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Evaluation of Axes 3 & 4 of the Rural Development Plan for Wales 2007-2013

A report for the Welsh European Funding Office

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Appendix report

Prepared by: Wavehill Ltd, CLES and The Rural Development Company

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Cronfa Amaethyddol Ewrop ar gyfer Datblygu
Gwledig Ewrop yn Buddsoddi
mewn Ardaloedd Gwledig
The European Agricultural Fund for
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Rural Areas



Llywodraeth Cymru
Welsh Government

Report prepared by:

Endaf Griffiths (Wavehill)

John Grieve (Rural Development Company)

Adrian Nolan (CLES)

Charlotte Ellis (Wavehill)

Edd Gough (Wavehill)

Any queries or questions about this report should be referred in the first instance to:
Endaf Griffiths; t: 01545 571711 | e: endaf.griffiths@wavehill.com

Welsh Government contact:

Elora Elphick, WEFO Research, Monitoring and Evaluation

t: 0300 062 2509 | e: elora.elphick1@wales.gsi.gov.uk

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List of abbreviations

CAP	Common Agricultural Policy
CMEF	Common Monitoring and Evaluation Framework
EAGGF	European Agricultural Guidance and Guarantee Fund
EFF	European Fisheries Fund
ERDF	European Regional Development Fund
ESF	European Social Fund
GVA	Gross Value Added
ICT	Information & computer technology
LAGs	Local Action Groups
LDS	Local Development Strategy
LEADER	A French acronym for 'links between actions for the development of the rural economy'
MA	Managing Authority
PA	Paying Agency
PAFs	Project Amendment Forms
RCA	Rural Community Action
RDP	Rural Development Plan
SOC	Standard Occupational Classification
WDA	Welsh Development Agency
WEFO	Wales European Office

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1. Introduction

This appendix report should be read in conjunction with the final report for an evaluation of Axes 3 and 4 of the Rural Development Programme in Wales 2007-2013 undertaken by Wavehill, CLES and the Rural Development Company from May to September 2013. The evaluation was commissioned by the Welsh European Funding Office of the Welsh Government.

The remainder of the report is set out as follows:

- Chapters 2 and 3 include a detailed analysis of project activities and monitoring data for Axis 3 and Axis 4 respectively;
- Chapter 4 includes a number of case studies which have been included to provide examples of the activities undertaken and how individual businesses have benefited from the support provided; and
- Chapter 5 explains the origins of Axes 3 and 4 and, as a comparison to the approach in Wales, provides examples their administration in other Member States.

Finally, a bibliography for the key reports referenced during the undertaking of this evaluation has been provided (Chapter 6).

2. Detailed analysis of project activities and monitoring data:

Axis 3

This chapter discusses the findings of an analysis of the monitoring data collected on activities being undertaken in relation to implementation of the Axis 3 funded projects.

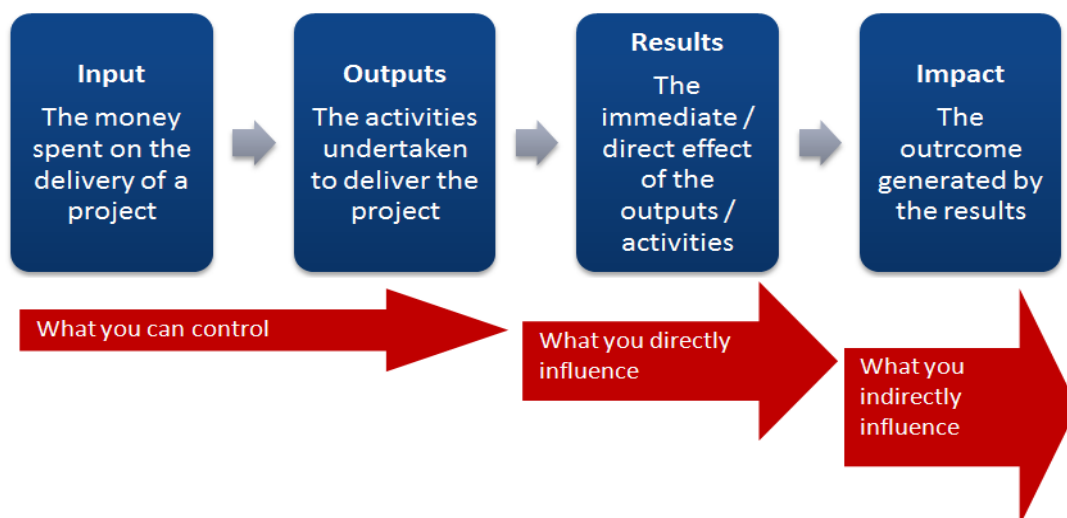
Key findings

- Activities and expenditure varies between different areas for all measures, as do outputs and results. The amount of funding available varies substantially between areas, as does the priority for how that funding is utilised.
- As a result of the above, the outcomes of the programme will differ substantially between the different areas.
- Within measures, whilst a range of different activities have been undertaken, there is some commonality. For example, a number of business development activities (Measure 312) activities undertaken in different areas are broadly similar.
- Direct economic impact (e.g. jobs created) is most apparent in Measures 312 (business development) and 313 (tourism).
- Due to the scale involved, the ultimate impact on the economy is likely to be limited.

A Common Monitoring and Evaluation Framework (CMEF) was developed by the European Commission to provide a structure for monitoring and evaluation of all the Rural Development Schemes funded during the 2007-2013 period, including the RDP in Wales. At the heart of the CMEF, and the accompanying 'performance framework' developed by the Welsh Government for the RDP, is a 'logic map'¹ as illustrated in figure 2.1 on page 7. The discussion in this chapter broadly follows the structure of this model.

¹ Logic mapping is a systematic and visual way of presenting the key steps required in order to turn set inputs into activities that are designed to lead to a specific set of changes or outcomes. It is also a process for identifying the indicators (i.e. evidence) that is going to be collected to demonstrate what the scheme has achieved. The process is referred to by a number of different terms including "outcome mapping", developing "programme logic", "intervention logic", "programme theory" and "theory of change" all of which refer to essentially the same process.

Figure 2.1: The CMEF logic map for the EC's 2007-13 Rural Programme



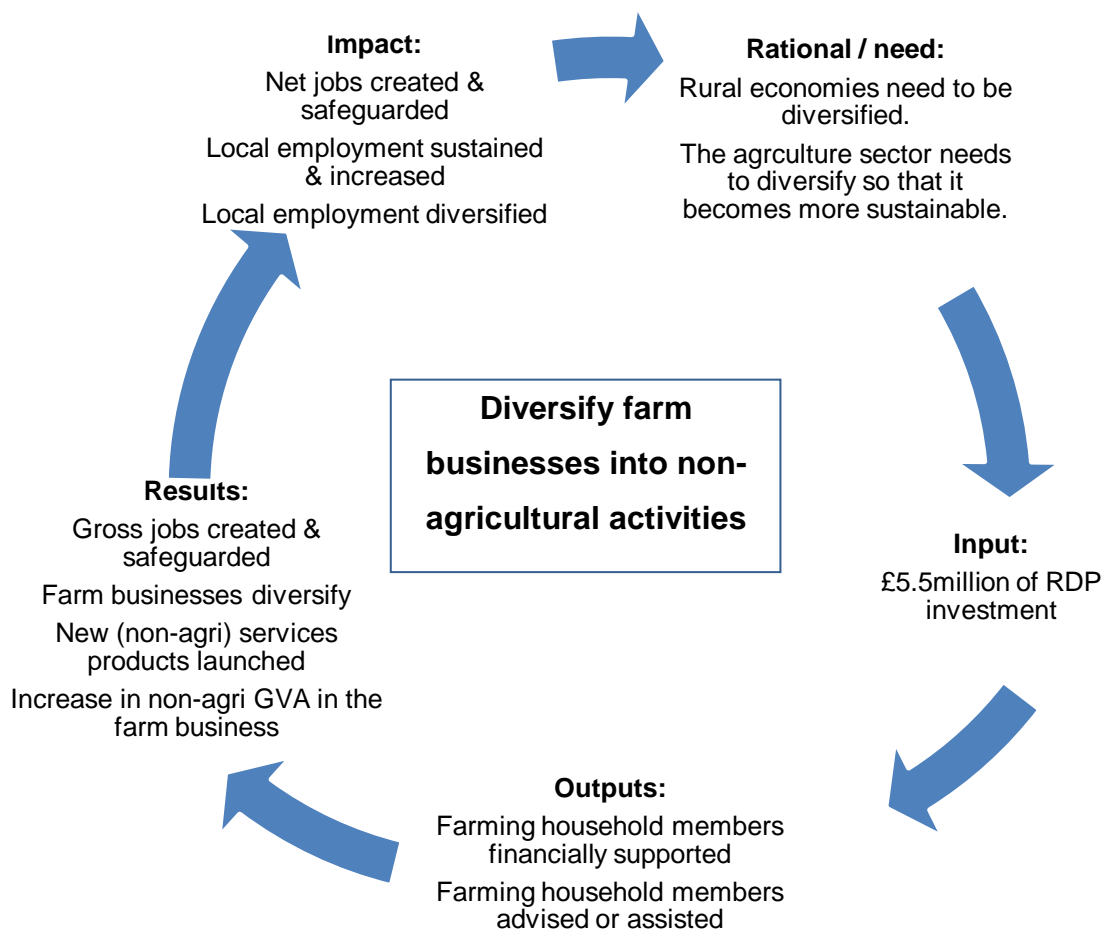
Source: adapted from the EC's Common Monitoring and Evaluation Framework for the Rural Programme

2.1. Measure 311: Diversify farm businesses into non-agricultural activities

2.1.1. Rationale / Need

The rationale for this measure is to contribute to the overarching priority of the creation of employment opportunities in rural areas and specifically in non-agricultural activities rationale and services. The measure also targets diversification which is considered as being necessary for growth, employment and sustainable development in rural areas. The objective of diversification is also to maintain or increase the income of the farm households.

Figure 2.2: Illustration of a basic logic map for Measure 311



2.1.2. Input

The total investment (RDP funding, plus match funding) in Measure 311 in Wales is **£5,574,703** (including Business Plan 2 commitments). Ten projects have been funded, three in Business Plan 1 and seven during Business Plan 2. This measure has not been implemented in all RDP areas. For Business Plan 1, farm diversification projects were only active in Gwynedd (one project) and Pembrokeshire (two projects). For Business Plan 2, the measure supported projects in seven areas (one project per area²): Anglesey, Carmarthenshire, Conwy, Gwynedd, Monmouthshire, Powys and the Vale of Glamorgan. Farm diversification activities have *not* been active during this programme in 10 of the Axis 3 areas.

² Note: for Business Plan 2, areas were only allowed to submit one project per Measure. Hence, there is only one project per area here, compared to multiple projects in one area for the Business Plan 1 period.

The table 2.1 on page 9 illustrates the distribution of Measure 311 funding amongst the eight areas. It illustrates the differing level of expenditure in each area, ranging from £1.7million in Carmarthenshire, to just £169,000 in Pembrokeshire.

Table 2.1: Measure 311 total expenditure per area

Counties	Total expenditure £	Proportion of expenditure (%)
Anglesey	280,000	5
Carmarthenshire	1,742,522	31
Conwy	200,000	4
Gwynedd	1,058,324	19
Monmouthshire	420,000	7
Pembrokeshire	169,070	3
Powys	1,274,487	23
Vale of Glamorgan	430,000	8
<i>Wales</i>	<i>5,574,403</i>	<i>100.0</i>

2.1.3. Key outputs and results

Table 2.2 on page 10 shows that advisory services were widespread across the programme area, with the most activity in Gwynedd, Pembrokeshire and Powys. However, the nature and quality of this support cannot be accounted for here - although advice provided for the majority of beneficiaries in Pembrokeshire was via seminars rather than one-to-one support. This shows that caution should be applied in making conclusions on the basis of high outputs when the actual impact as a result of some activities may be limited. Perhaps the more pertinent measure is the number of household members financially supported to diversify into non-agricultural activities. Here the outputs are much lower with the majority accounted for in Gwynedd.

It should be noted at this point that for Measure 311, six of the eight local authority areas are incorporated into Business Plan 2 only, and so the below does not fully take into account the outputs and outcomes of Business Plan 2 activity that is still ongoing or has recently come to an end, and the time lag in reporting monitoring data.

Table 2.2: Farming households advised or assisted and households receiving financial support

Counties	Farming household members advised or supported	Number of farming household members financially supported to diversify into non-agricultural activities
Anglesey	10	3
Carmarthenshire	3	1
Conwy	12	
Gwynedd	118	24
Monmouthshire	47	3
Pembrokeshire	401	
Powys	186	5
Vale of Glamorgan	14	1
<i>Wales</i>	<i>791</i>	<i>37</i>

In terms of the advice and assistance that farmers have received, this has been based around four key areas: Tourism, Craft, Retail and Renewable Energy. There is only limited data available on this, however, and no firm conclusions can be drawn on key areas of focus.

Table 2.3 on page 11 shows that the number of non-agricultural products and services launched is concentrated in Gwynedd and Pembrokeshire, and the number of new markets accessed almost entirely within Gwynedd. This area is the key hub of activity for this measure.

