the new element introduced into the final budget agreement by the UK. DEFRA see this as essential to enabling the UK to honour existing commitments to agri-environment schemes. DEFRA have estimated that 1% of modulation would generate approximately £122m or 88m Euro (based on exchange rate of £0.65 to 1.00 Euro) of funding for rural development over the 7 years - based on the single farm payment (although the budget deal in December would enable them to modulate on the whole of Pillar 1 and not just the single farm payment). Assuming an exchange rate of £0.65 to 1.00 Euro the £122m equates to approximately 188m Euro for every 1% of voluntary modulation.

Voluntary modulation is treated differently to the two other elements of the budget: the minimum thresholds will not apply, so DEFRA can (and most probably will) allocate all voluntary modulated funds to agri-environment measures. There is also no requirement on Member States to co-finance voluntary modulated funds.

The final element in the picture is the financial contribution that will be made available from the Treasury towards the programme. This is not clear, and will be based on internal discussions within government. DEFRA considers this element will be an important factor in determining the overall level of voluntary modulation that Ministers decide to go with.

There are a number of other outstanding issues:

- General implementing regulations - these were originally due out before Christmas, but have been held up in the Commission. They are now in draft but not yet approved at the time of writing
- A Commission proposal on the "modalities" for modulation - i.e. a technical paper looking at the principles on which modulation will be applied.
- A series of financial regulations on CAP including what DEFRA called the 'controls mechanism'.

DEFRA has stated that discussions on the National Strategy and development of the programmes will run in parallel with the other activities taking place at EU level.

In terms of the rest of the timetable:

- Submission of national strategic plans is expected at the end of May
- Submission of National Programmes is expected in July
- New Programmes will start on the 1 January 2007