Table 2.3: Number of non-agricultural products and services launched and new markets accessed

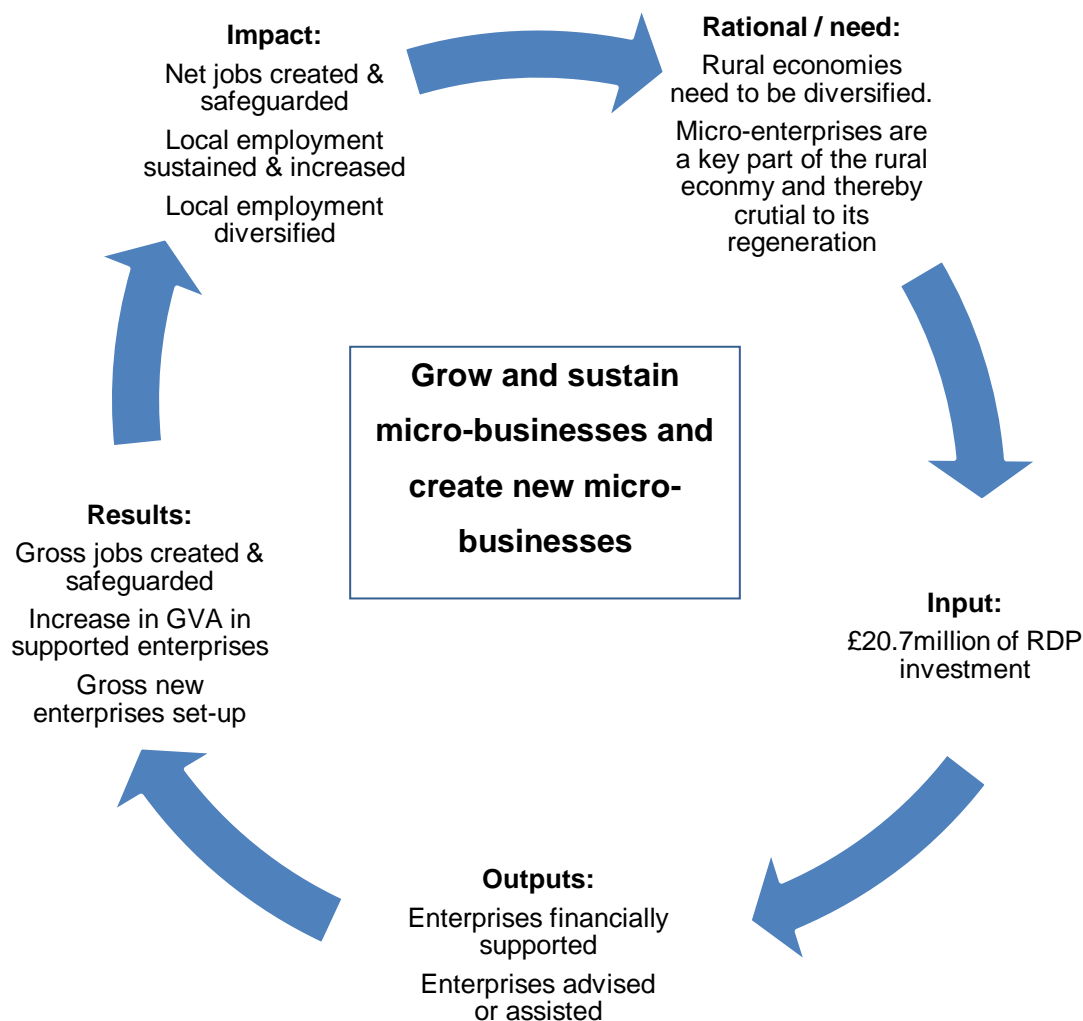
Counties	Number of new non-agri products or services launched	Number of new markets accessed
Anglesey	0	0
Carmarthenshire	1	0
Conwy	0	0
Gwynedd	32	33
Monmouthshire	2	2
Pembrokeshire	28	0
Powys	4	0
Vale of Glamorgan	1	1
<i>Wales</i>	68	36

2.2. Measure 312: Grow and sustain micro-enterprises and create new micro-enterprises

2.2.1. Rationale / Need

The rationale for this measure is to contribute to promoting entrepreneurship and develop the economic structure in rural areas, thus contributing to the overarching strategy of the creation of employment opportunities. The target group is specified as micro-enterprises (less than 10 workers) and specifically non-agricultural enterprises.

Figure 2.3: Illustration of a basic logic map for Measure 312



2.2.2. Input

The total investment (RDP funding plus match funding) in Measure 312 is **£20,699,422** (included Business Plan 2 commitments). **Forty-two** projects have been funded under this measure, 28 in the Business Plan 1 and 14 during Business Plan 2. Coverage changed between Business Plan 1 and Business Plan 2, as shown by the table 2.4 with one area having Measure 312 projects in Business Plan 1 but not in Business Plan 2 (Powys) and three areas, the opposite (Monmouthshire and Neath Port Talbot).

Table 2.4: The areas where Measure 312 projects have been active; Business Plan 1 and Business Plan 2

Business Plan 1	Business Plan 2
Anglesey	Anglesey
Caerphilly	Bridgend
Carmarthenshire	Caerphilly
Ceredigion	Carmarthenshire
Conwy	Ceredigion
Denbighshire	Conwy
Flintshire	Denbighshire
Gwynedd	Flintshire
Pembrokeshire	Gwynedd
Powys	Merthyr Tydfil
Wrexham	Monmouthshire Neath Port-Talbot
	Pembrokeshire
	Wrexham

As part of the evaluation analysis, with the help of the Lead Bodies, the activities being undertaken by projects were allocated into a number of categories as shown in the Table 2.5, which underlines the range of activities undertaken.

Table 2.5: Activities undertaken by projects funded by Measure 312

Activities Undertaken	Number	%*
Providing advice to existing businesses	34	81%
Providing financial support to existing businesses	26	62%
Providing advice to those considering starting a businesses	23	55%
Building relationships between local businesses / business networks	11	26%
Providing financial support to those considering starting a businesses	11	26%
ICT related activities	10	24%

The table only shows responses of 10 and above. * Percentage of project within the measure.

Table 2.6 on page 15 illustrates the distribution of Measure 312 funding amongst the areas. It illustrates the differing level of expenditure, ranging from £4.4million (over 21 per cent of the total expenditure) in Carmarthenshire, to just £191,180 in Neath Port Talbot.

Table 2.6: Measure 312 total expenditure per area

Counties	Total expenditure £	Proportion of expenditure
Anglesey	838,733	4
Bridgend	508,172	3
Caerphilly	500,718	2
Carmarthenshire	4,400,401	21
Ceredigion	644,334	3
Conwy	1,211,877	6
Denbighshire	1,128,956	5
Flintshire	361,893	2
Gwynedd	2,133,333	10
Merthyr Tydfil	379,130	2
Monmouthshire	749,553	4
Neath Port Talbot	191,180	1
Pembrokeshire	2,927,200	14
Powys	2,133,982	10
Wrexham	2,589,961	13
<i>Wales</i>	<i>20,699,422</i>	<i>100</i>

Source: Analysis of Welsh Government data

2.2.3. Key outputs & results

Table 2.7 on page 15 highlights the number of micro-enterprises that have been financially supported. The numbers here are skewed by the large proportion of businesses assisted in Wrexham and Powys.

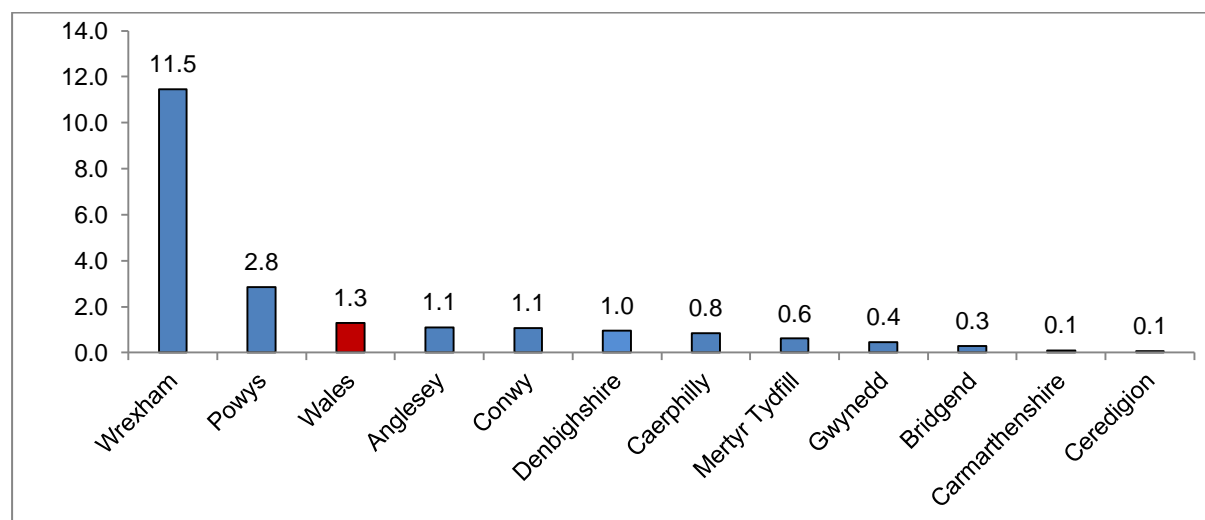
The table also shows the breakdown by the type of assistance and advice received. A number of those who were provided with advice or assistance also received financial support, and the correlation between the highest numbers of advice/assistance and financial support is evident in Powys and Wrexham.

Figure 2.4 on page 15 shows the number of micro-enterprises financially assisted as a proportion of all micro-business stock in the local authority area, providing some context to these figures. In most localities, the figure is in the range of 0.5 per cent and 1 per cent of total micro businesses, however in Wrexham and Powys the proportion assisted is disproportionately high. The programme figure lies at 1.3 per cent.

Table 2.7: Measure 312: Micro enterprises financially supported and advised or assisted per area³

Counties	Number of micro enterprises financially supported	Number of micro enterprises advised or assisted
Anglesey	23	52
Bridgend	8	24
Caerphilly	23	212
Carmarthenshire	7	57
Ceredigion	2	273
Conwy	36	60
Denbighshire	27	0
Flintshire	0	0
Gwynedd	20	127
Merthyr Tydfil	5	19
Monmouthshire	0	13
Neath Port Talbot	0	70
Pembrokeshire	0	1,376
Powys	223	636
Wrexham	360	1,383
<i>Wales</i>	<i>734</i>	<i>4,302</i>

Figure 2.4 Micro-enterprises financially supported as a percentage of micro enterprises in the local authority area⁴



³ Note that for all tables, a dash signifies where there

⁴ Note that ideally this would be measured against the eligible ward areas within each local authority area, however business information is not available at ward level area geography.

Table 2.8 shows the number of groups, enterprises and individuals advised or assisted in each area, along with the cost. Again, the numbers are skewed by the high numbers supported in Powys and Wrexham, which means the cost of support to each entity in this area was comparatively low.

Table 2.8: Number of groups, enterprises and individuals assisted, and cost per output

Counties	Number of groups, enterprises and individuals advised or assisted	Cost per group, enterprise or individual advised or assisted £
Anglesey	85	9,867.45
Caerphilly	28	17,882.77
Carmarthenshire	726	6,061.16
Ceredigion	57	11,304.10
Conwy	273	4,439.11
Denbighshire	110	10,263.24
Gwynedd	297	7,182.94
Merthyr Tydfil	22	17,233.19
Powys	643	3,318.79
Wrexham	1,383	1,872.71
<i>Wales</i>	<i>5,892</i>	<i>3,513.14</i>

In addition to supporting existing business in their operations and development, there is also a major emphasis in creating new businesses through this measure. Table 2.9 on page 17 shows the number of new businesses per area as a result of intervention. Figure 2.5 on page 17 shows how the creation of new businesses has added to the business stock in each of the local authority areas, with the programme adding to the proportion of new businesses in Pembrokeshire, Wrexham and Carmarthenshire.

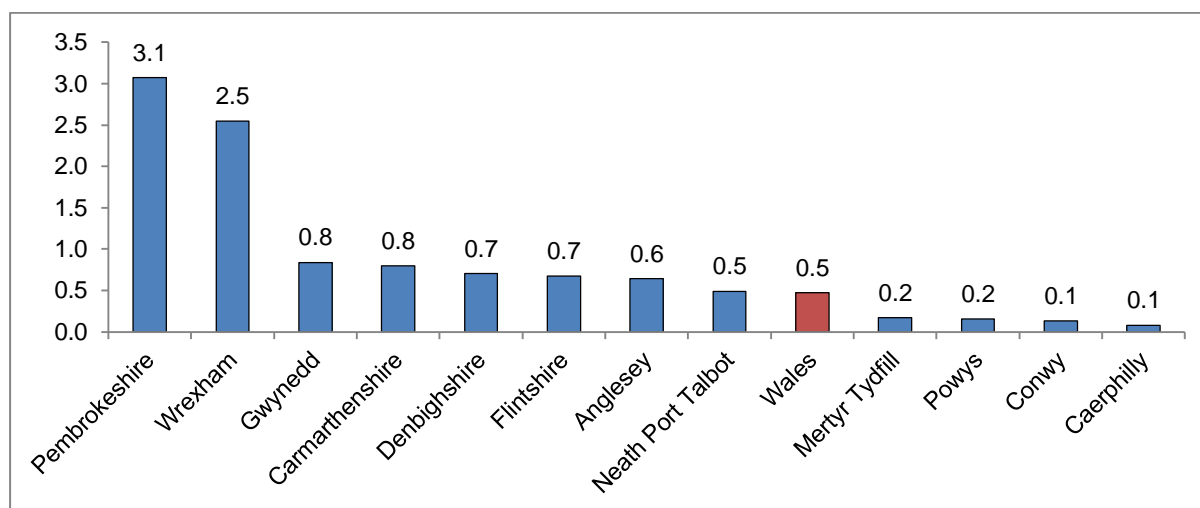
These figures are unable to indicate the nature of the businesses created by industry, or whether the businesses are/have been sustainable, nor the value of the businesses in terms of contribution to the wider economy. It also does not illustrate the impact of the new business operations on other businesses in each of the local

authority areas – i.e. the extent to which displacement effects are operating in the localities.

Table 2.9: Number of micro-enterprises created per area

Counties	Number of micro enterprises created
Anglesey	13
Caerphilly	3
Carmarthenshire	47
Ceredigion	0
Conwy	5
Denbighshire	22
Flintshire	31
Gwynedd	37
Merthyr Tydfil	2
Neath Port Talbot	15
Pembrokeshire	139
Powys	9
Wrexham	97
<i>Wales</i>	<i>420</i>

Figure 2.5: Percentage increase in business stock as a result of new enterprises created (note that the Wales figure indicates the programme wide achievement)



One of the key results of Measure 312 was to develop access to new markets and new products and services. Table 2.10 on page 18 highlights the spatial differentiation by area, with the highest number of new products being developed in Gwynedd.

Table 2.10: New products and services and new markets accessed per area

Counties	Number of new products and services launched	Number of new markets accessed
Anglesey	30	7
Bridgend	0	0
Caerphilly	9	0
Carmarthenshire	22	6
Ceredigion	1	1
Conwy	9	0
Denbighshire	0	1
Flintshire	0	0
Gwynedd	87	98
Merthyr Tydfil	1	1
Monmouthshire	0	0
Neath Port Talbot	0	0
Pembrokeshire	47	54
Powys	6	240
Wrexham	70	39
<i>Wales</i>	<i>282</i>	<i>447</i>

Measure 312 has created and safeguarded more jobs than any other measure, due to the overriding focus on enterprise development (over three quarters, 77 per cent, of jobs created for Business Plan 1 were under Measure 312 for instance). Table 2.11 on page 19 shows the distribution of these by area. There is geographical variance, with those receiving the most funding under this Measure generally creating and safeguarding the most jobs.

The sustainability of the jobs created and safeguarded, is not measurable with this data and research will need to be undertaken with beneficiaries in the future (beyond 2013) to determine this in detail. It is also difficult to assess the quality of those jobs created – the higher the level of jobs created, the greater value they have to the economy in terms of raising productivity. Table 2.12 on page 19 shows the proportion of jobs split by SOC code for Business Plan 1 across the eligible areas within the local authorities.

Overall, higher level occupations incorporated 29 per cent of jobs, with 34 per cent of new jobs being in lower level occupations (which includes sales and customer

operations). For each of these, the proportion of jobs being created is substantially higher than the current profile for each of these occupational groups.

Table 2.11: Jobs created and safeguarded per area

Counties	Gross number of jobs created	Gross number of jobs safeguarded
Anglesey	10	7
Bridgend	1	
Caerphilly	5	3
Carmarthenshire	83	12
Ceredigion	0	4
Conwy	9	12
Denbighshire	45	0
Flintshire	7	0
Gwynedd	93	22
Merthyr Tydfil	2	7
Monmouthshire	0	0
Neath Port Talbot	19	0
Pembrokeshire	107	195
Powys	15	83
Wrexham	189	68
<i>Wales</i>	<i>583</i>	<i>413</i>

Table 2.12: The breakdown of jobs created in BP1 by SOC code

	Proportion of jobs created by SOC code	Current occupational profile by eligible areas
Manager & Senior Officials	15	9
Professional Occupations	7	17
Associate Professionals & Technical occupations	7	12
Administrative & Secretarial Occupations	8	11
Skilled Trade Occupations	24	13
Personal Service Occupations	4	10
Sales & Customer Occupations	18	8
Process, Plant & Machine Operatives	7	7
Elementary Occupations	10	11
Other (Different SOC classification for Annex B1)	1	0.0

It is important to understand how support provided to existing enterprises, individuals and groups translates into the creation or safeguarding of jobs. This is presented in Table 2.13 on page 21. This varies across local authority areas, with the highest levels being in Carmarthenshire and Ceredigion. It should be noted here that some of the local authority areas with lower ratios are within Business Plan 2, where there have been no Business Plan 1 projects, or that the Business Plan 2 projects that are substantially larger than those previously undertaken for Business Plan 1. The lag between achievement of outputs and recording these may be a factor.

When using the same calculation for assessing the number of jobs safeguarded or created for each group, enterprise or individual advised or assisted, the data highlights the lower conversion levels.⁵ This is due to the more widespread general advice or assistance, rather than focused financial support which would be expected to deliver higher ratios of jobs safeguarded or created.

It worth noting that despite there being no record of receiving financial support, over 300 jobs were created in Pembrokeshire, and 19 in Neath Port Talbot. In Pembrokeshire over 2,000 groups, enterprises and individuals were assisted or advised without financial assistance, this indicates some success in this measure without the need for financial support. For Pembrokeshire in particular, it was the focus upon non-financial assistance that had a major bearing on the outcomes; over 1,300 micro-enterprises or individuals were assisted or advised in some way.

⁵ The figures for the table below are based upon dividing the number of jobs safeguarded and created for each area, by the output i.e. divided by each enterprise financially supported or by each enterprise, group or individual assisted. This helps to highlight the extent to which support activities are resulting in job outcomes.

Table 2.13: The conversion of financial support and advice or assistance into jobs being safeguarded or created

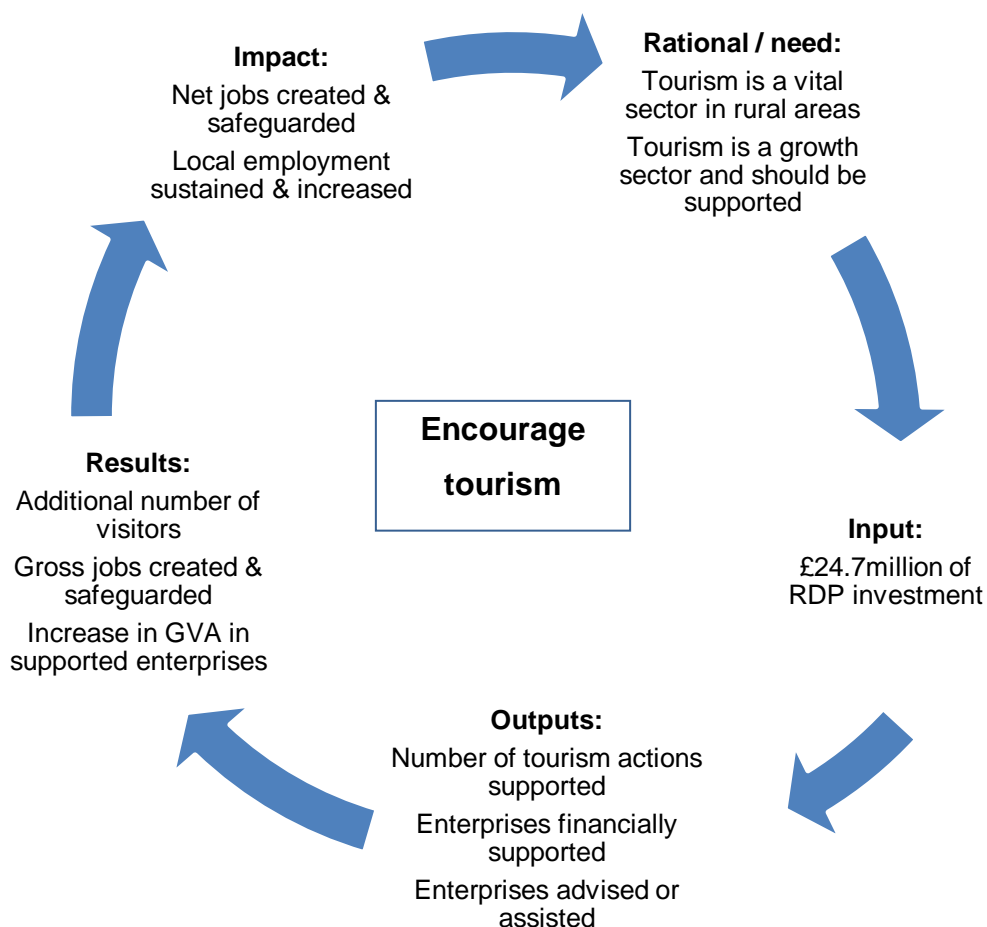
Counties	Number of jobs safeguarded or created for each enterprise, group or individual financially supported	Number of jobs safeguarded or created for each enterprise, group or individual advised or assisted
Anglesey	0.4	0.2
Bridgend	0.1	-
Caerphilly	0.3	0.3
Carmarthenshire	4	0.1
Ceredigion	2	0.1
Conwy	1	0.1
Denbighshire	1	0.4
Flintshire	0.1	1
Gwynedd	2	0.4
Merthyr Tydfil	1	0.4
Monmouthshire	-	0.0
Neath Port Talbot	-	0.1
Pembrokeshire	-	0.1
Powys	0.4	0.2
Wrexham	1	0.2
<i>Wales</i>	<i>1</i>	<i>0.2</i>

2.3. Measure 313: Encourage tourism activities

2.3.1. Rationale / Need

The rationale for this measure is that tourism is a major growth sector in many rural areas and thereby creates new employment opportunities and increases overall attractiveness of rural areas. Support is therefore provided to encourage tourism activities.

Figure 2.6: Illustration of a basic logic map for Measure 313



2.3.2. Input

The total investment (RDP funding, plus match funding) in Measure 313 is £24,654,577 (including Business Plan 2 commitments). In financial terms, this is the largest measure within Axes 3. Fifty-three projects have been funded / undertaken under Measure 313, 43 in Business Plan 1 and 10 during Business Plan 2. This measure has been implemented in all but one RDP area; Torfaen. The coverage has been less during the Business Plan 2 period, as shown in Table 2.14 on page 23.

Table 2.14: The areas where Measure 313: Tourism projects have been active; Business Plan 1 and Business Plan 2

Business Plan 1	Business Plan 2
Anglesey	
Bridgend	
Caerphilly	
Carmarthenshire	Anglesey
Ceredigion	Carmarthenshire
Conwy	Ceredigion
Denbighshire	Conwy
Flintshire	Denbighshire
Gwynedd	Gwynedd
Merthyr Tydfil	Monmouthshire
Monmouthshire	Powys
Neath Port-Talbot	Swansea
Pembrokeshire	Wrexham
Powys	
Swansea	
Vale of Glamorgan	

2.3.3. Key outputs & results

A review of projects shows that, generally, two approaches to ‘tourism development’ have been supported by Measure 311:

- a) Projects and activities to improve tourism services or products in the area (supply side); and
- b) Projects and activities designed to attract more visitors to the area (demand side).

Table 2.15 on page 24 shows that the activity being undertaken by most projects was developing or improving the infrastructure and/or specific facilities in rural areas, undertaken by 62 per cent of projects. The second most frequent category of activity was business support, undertaken by 47 per cent of projects; an indication of the emphasis on ‘business support’ within this measure. Table 2.16 on page 24 illustrates the distribution of Measure 313 funding amongst the areas.

Table 2.15: activities undertaken by projects funded by Measure 313

Project Activities	Number	%*
Developing or improving the infrastructure and/or specific facilities in rural areas (physical works and improvements)	33	62%
Supporting WG priority sector businesses: TOURISM	25	47%
Supporting events and festivals	15	28%
Providing support to businesses / those seeking to start a business	15	28%
Engaging the local community and capacity building	13	25%
Undertaking / funding a marketing campaign	13	25%
Providing advice to existing businesses	13	25%
Providing financial support to existing businesses	12	23%

* Percentage of project within the measure.

Table 2.16: Measure 313 total expenditure per area

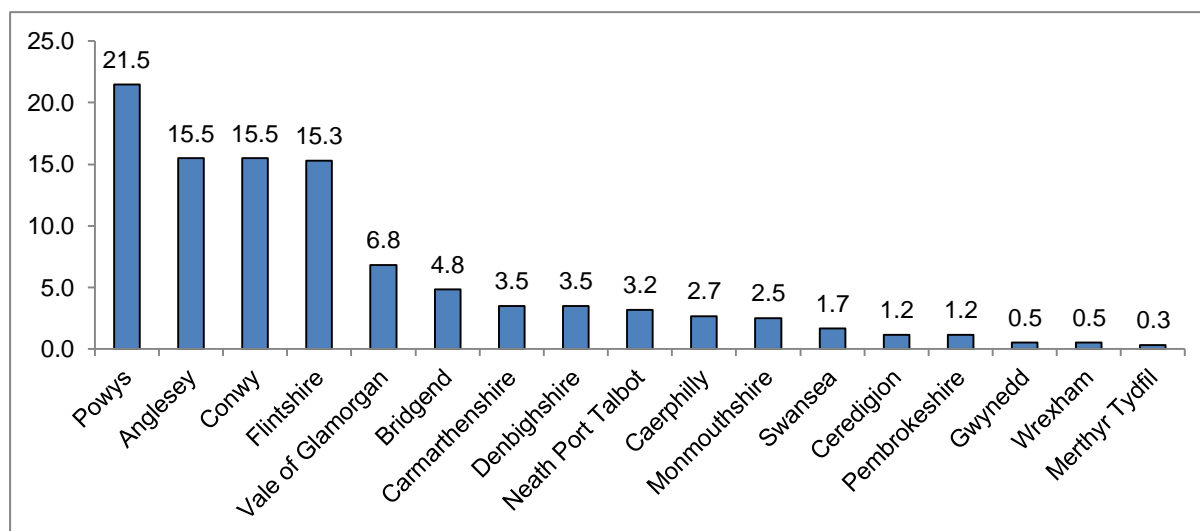
Counties	Total expenditure	Proportion of expenditure
Anglesey	1,751,352	7
Bridgend	445,090	2
Caerphilly	255,968	1
Carmarthenshire	2,324,704	9
Ceredigion	3,930,825	16
Conwy	1,539,001	6
Denbighshire	1,655,304	7
Flintshire	1,714,140	7
Gwynedd	1,850,786	8
Merthyr Tydfil	71,316	0
Monmouthshire	1,102,227	4
Neath Port Talbot	136,204	1
Pembrokeshire	2,144,788	9
Powys	3,653,083	15
Swansea	660,866	3
Torfaen	0	0
Vale of Glamorgan	572,830	2
Wrexham	846,093	3
<i>Wales</i>	<i>24,654,577</i>	<i>100.0</i>

Table 2.17 illustrates the total number of projects for Measure 313 financially supported, with the proportions shown in Figure 2.7 on page 25. The largest number of projects is in Powys, which received the second highest proportion of funding. This pattern is not mirrored in Ceredigion, which had the highest levels of funding, but only seven projects financially supported. This could be partly due to outputs under BP2 which were not fully recorded at the time of writing.

Table 2.17: Total number of projects financially supported per area

Counties	Total number of projects financially supported
Anglesey	93
Bridgend	29
Caerphilly	16
Carmarthenshire	21
Ceredigion	7
Conwy	93
Denbighshire	21
Flintshire	92
Gwynedd	3
Merthyr Tydfil	2
Monmouthshire	15
Neath Port Talbot	19
Pembrokeshire	7
Powys	129
Swansea	10
Torfaen	0
Vale of Glamorgan	41
Wrexham	3
<i>Wales</i>	<i>601</i>

Figure 2.7: Projects financially supported as a percentage of the total, by local authority area



Data is also available for this measure on the split of projects supported between:

- Small scale tourism infrastructure projects;
- Local recreational infrastructure projects; and
- Projects to develop and/or market a rural tourism product or service.

The breakdown of these categories by area is shown in Table 2.18 on page 28. This varies by area as indicated in the table, with the grey shading indicating where there is particular focus by local authority area. This trend highlights that the predominant focus in this measure has been around a more ‘business support’ focused approach with the development of products and services.

It could be assumed that developing products and services is more likely to result in job creation, although there is no direct evidence for this. This approach links directly the creation and safeguarding of jobs, which is highlighted in Table 2.19. After Measure 312, 313 created the highest number of jobs in Axis 3 (13 per cent of the total). Of the 80 jobs created, the majority of these were split between Gwynedd, Flintshire and Anglesey. Of the 193 jobs safeguarded, these were exclusively between Anglesey, Gwynedd and Ceredigion.

Table 2.18 on page 28 also indicates the total cost per project financially supported, showing a considerable disparity in the cost per project across the different areas. This is only an indication since the cost of individual projects within an area is likely to vary widely. It is also important to note that while Neath Port Talbot and Vale of Glamorgan supported projects at a particularly low average cost, the extent and quality of the support is not captured by this data.

Table 2.18: Projects financially supported split by characteristics of the project

Counties	% of financially supported projects by area that were small scale tourism infrastructure	% of financially supported projects by area that were recreational infrastructure projects	% of financially supported projects by area that were to develop and/or market a rural tourism product	Total number of projects supported	Cost per project supported £
Anglesey	34	26	40	93	18,831.74
Bridgend	41	0	59	29	15,347.95
Caerphilly	37	25	37	16	15,998.01
Carmarthenshire	100	0	0	21	110,700.18
Ceredigion	57	14	29	7	561,546.42
Conwy	0	4	96	93	16,548.40
Denbighshire	9	19	71	21	78,824.00
Flintshire	12	51	37	92	18,631.96
Gwynedd	100	0	0	3	616,928.78
Merthyr Tydfil	0	50	50	2	35,658.15
Monmouthshire	13	67	20	15	73,481.77
Neath Port Talbot	100	0	0	19	7,168.62
Pembrokeshire	0	14	86	7	306,398.31
Powys	46	19	34	129	28,318.47
Swansea	40	30	30	10	66,086.55
Vale of Glamorgan	15	71	15	41	13,971.47
Wrexham	0	0	100	3	282,031.00
<i>Wales</i>	<i>30</i>	<i>25</i>	<i>44</i>	<i>601</i>	<i>£41,022.59</i>

Table 2.19: Gross number of jobs created and safeguarded per area⁶

Counties	Gross number of jobs created	Gross number of jobs safeguarded
Anglesey	14	85
Bridgend	0	0
Caerphilly	0	0
Carmarthenshire	0	0
Ceredigion	5	24
Conwy	0	0
Denbighshire	1	0
Flintshire	19	0
Gwynedd	40	85
Merthyr Tydfil	0	0
Monmouthshire	0	0
Neath Port Talbot	0	0
Pembrokeshire	0	0
Powys	0	0
Swansea	0	0
Torfaen	0	0
Vale of Glamorgan	2	0
Wrexham	0	0
<i>Wales</i>	<i>80</i>	<i>194</i>

There are a number of other key related outcomes for this measure, including the number of new products or services launched, and the number of new and improved processes introduced by a supported enterprise, illustrated in Table 2.20 on page 30. Ninety-two were reported, focused mainly in Anglesey, Caerphilly, Ceredigion, Neath Port Talbot and Vale of Glamorgan. Nearly 100 cases of new and improved processes have been reported.

⁶ Note the large number of zeros within the table, with job creation and safeguarding being limited mainly to a few areas. This is likely to be a combination of other variables/target outputs being of importance, but also because of data not fully recorded as a number of these projects were within BP2, which at the time of writing had not recorded all monitoring results. The same applies to other tables across the document.

Table 2.20: Number of new products or services launched and number of new or improved processes for supporting enterprises, per area

Counties	Number of new products or services launched	Number of new or improved processes introduced a supported enterprise
Anglesey	12	31
Bridgend	0	0
Caerphilly	10	8
Carmarthenshire	0	0
Ceredigion	19	1
Conwy	0	0
Denbighshire	9	0
Flintshire	2	17
Gwynedd	0	15
Merthyr Tydfil	0	0
Monmouthshire	2	1
Neath Port Talbot	19	0
Pembrokeshire	0	26
Powys	0	0
Swansea	3	0
Vale of Glamorgan	16	0
<i>Wales</i>	<i>92</i>	<i>99</i>

There are a number of other related outputs, including the number of new enterprises created, totalling 16 (10 in Gwynedd, three in Anglesey, two in Caerphilly and one in Flintshire). Another is the number of new markets accessed, with only two local authority areas reporting outputs here (32 in Gwynedd and one in the Vale of Glamorgan).

Finally, one of the most important outcomes from Measure 313 will be to increase levels of tourism, which benefits the Welsh economy. Table 2.21 on page 31 shows the additional number of tourists attracted to the region as a direct consequence of the programme's activities. Caution needs to be applied to these figures as accounting for the additional number of tourists attracted to each area due to the activities of the projects is difficult, and there are discrepancies, such as Neath Port Talbot attracting so many additional visitors but only accounting for a small share (£136,000) of the total expenditure.

Table 2.21: Additional numbers of tourists attracted to each area

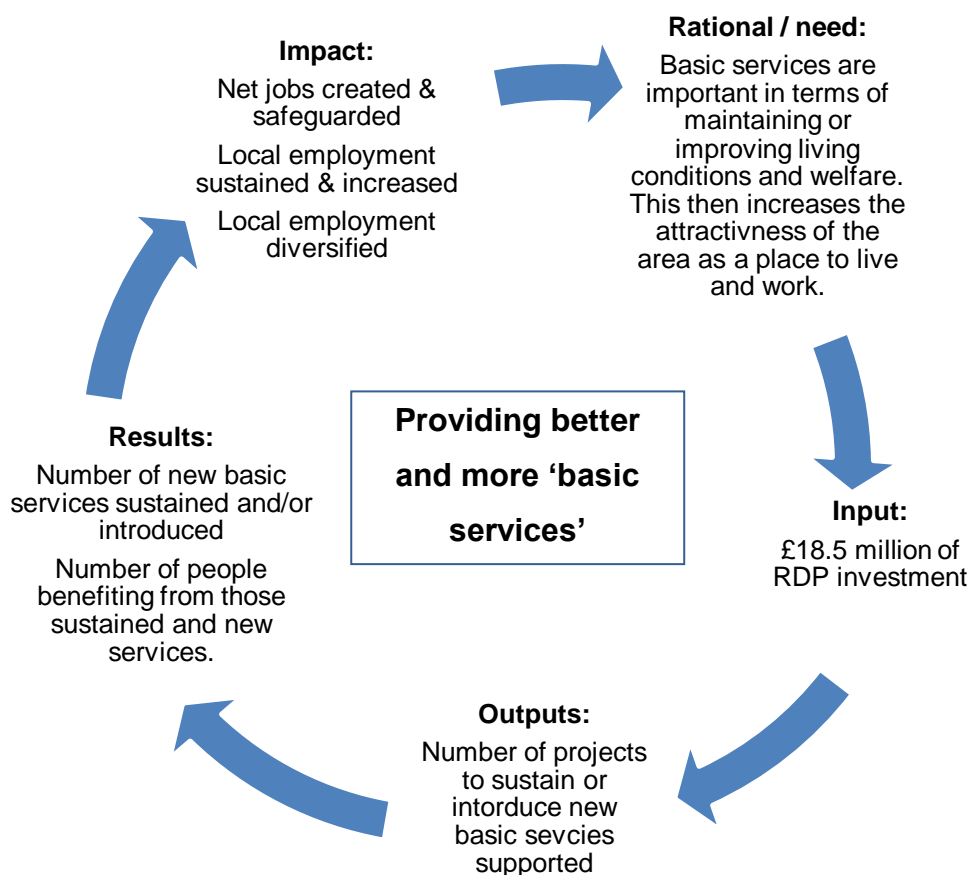
Counties	Additional number of tourists attracted to the region
Anglesey	274
Bridgend	1,125
Caerphilly	0
Carmarthenshire	0
Ceredigion	19,037
Conwy	151
Denbighshire	0
Flintshire	0
Gwynedd	3,798
Merthyr Tydfil	0
Monmouthshire	0
Neath Port Talbot	48,619
Pembrokeshire	8,209
Powys	0
Swansea	100
Torfaen	0
Vale of Glamorgan	0
Wrexham	0
<i>Wales</i>	<i>81,313</i>

Measure 321: provide better and more basic services in rural areas

2.3.4. Rationale / Need

The rationale for this measure is that, in order to reverse the negative trends of economic and social decline and depopulation, support should be provided for better and more basic services for the economy and the rural population. This is to improve or maintain the living conditions and welfare and to increase the attractiveness of the area.

Figure 2.8: Illustration of a basic logic map for Measure 321



2.3.5. Input

The total investment in Measure 321 is **£18,465,075** (included Business Plan 2 commitments). **Thirty-seven** projects have been funded, 27 in Business Plan 1, 10 in Business Plan 2 and this Measure has been implemented in 15 of the 18 RDP areas. Coverage is less during the Business Plan 2 period, as shown in Table 2.22 on page 33.

Table 2.22: The areas where Measure 321: Tourism projects have been active; Business Plan 1 and Business Plan 2

Business Plan 1	Business Plan 2
Bridgend	
Caerphilly	
Carmarthenshire	Anglesey
Ceredigion	Caerphilly
Conwy	Carmarthenshire
Denbighshire	Ceredigion
Flintshire	Flintshire
Merthyr Tydfil	Monmouthshire
Monmouthshire	Neath Port-Talbot
Neath Port-Talbot	Pembrokeshire
Pembrokeshire	Swansea
Swansea	Vale of Glamorgan
Vale of Glamorgan	
Wrexham	

2.3.6. Key outputs & results

Financially, the largest project during Business Plan 1 was 'Kickstart' - Rural Bus Services, Denbighshire (£1,100,720) and the smallest was improving Borth Community Hall, Ceredigion (£34,869).

Table 2.23 on page 34 shows the categories identified for the services projects. The most common activity was to provide additional/better services to the community (78 per cent).

Table 2.23: activities undertaken by projects funded by Measure 321

Activities Undertaken	Number	%*
Providing additional / better services to the local community	29	78%
Developing or improving the infrastructure and/or specific facilities in rural areas (physical works and improvements)	17	46%
Engaging the local community and capacity building	16	43%
Improving local transport including community transport, bus services, etc.	12	32%
Activities targeted specifically at young people	9	24%
Providing support to set up or develop social enterprises	8	22%
Developing the local tourism sector / provision of tourism services	7	19%
Natural environmental enhancement / rural heritage work including access to those things	5	14%
Physical improvements to villages or towns (e.g. Streetscape improvements)	5	14%
Supporting events and festivals	4	11%
Improving access to broadband	3	8%
Specific support to improve the health of people in rural areas	3	8%
Developing the local arts & crafts sector	3	8%
Undertaking / funding a marketing campaign	3	8%
Activities specifically targeted at addressing Welsh language issues / promotion of the language	2	5%
Improving access to health & care services	2	5%
Supporting WG priority sector businesses: TOURISM	2	5%
Supporting WG priority sector businesses: FOOD & FARMING	2	5%
Support specifically to help people get back to work support / tackling economic inactivity	1	3%
Activities specifically targeted at older people (50 plus)	1	3%
Renewable energy and energy conservation related activities	1	3%
ICT related activities	1	3%
Providing financial support to those considering starting a businesses	1	3%
Providing advice to those considering starting a businesses	1	3%
Providing financial support to existing businesses	1	3%
Providing advice to existing businesses	1	3%

Source: Wavehill analysis of Welsh Government data. * Percentage of project within the measure.

Table 2.24 on page 35 illustrates the distribution of Measure 321 funding amongst the areas. It shows the differing level of expenditure, ranging from £2.9million (16 per cent of the total expenditure) in Pembrokeshire to just £90,665 in Merthyr Tydfil.

Table 2.24 also indicates the average amount spent per person living in each eligible area. Bridgend, Conwy, Merthyr Tydfil, and Monmouthshire had particularly low levels of cost per person. However, these figures do not include the quality of support, so low cost is not necessarily an indicator of high cost-effectiveness.

Table 2.24: Measure 321 total expenditure per area

Counties	Total expenditure	Proportion of expenditure	Spend per person in eligible areas £
Anglesey	770,000	4	11.0
Bridgend	508,516	3	7.5
Caerphilly	1,697,659	9	17.0
Carmarthenshire	2,670,633	14	14.7
Ceredigion	1,145,581	6	15.4
Conwy	464,266	3	7.7
Denbighshire	1,158,181	6	24.4
Flintshire	1,060,988	6	14.2
Gwynedd		0	0.0
Merthyr Tydfil	90,665	1	5.2
Monmouthshire	553,211	3	6.1
Neath Port Talbot	1,535,732	8	21.7
Pembrokeshire	2,902,720	16	23.7
Powys		0	0.0
Swansea	1,453,504	8	49.5
Torfaen		0	0.0
Vale of Glamorgan	1,818,622	10	10.3
Wrexham	634,797	3	9.7
<i>Wales</i>	<i>18,465,075</i>	<i>100.0</i>	<i>12.0</i>

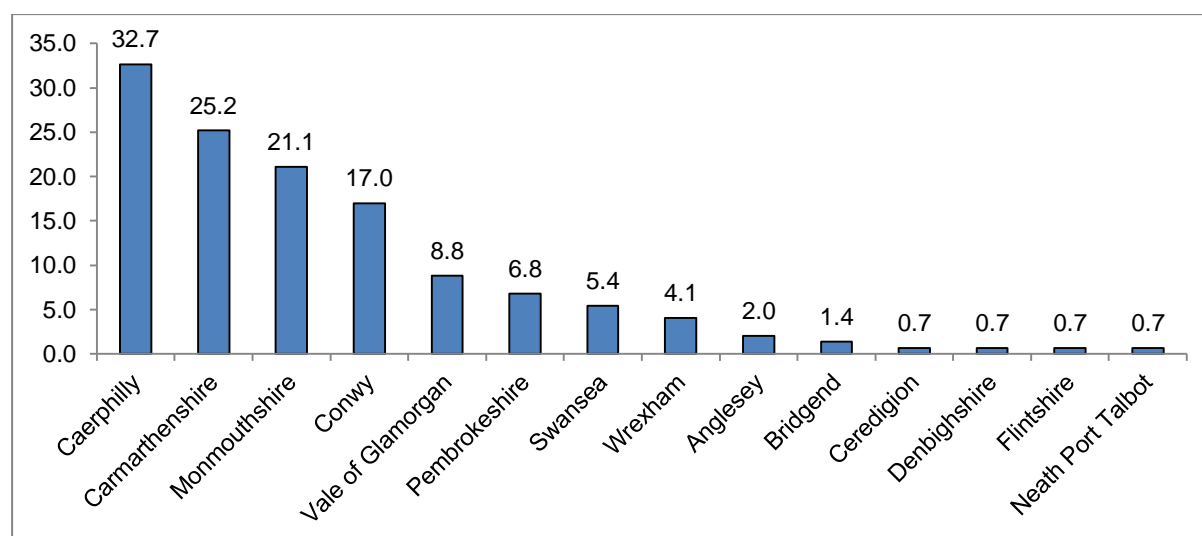
Source: Analysis of Welsh Government data

Table 2.25 on page 36 shows the number of projects that were financially supported under this Measure, and Figure 2.9 highlights the split in percentage terms. It highlights that there is a substantial range in financial support across the local authority areas, with the highest propensity of projects in Caerphilly, Carmarthenshire, Conwy and Monmouthshire.

Table 2.25: Total number of projects financially supported per area

Counties	Number of projects relating to basic services for the economy and the rural population financially supported
Anglesey	3
Bridgend	2
Caerphilly	48
Carmarthenshire	37
Ceredigion	1
Conwy	25
Denbighshire	1
Flintshire	1
Merthyr Tydfil	0
Monmouthshire	31
Neath Port Talbot	1
Pembrokeshire	10
Swansea	8
Vale of Glamorgan	13
Wrexham	6
<i>Wales</i>	<i>187</i>

Figure 2.9: Projects financially supported as a percentage of the total, by local authority area



One of the key outputs from this measure is how much of the population benefits from improvements to basic services. The extent to which this varies by local authority area is shown in Table 2.26. There is a wide variance between the areas, with the highest reported figures in Pembrokeshire, Caerphilly, and Wrexham. In some areas there are a number of projects designed at improving basic services aimed at most, if not all, of the eligible ward areas, whereas in other places the projects are much more focused in certain localities and communities, hence the lower figures. For places such as Anglesey which have received support, but have not reported outputs, this is likely to be due to their project being in Business Plan 2 only and the time lag between delivery and reporting outputs.

Table 2.26: The population in the rural area benefiting from improved services

Counties	Population in rural area benefiting from improved services
Anglesey	0
Bridgend	6,500
Caerphilly	191,786
Carmarthenshire	69,419
Ceredigion	6,038
Conwy	33,226
Denbighshire	0
Flintshire	2,380
Merthyr Tydfil	3,345
Monmouthshire	33,965
Neath Port Talbot	0
Pembrokeshire	236,000
Swansea	0
Vale of Glamorgan	62,991
Wrexham	130,711
<i>Wales</i>	<i>879,550</i>

Table 2.27 shows the number of existing services and facilities sustained and created, due to the activities of this measure. The majority of activities have been focused upon creating new services and facilities, with Neath Port Talbot in particular, making up the most of the new facilities. Where there is more focus on new services and facilities, it is important to understand in more detail the extent to which there is duplication of existing basic services.

Table 2.27: Number of existing services and facilities sustained

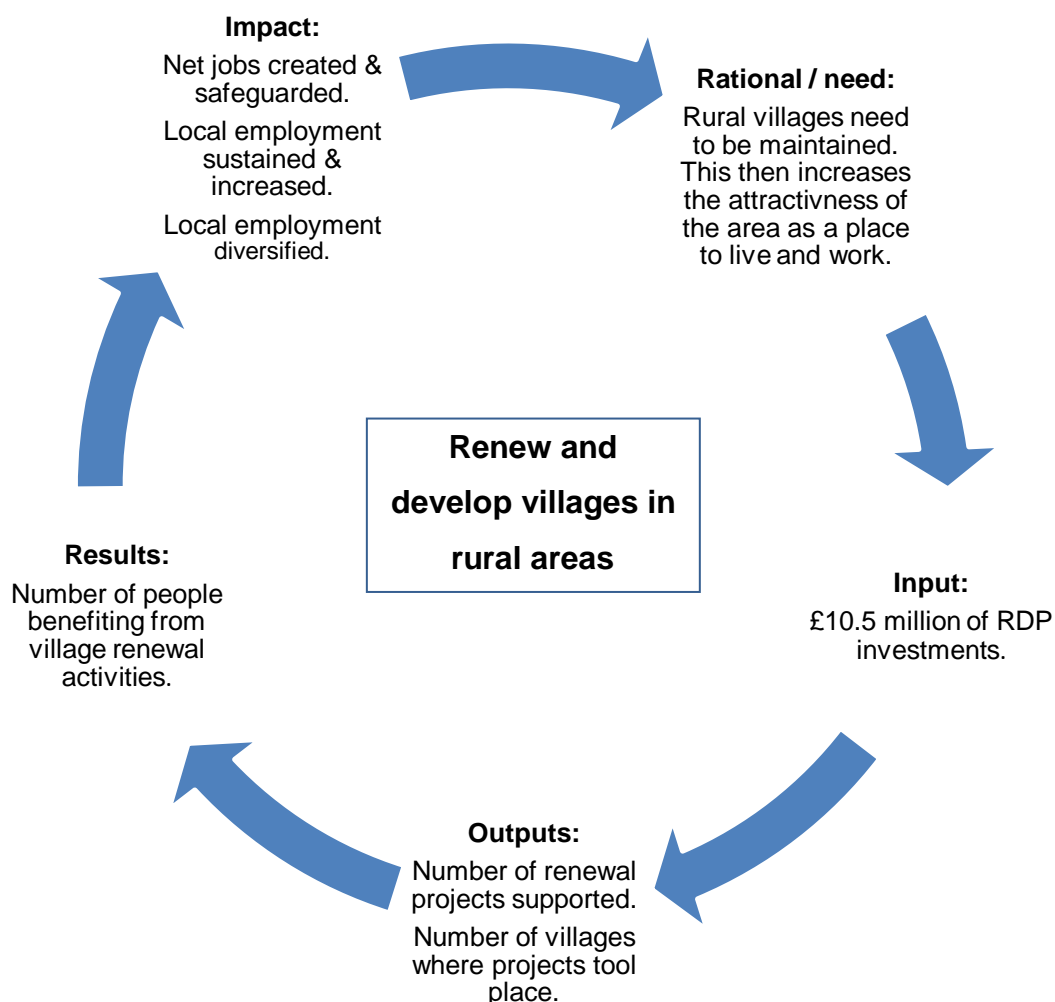
Counties	Number of existing services & facilities sustained	Number of new services & facilities available to the rural population
Anglesey	0	0
Bridgend	0	0
Caerphilly	512	21
Carmarthenshire	0	22
Ceredigion	1	1
Conwy	2,398	25
Denbighshire	0	1
Flintshire	1	2
Merthyr Tydfil	0	393
Monmouthshire	10	25
Neath Port Talbot	0	5,500
Pembrokeshire	7	2
Swansea	0	0
Vale of Glamorgan	3	10
Wrexham	40	0
<i>Wales</i>	<i>2,972</i>	<i>6,002</i>

2.4. Measure 322: renew and develop villages in rural areas

2.4.1. Rationale / Need

The rationale for this measure is that in order to reverse the negative trends of economic and social decline and depopulation, support should be provided for village renewal and development. The measure gives support to projects concerning village renewal and development. This can include local road works, renovation of buildings, environmental upgrading (e.g. upgrading parks, roadsides, etc.).

Figure 2.10: Illustration of a basic logic map for Measure 321



2.4.2. Input

The total investment (RDP funding, plus match funding) in Measure 322 is £10,475,895 (including Business Plan 2 commitments). Twenty-two projects have been funded, 13 in the Business Plan 1 period and nine during Business Plan 2. This measure has been implemented in 14 of the 18 RDP areas. The coverage is slightly different and less during the Business Plan 2 (nine areas compared to 10) as shown by the table below.

Table 2.28: Areas where Measure 322 projects have been active; Business Plan 1 and Business Plan 2

Business Plan 1	Business Plan 2
Anglesey	Anglesey
Caerphilly	Bridgend
Carmarthenshire	Caerphilly
Ceredigion	Ceredigion
Denbighshire	Conwy
Merthyr Tydfil	Flintshire
Monmouthshire	Monmouthshire
Powys	Swansea
Vale of Glamorgan	Vale of Glamorgan
Wrexham	

2.4.3. Key outputs & results

Financially, the largest projects during the Business Plan 1 period were a £1.3 million grant scheme in the Vale of Glamorgan (Inspire) and the £1.2 million grant scheme in Carmarthenshire (Village Enhancement). The smallest projects financially were a £66k project to improve facilities in Holt, Wrexham and £155k to for the restoration of a building in Aberfan, Merthyr Tydfil. For Business Plan 2, the largest project is the £1.5 million Flintshire Village enhancement grant scheme and the smallest is a similar £250k scheme in Conwy.

Table 2.29 shows the categories identified for the village renewal projects.

Table 2.29: activities undertaken by projects funded by Measure 322

Activities Undertaken	Number	%*
Physical improvements to villages or towns (e.g. Streetscape improvements)	16	73
Developing or improving the infrastructure and/or specific facilities in rural areas (physical works and improvements)	16	73
Engaging the local community and capacity building	13	59

Source: Analysis of Welsh Government data. * Percentage of project within the measure.

Table 2.30 illustrates the distribution of Measure 322 funding amongst the areas. Expenditure ranges from £2.5 million (14 per cent of the total expenditure) in the Vale of Glamorgan to zero in some areas. The table also indicates the average spend per person, with Carmarthenshire and Vale of Glamorgan having high total expenditure but comparatively low expenditure per capita.

Table 2.30: Measure 322 (village renewal) total expenditure per area

Counties	Total expenditure	Proportion of expenditure
Anglesey	713,629	7
Bridgend	454,086	4
Caerphilly	875,306	8
Carmarthenshire	1,113,662	11
Ceredigion	849,779	8
Conwy	250,000	2
Denbighshire	761,734	7
Flintshire	1,479,929	14
Gwynedd	0	0
Merthyr Tydfil	372,253	4
Monmouthshire	736,771	7
Neath Port Talbot	0	0
Pembrokeshire	0	0
Powys	855,073	8
Swansea	255,000	2
Torfaen	0	0
Vale of Glamorgan	1,503,466	14
Wrexham	259,207	3
<i>Wales</i>	<i>10,479,895</i>	<i>100.0</i>

Source: Analysis of Welsh Government data

Table 2.31 shows the number of projects related to this measure that have been financially supported. As with all the measures, there is variance between the areas, with the highest numbers being in Caerphilly and Vale of Glamorgan. Figure 2.11 on page 42 shows these as a proportion of all projects provided with financial support.

Table 2.31: Number of projects relating to village renewal and development financially supported, per area

Counties	Number of projects relating to village renewal and development financially supported
Anglesey	14
Bridgend	0
Caerphilly	51
Carmarthenshire	14
Ceredigion	22
Conwy	4
Denbighshire	21
Flintshire	0
Merthyr Tydfil	0
Monmouthshire	1
Powys	16
Swansea	0
Vale of Glamorgan	42
Wrexham	1
<i>Wales</i>	<i>186</i>

Figure 2.11: Projects financially supported as a percentage of the total

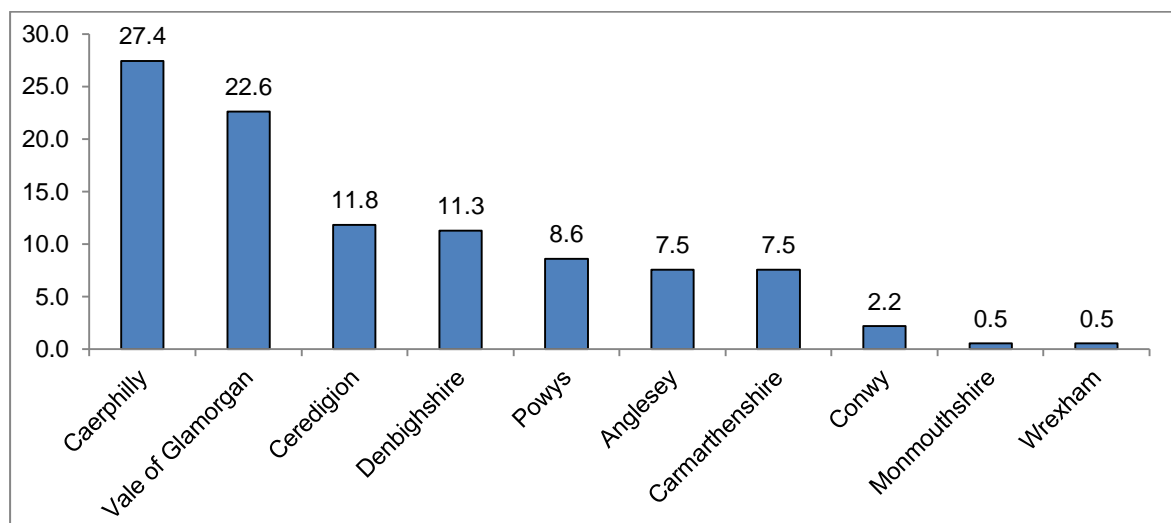


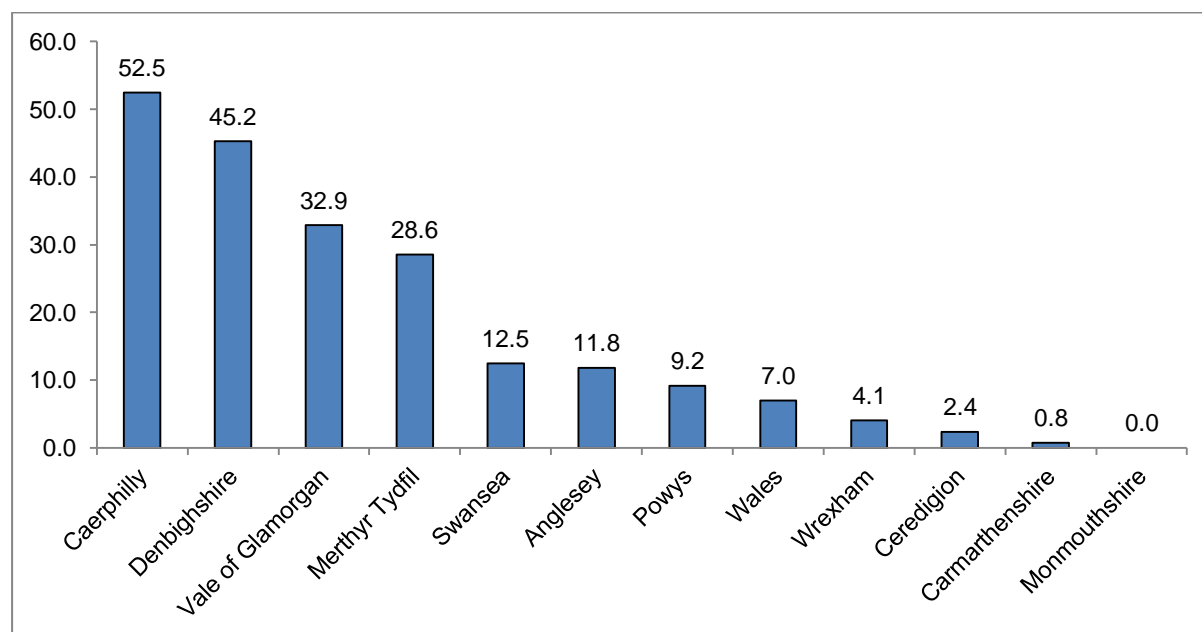
Table 2.32 on page 44 shows how many village renewal projects have taken place. This correlates strongly with Table 2.31, with Caerphilly and Vale of Glamorgan having the highest number of villages where projects have taken place. This compares with areas such as Carmarthenshire and Ceredigion, which have concentrated their focus upon just one or two villages.

Figure 2.12 on page 44 shows the penetration of the projects within each of the local authority area. It illustrates that where a wider approach has been taken across a range of villages, the coverage has encompassed, in the case of Caerphilly, over half of the villages within the local authority boundaries. The table also indicates average spend per village and the figures reflect the different approaches taken to support villages. Areas supporting the most villages generally spend the least per village.

Table 2.32: Number of villages where renewal projects have taken place

Counties	Total number of villages	Average spend per village £
Anglesey	11	64,875.39
Caerphilly	21	41,681.22
Carmarthenshire	1	1,113,662.43
Ceredigion	3	283,259.69
Denbighshire	19	40,091.25
Merthyr Tydfil	6	62,042.23
Monmouthshire	0	n/a
Powys	16	53,442.07
Swansea	5	51,000.00
Vale of Glamorgan	27	55,683.91
Wrexham	2	129,603.56
<i>Wales</i>	<i>101</i>	<i>103,761.34</i>

Figure 2.12: Number of villages where renewal projects have taken place as a proportion of all villages within the local authority area⁷



⁷ Source: British Towns and Villages Network

Table 2.33 shows that there were a large number who received assistance in the development of renewal projects – although some of these are enterprises, the majority are groups, who could typically be classified as social/voluntary and community sector. This is unsurprising given the nature of the activities in helping villages in their renewal the approach is more community-driven. It also indicates the approach taken – village renewal via local actors rather than directly by a local authority or Welsh Government.

Table 2.33: Groups, enterprises and individuals advised or assisted, and the population in rural areas benefiting from improved services

	Number of enterprises, individuals and groups advised or assisted relating to village renewal and development	Population in rural area benefiting from improved services
Anglesey	120	17,527
Bridgend	8	0
Caerphilly	207	68,209
Carmarthenshire	29	69,530
Ceredigion	25	5,366
Conwy	8	25,100
Denbighshire	64	48,250
Flintshire	5	0
Merthyr Tydfil	11	9,932
Monmouthshire	2	2,235
Powys	47	33,847
Swansea	20	750
Vale of Glamorgan	101	36,726
Wrexham	3	124,026
<i>Wales</i>	<i>650</i>	<i>441,498</i>

One of the intended results for village renewal and development activities is to sustain and create new services. The table below shows the distribution of these two variables by local authority area. As in Measure 321, there is a greater emphasis on creating new services and facilities rather than sustaining them, although there are variations by area. The highest numbers of new services and facilities are to be found in Denbighshire and Swansea, with the majority of existing services and facilities sustained in Caerphilly and Vale of Glamorgan. Some of the data for a number of areas are incomplete, with no entries for either of these two indicators.

Another related indicator is the number of new products or services launched. This totals 16, with seven apiece in Anglesey and Vale of Glamorgan, and two in Swansea.

Table 2.34: Number of new services and facilities, and number of existing services and facilities sustained, by area

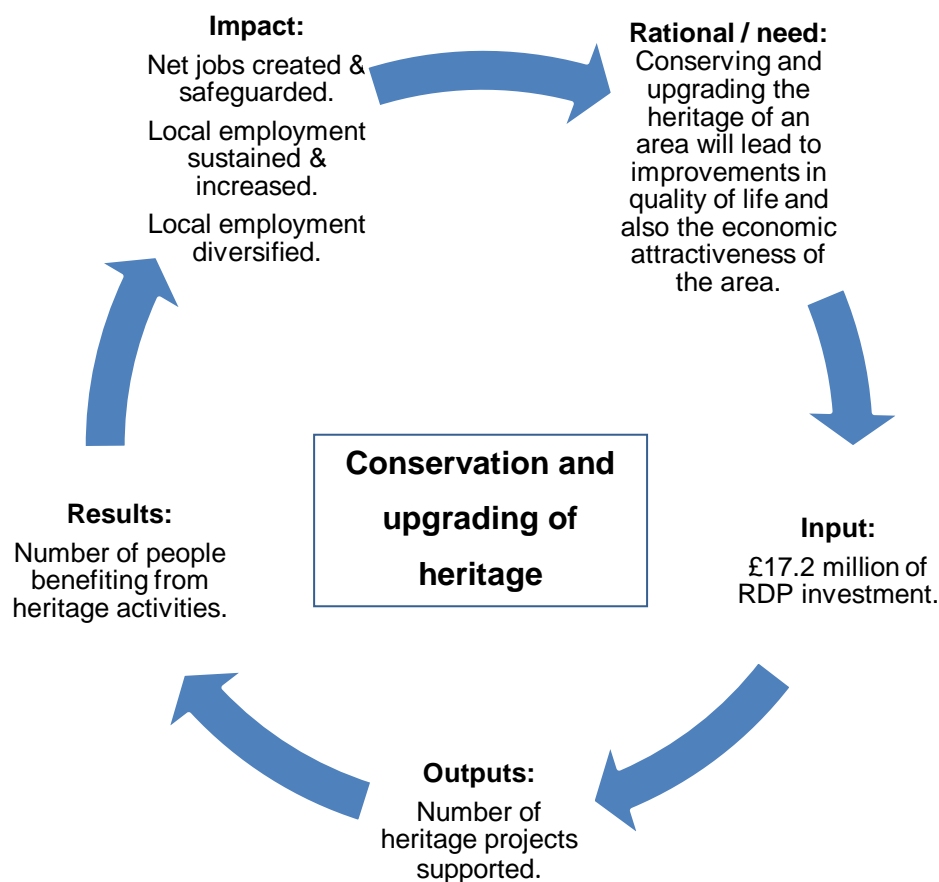
Counties	Number of new services & facilities available to the rural population	Number of existing services & facilities sustained
Anglesey	7	0
Bridgend	0	0
Caerphilly	21	31
Carmarthenshire	0	0
Ceredigion	0	0
Conwy	1	1
Denbighshire	67	0
Flintshire	0	5
Merthyr Tydfil	4	0
Monmouthshire	0	0
Powys	10	3
Swansea	60	2
Vale of Glamorgan	9	26
Wrexham	0	0
<i>Wales</i>	<i>179</i>	<i>68</i>

2.5. Measure 323: Conservation and upgrading on the heritage of rural areas

2.5.1. Rationale / Need

The rationale for this measure is that conserving and upgrading the heritage of an area will lead to improvements in quality of life, and also the economic attractiveness, of an area. The measure covers both the ‘natural heritage’ and ‘cultural heritage’ of rural areas.

Figure 2.13: Illustration of a basic logic map for Measure 321



2.5.2. Input

The total investment (RDP funding plus match funding) in Measure 323 is £17,212,544 (including Business Plan 2 commitments). Forty one projects have been funded / undertaken under Measure 323, 29 in Business Plan 1 and 12 during Business Plan 2. This measure has been implemented in 15 of the 18 RDP areas. The coverage is slightly different and less during the Business Plan 2 (nine areas compared to 10) period as shown in table 2.35.

Table 2.35: Areas where Measure 323 projects have been active; Business Plan 1 and Business Plan 2

Business Plan 1	Business Plan 2
Anglesey	Anglesey
Bridgend	Bridgend
Caerphilly	Carmarthenshire
Carmarthenshire	Ceredigion
Ceredigion	Conwy
Conwy	Merthyr Tydfil
Flintshire	Monmouthshire
Merthyr Tydfil	Neath Port-Talbot
Monmouthshire	Swansea
Neath Port-Talbot	Torfaen
Pembrokeshire	Vale of Glamorgan
Torfaen	Wrexham
Vale of Glamorgan	
Wrexham	

2.5.3. Key outputs & results

Financially, in terms of total cost, the largest project during Business Plan 1 was the £2.1 million *Tywi Afon Yr Oesoedd* project in Carmarthen. The smallest projects created a recreational area linked to a riverside (Bangor Willows Riverside Walk, £43k) and a series of circular footpaths, a pond, viewing platform, picnic areas and interpretation panels (Plas Power Environmental Improvements, £45k), both in Wrexham.

For Business Plan 2, the largest project financially is the £1.4 million Conserving & Upgrading the Rural Heritage project in Neath Port Talbot. The smallest project is on Anglesey - Môn a Natur - the aim of which is to maintain and enhance the natural and visitor quality of five popular existing village nature reserves and heritage sites on Anglesey, and to develop new such sites on the island.

Table 2.36 shows the categories identified for the rural heritage projects. The most common activity undertaken was the engagement of local community and capacity building activities, which indicates of the focus on that within the measure.

Table 2.36: Activities undertaken by projects funded by Measure 323

Project Activities	Number	%*
Engaging the local community and capacity building	26	63%
Natural environmental enhancement / rural heritage work including access to those things	25	61%
Developing the local tourism sector / provision of tourism services	25	61%
Developing or improving the infrastructure and/or specific facilities in rural areas (physical works and improvements)	21	51%
Providing additional / better services to the local community	8	20%
Physical improvements to villages or towns (e.g. Streetscape improvements)	8	20%
Activities specifically targeted at addressing Welsh language issues / promotion of the language	6	15%
Developing the local arts & crafts sector	6	15%
Undertaking or funding research / feasibility studies	5	12%
Supporting events and festivals	5	12%
Undertaking / funding a marketing campaign	5	12%
Supporting WG priority sector businesses: TOURISM	4	10%
Activities targeted specifically at young people	2	5%
Building relationships between local businesses / business networks	2	5%
Providing financial support to existing businesses	2	5%
Providing support to set up or develop social enterprises	1	2%
Supporting WG priority sector businesses: FOOD & FARMING	1	2%
Supporting WG priority sector businesses: CREATIVE INDUSTRIES	1	2%
Providing advice to existing businesses	1	2%

Source: Analysis of Welsh Government data. * Percentage of project within the measure.

It is interesting to note that 61 per cent of projects were undertaking tourism-related activities, suggesting a substantial link between activities undertaken under this measure and that sector. Similarly, the proportion of activities relating to improving infrastructure and providing additional / better services demonstrated an overlap with activities supported under Measure 321 (basic services).

Table 2.37 illustrates the distribution of Measure 323 funding amongst the areas. Again, it illustrates the differing level of expenditure in the different areas, ranging from £3.3 million (19 per cent of the total expenditure) in Carmarthenshire, to zero in some areas. The table also shows average expenditure per person across eligible areas, with an average of £17. The general trend is areas with higher levels of expenditure having a higher average spend per person, although there are exceptions – for instance Carmarthenshire has the highest expenditure, but only the sixth highest spend per person.

Table 2.37: Measure 323 (rural heritage) total expenditure per area

	Total expenditure	Proportion of expenditure
Anglesey	506,350	3
Bridgend	652,641	4
Caerphilly	315,290	2
Carmarthenshire	3,278,900	19
Ceredigion	1,129,028	7
Conwy	1,255,432	7
Denbighshire	0	0
Flintshire	563,832	3
Gwynedd	0	0
Merthyr Tydfil	1,234,874	7
Monmouthshire	1,196,795	7
Neath Port Talbot	2,188,599	13
Pembrokeshire	428,465	2
Powys	0	0
Swansea	906,693	5
Torfaen	1,720,272	10
Vale of Glamorgan	704,410	4
Wrexham	1,130,963	7
<i>Wales</i>	<i>17,212,544</i>	<i>100.0</i>

Source: Analysis of Welsh Government data

Table 2.38 on page 52 shows the number of projects relating to the conservation and upgrading of local heritage that were financially supported. The percentage split as a proportion of the total is shown in Figure 2.14 on page 53. There is a split geographically, with the two-thirds of projects being in Conwy and Neath Port Talbot.

Table 2.39 on page 53 illustrates the number of new facilities available to the rural population, together with the number of individuals accessing services and facilities. These compare with much lower figures in other areas and suggest different scopes for projects, with some being aimed at a wider population, as opposed to those with a much tighter focus where there is a more limited target group.

Two existing services and facilities were reported to have been sustained across the programme (in Wrexham and Ceredigion) compared with 117 new services and facilities being created. This follows the trends across the measures and suggests a gap in existing provision before the implementation of this programme although there was no evidence of this in the wider fieldwork undertaken. The table highlights some gaps in the reporting data – e.g. Conwy reported 199 projects financially supported, but no data on new services and facilities is available. It raises questions as to the allocation of KPIs for this measure, something which is reflected across the programme.

Table 2.38: Number of projects financially supported per area

	Number of projects in support of maintaining, restoring or upgrading the rural heritage financially supported
Anglesey	4
Bridgend	16
Caerphilly	0
Carmarthenshire	38
Ceredigion	5
Conwy	199
Flintshire	43
Merthyr Tydfil	1
Monmouthshire	4
Neath Port Talbot	83
Pembrokeshire	9
Swansea	6
Torfaen	1
Vale of Glamorgan	1
Wrexham	15
<i>Wales</i>	<i>425</i>

Figure 2.14: Projects financially supported as a percentage of the total

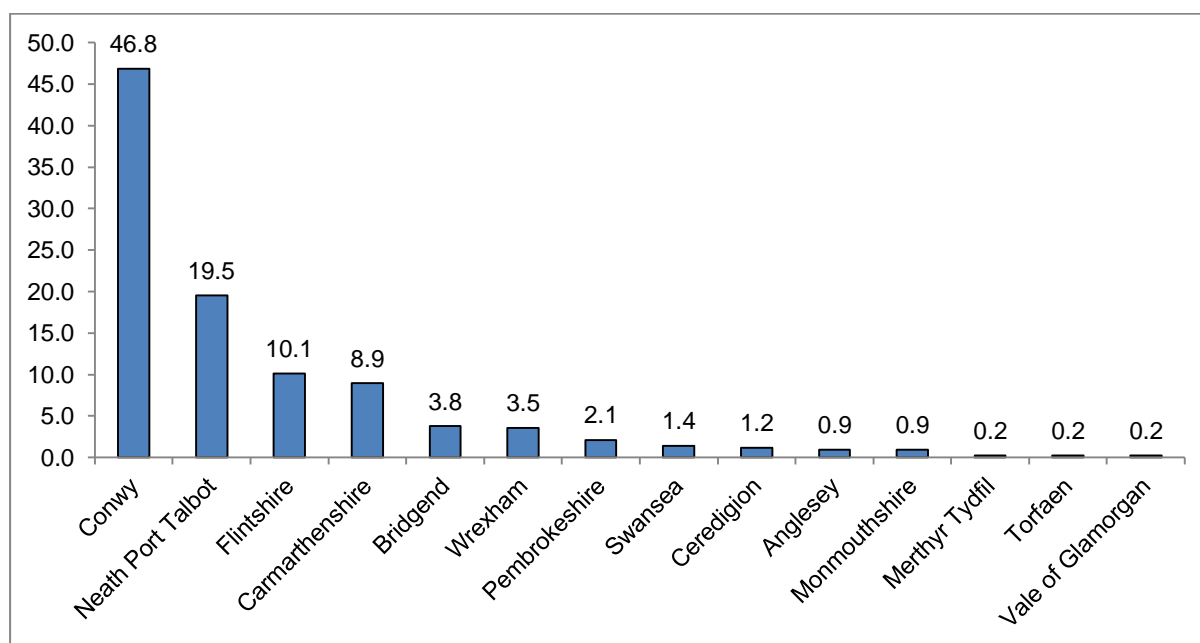


Table 2.39: New services and facilities available and number of individuals accessing services and facilities

	Number of new services & facilities available to the rural population	Number of individuals accessing services & facilities
Anglesey	0	7,000
Bridgend	31	0
Caerphilly	0	0
Carmarthenshire	4	250
Ceredigion	12	180
Conwy	0	49
Flintshire	10	0
Merthyr Tydfil	0	0
Monmouthshire	5	150
Neath Port Talbot	30	0
Pembrokeshire	0	10
Swansea	22	2
Torfaen	0	7,086
Vale of Glamorgan	1	6,193
Wrexham	2	0
<i>Wales</i>	<i>117</i>	<i>20,920</i>

Table 2.40 on page 54 shows the number of new products or services launched in each area, showing the concentration of these within Neath Port Talbot. The nature of the products and services and the scale and scope of these are not provided.

Table 2.40: Number of new products or services launched per area

	Number of new products or services launched
Anglesey	1
Bridgend	0
Caerphilly	2
Carmarthenshire	0
Ceredigion	1
Conwy	0
Flintshire	12
Merthyr Tydfil	0
Monmouthshire	0
Neath Port Talbot	70
Pembrokeshire	0
Swansea	1
Torfaen	4
Vale of Glamorgan	0
Wrexham	0
<i>Wales</i>	<i>91</i>

2.6. Measure 331: Training and information for economic actors operating in the fields covered by Axis 3

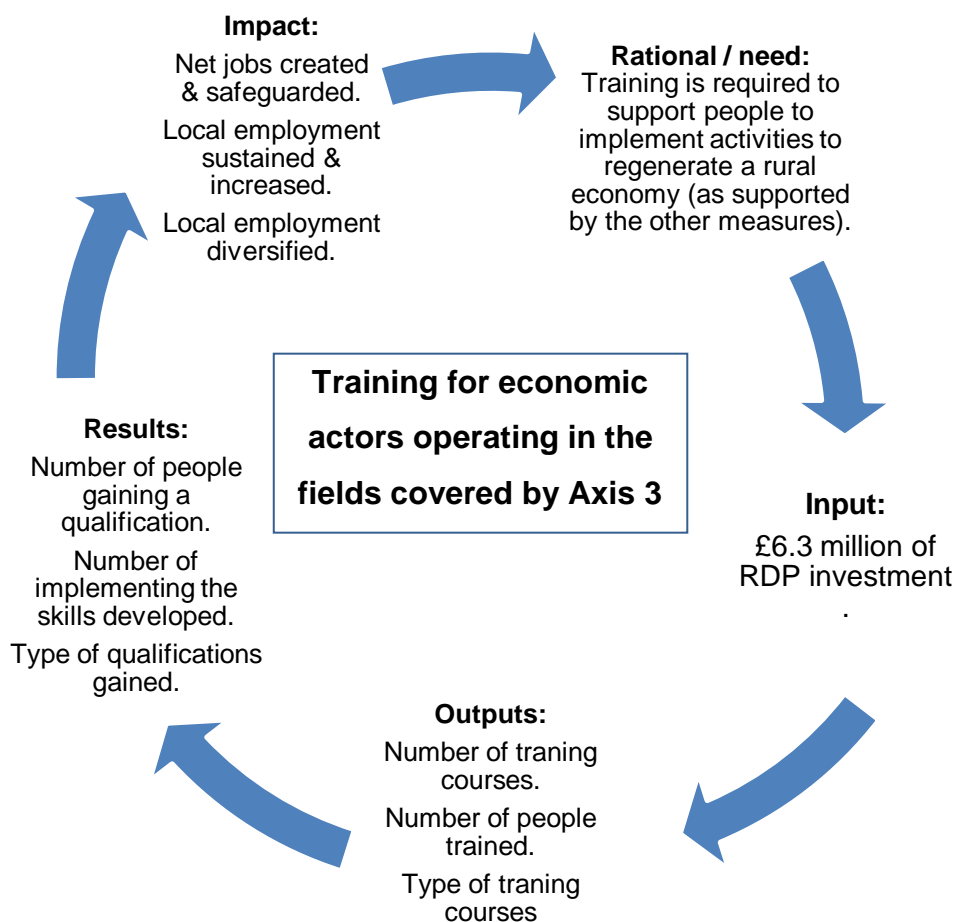
2.6.1. Need / Rationale

The CMEF describes how development of micro-enterprises, encouragement of the tourism sector, the provision of services, the negative trend of economic and social decline that rural communities are facing could be reversed. However, a successful implementation of these measures also requires training in rural areas.

This measure does not include the courses which form part of normal education programmes, or systems at secondary, or higher levels. Examples of potential supported training activities given are: training in ICT skills; training / coaching of starters of a micro-business in a rural area; training young people in traditional rural

skills to tap into tourism demand, recreation, environmental services and quality products; and management training for farmers diversifying into non-agri activities.

Figure 2.15: Illustration of a basic logic map for Measure 331



2.6.2. Input

The total investment (RDP funding plus match funding) in Measure 323 is £6,335,364 (included Business Plan 2 commitments). Twenty-six projects have been funded, however two of those projects are not actually 'projects' and represent only the training of projects funded under other measures. This reduces the number to 24; 21 of which funded in the Business Plan 1 period and three in Business Plan 2.

This measure has been implemented in 10 of the 18 RDP areas, although the coverage is much less for the Business Plan 2 period.

Table 2.41: The areas where Measure 331 projects have been active; Business Plan 1 and Business Plan 2

Business Plan 1	Business Plan 2
Bridgend	
Carmarthenshire	
Ceredigion	
Conwy	Caerphilly
Denbighshire	Carmarthenshire
Flintshire	Monmouthshire
Gwynedd	
Monmouthshire	
Pembrokeshire	

When looking at the total cost, the largest project during the Business Plan 1 was Llwyddo'n Lleol in Gwynedd (£760k); a project designed to “wake the enterprising spirit” via a series of workshop sessions. The smallest projects were a training and support package for Axis 3 and 4 projects in Monmouthshire (£38k) and the provision of Welsh lessons in Conwy (£40k). For Business Plan 2, the largest of the three projects financially is the £838k Developing Skills in Rural Caerphilly project which includes training for play workers / childcare staff, together with a broader training support fund. The smallest project is in Monmouthshire and is designed to support the implementation of training needs identified by the portfolio of Axis 3 projects within the county.

2.6.3. Key outputs & results

The categorisation of activities shows the most common activities are engaging with the local community and capacity building; a popular activity under a number of measures. But within this, a diverse mix of activity is taking place.

Table 2.42: Activities undertaken by projects funded by Measure 331

Project Activities	Number	%*
Engaging the local community and capacity building	9	38%
Providing support to businesses / those seeking to start a business	7	29%
Activities targeted specifically at young people	6	25%
Support specifically to help people get back to work support / tackling economic inactivity	4	17%
ICT related activities	4	17%
Activities specifically targeted at addressing Welsh language issues / promotion of the language	3	13%
Natural environmental enhancement / rural heritage work including access to those things	3	13%
Developing the local arts & crafts sector	3	13%
Developing the local tourism sector / provision of tourism services	3	13%
Supporting WG priority sector businesses: TOURISM	3	13%
Supporting WG priority sector businesses: CREATIVE INDUSTRIES	2	8%
Providing advice to those considering starting a businesses	2	8%
Specific support for the provision of childcare	1	4%
Supporting events and festivals	1	4%
Developing or improving the infrastructure and/or specific facilities in rural areas (physical works and improvements)	1	4%
Providing support to set up or develop social enterprises	1	4%
Provision of a bursary fund	1	4%
Supporting WG priority sector businesses: FOOD & FARMING	1	4%
Supporting WG priority sector businesses: ICT	1	4%
Providing financial support to those considering starting a businesses	1	4%

Source: Analysis of Welsh Government data. * Percentage of project within the measure.

Table 2.43 on page 58 illustrates the distribution of Measure 313 funding amongst the areas. The level of expenditure ranges from £1.2 million (20 per cent of the total expenditure) in Conwy to £133,000 in Ceredigion.

Table 2.43: Measure 331 (training and information) total expenditure per area

	Total expenditure £	Proportion of expenditure
Anglesey	0	0
Bridgend	378,448	6
Caerphilly	838,474	13
Carmarthenshire	1,008,006	16
Ceredigion	132,869	2
Conwy	1,251,309	20
Denbighshire	401,341	6
Flintshire	194,698	3
Gwynedd	699,723	11
Merthyr Tydfil	0	0
Monmouthshire	188,409	3
Neath Port Talbot	0	0
Pembrokeshire	1,042,279	17
Powys	0	0
Swansea	0	0
Torfaen	0	0
Vale of Glamorgan	0	0
Wrexham	199,808	3
<i>Wales</i>	<i>6,335,364</i>	<i>100</i>

Source: Analysis of Welsh Government data

Table 2.44 on page 59 shows the key outputs for this measure, with over 9,000 individuals being trained. The majority of these individuals were located in Pembrokeshire, Conwy, Gwynedd, and Denbighshire (over half within Pembrokeshire and Conwy alone). This is reflected in the distribution of training courses held, with 57 per cent being held in Pembrokeshire and Conwy, and clusters elsewhere in Bridgend, Denbighshire, and Gwynedd.

Table 2.44: Number of training courses and individuals trained per area

	Number of individuals trained	Number of training courses held
Bridgend	134	273
Caerphilly	281	60
Carmarthenshire	344	54
Ceredigion	249	19
Conwy	2,053	491
Denbighshire	1,014	200
Flintshire	271	0
Gwynedd	1,123	114
Monmouthshire	525	44
Pembrokeshire	3,054	529
Wrexham	29	2
<i>Wales</i>	<i>9,077</i>	<i>1,786</i>

These training courses were split into four different categories, where data for Business Plan 1 provided the proportion of individuals trained for each category:

- Management, administrative (book keeping) and marketing skills (3 per cent);
- ICT Training (12 per cent);
- Maintenance and enhancement of the landscape and protection of the environment (2 per cent); and
- Other (83 per cent) – not broken down by category.

Without more information on the ‘other’ category it is difficult to understand in detail the nature of the training. However, the above suggests that training may have been bespoke and tailored towards particular local needs, therefore not necessarily fitting the categories above and there is evidence in support of this within the primary fieldwork undertaken including beneficiaries’ responses when describing the training in which they participated and the interviews with project managers. A number of the projects supported are designed to (a) identify training needs and (b) address those needs.

Table 2.45 on page 60 illustrates the variance across the local authority areas of individuals gaining qualifications. Pembrokeshire and Conwy between them have produced 75 per cent of the total number of people gaining qualifications (they also had the highest number of courses). Together with Ceredigion and Caerphilly, these

areas produced the highest number of individuals implementing their skills, where no formal qualification was developed. This is an important result, but is one which could be difficult to measure effectively, as opposed to a 'harder' measure such as qualifications gained. Therefore the results as shown here may not tell the whole story, as the below reports only those 'known' to have implemented the skills they have developed. A similar trend persists for all of the indicators, which only provide a snapshot of information. The table also indicates the amount spent per qualification achieved or individual implementing new skills. These figures suggest that the areas achieving the highest numbers of qualifications and up-skilled individuals also spent the least per output achieved.

Table 2.45: Qualifications gained and implemented skills developed, per area

	Number of individuals gaining a qualification	Number of individuals implementing skills developed (no formal qualification was achieved)	Cost per qualification or individual implementing skills developed £
Bridgend	23	0	16,454.26
Caerphilly	24	271	2,842.28
Carmarthenshire	11	110	8,330.63
Ceredigion	3	278	472.84
Conwy	1,463	303	708.56
Denbighshire	758	99	468.31
Flintshire	0	63	3,090.44
Gwynedd	0	159	4,400.77
Monmouthshire	68	213	670.50
Pembrokeshire	1,311	427	599.70
Wrexham	0	27	7,400.31
<i>Wales</i>	<i>3,661</i>	<i>1,950</i>	<i>1,129.10</i>

Target data for Measure 331 allows us to determine the overall performance per area in relation to the results. These are shown in Table 2.46 and Table 2.47 on page 61 for Business Plan 1. In terms of gaining a qualification, there was variance, with Conwy and Denbighshire exceeding targets compared with lower achievement levels in Bridgend, Ceredigion, and Monmouthshire.

For the other key result (individuals implementing their skills from the training) there was again divergence between the areas, with Ceredigion, Monmouthshire and Wrexham exceeding the target, and the other areas not meeting targets. Some of this may be due to reporting gaps, but also possibly due to the difficulty in recording where individuals are implementing their skills.

Table 2.46: Performance relative to the target in the number of individuals gaining a qualification

	Target	Achieved	% achieved
Bridgend	50	23	46
Carmarthenshire	0	0	-
Ceredigion	30	3	10
Conwy	1,363	1,463	107
Denbighshire	720	727	101
Flintshire	0	0	-
Gwynedd	0	0	-
Monmouthshire	245	56	23
Pembrokeshire	1,329	1,311	99
Wrexham	0	0	-
<i>Wales</i>	3,727	3,583	96

Table 2.47: Performance relative to the target in the number of individuals implementing the skills developed during training, where no formal qualification was achieved

	Target	Achieved	% achieved
Bridgend	270	0	0
Carmarthenshire	120	32	27
Ceredigion	140	278	199
Conwy	866	297	34
Denbighshire	532	130	24
Flintshire	200	63	31
Gwynedd	490	159	32
Monmouthshire	36	213	592
Pembrokeshire	704	427	61
Wrexham	25	27	108
<i>Wales</i>	3,383	1,626	48

There are also other ways to understand performance. This is shown in Table 2.48 which shows the proportion of participants gaining qualifications. This is not repeated for those implementing skills they have learned due to the difficulty in recording this and so the data may underestimate the total. Performance varies across the local authority areas although the training courses targets differ, with some areas focusing upon qualifications, some in implementing new skills, and others a mix of the two.

Table 2.48: Conversion percentage from the number of individuals trained to those gaining a qualification

	% of individuals trained who gain a qualification
Bridgend	17
Caerphilly	8
Carmarthenshire	3
Ceredigion	1
Conwy	71
Denbighshire	75
Flintshire	0
Gwynedd	0
Monmouthshire	13
Pembrokeshire	43
Wrexham	0
<i>Wales</i>	<i>40</i>

3. Detailed analysis of project activities and monitoring data: **Axis 4**

This chapter discusses the findings of an analysis of the monitoring data collected by the Lead Bodies and provided to the Welsh Government in relation to the implementation of Axis 4 funded projects.

Key findings

- Activities and expenditure again varies considerably between different areas. This also leads to substantial variances in terms of the results that have been recorded in different areas.
- A wide range of activities have been undertaken but more than half of the projects were categorised as undertaking business support activities.

It is important to be aware that the following discussion makes reference to Axis 3 Measures, as the key outputs and results reported by the Axis 4 projects are recorded against Axis 3 performance indicators.

3.1. Categorisation of activities

With the assistance of the Lead Bodies, the activities of Axis 4 projects were categorised.

Table 3.1: Categorisation of activities undertaken by projects funded by Axis 4

Project Activities	Number	% of projects
Providing support to businesses / those seeking to start a business	61	51%
Engaging the local community and capacity building	56	47%
Natural environmental enhancement / rural heritage work including access to those things	38	32%
Developing the local tourism sector / provision of tourism services	38	32%
Undertaking or funding research / feasibility studies	37	31%
Supporting WG priority sector businesses: FOOD & FARMING	32	27%
Providing additional / better services to the local community	30	25%
Supporting WG priority sector businesses: TOURISM	28	23%
Undertaking / funding a marketing campaign	23	19%
Providing advice to existing businesses	21	18%
Providing advice to those considering starting a businesses	19	16%

Project Activities	Number	% of projects
Activities targeted specifically at young people	18	15%
Renewable energy and energy conservation related activities	18	15%
Building relationships between local businesses / business networks	18	15%
Supporting events and festivals	17	14%
Developing the local arts & crafts sector	17	14%
Providing financial support to existing businesses	17	14%
Providing financial support to those considering starting a businesses	13	11%
Developing or improving the infrastructure and/or specific facilities in rural areas (physical works and improvements)	11	9%
Providing support to set up or develop social enterprises	11	9%
ICT related activities	8	7%
Physical improvements to villages or towns (e.g. Streetscape improvements)	8	7%
Provision of training to individuals	7	6%
Provision of a bursary fund	7	6%
Supporting WG priority sector businesses: CREATIVE INDUSTRIES	6	5%
Support specifically to help people get back to work support / tackling economic inactivity	5	4%
Activities specifically targeted at addressing Welsh language issues / promotion of the language	4	3%
Supporting WG priority sector businesses: ENERGY & ENVIRONMENT	4	3%
Specific support for the provision of childcare	3	3%
Improving local transport including community transport, bus services, etc.	3	3%
Providing support for woodland based / forestry businesses	3	3%
Activities specifically targeted at BME groups	2	2%
Supporting WG priority sector businesses: FINANCIAL & PROFESSIONAL SERVICES	2	2%
Supporting WG priority sector businesses: ICT	2	2%
Specific support to improve the health of people in rural areas	1	1%
Activities specifically targeted at older people (50 plus)	1	1%
Improving access to health & care services	1	1%
Supporting WG priority sector businesses: CONSTRUCTION	1	1%
Supporting WG priority sector businesses: LIFE SCIENCES	1	1%

3.2. Key outputs and results

3.2.1. Measure 311: Diversify farm businesses into non-agricultural activities

Table 3.2 on page 66 shows that advisory services were in the main, focused in Powys and Torfaen. However the nature and quality of this support cannot be accounted for here. Perhaps the more pertinent measure is the number of household members financially supported to diversify into non-agricultural activities. Here the outputs are much lower with these, and are concentrated in Flintshire and Torfaen.

In terms of results data, this is limited to three jobs created (one in Powys and two in Torfaen) and six jobs safeguarded (two in Powys and four in Torfaen). In Torfaen there were also non-agricultural services and products launched and six new markets accessed. This would represent considerable value for money when accounting for the limited investment within Torfaen.

It should be noted at this point that for Measure 311, five of the eight local authority areas are incorporated into Business Plan 2 only, and so the below may not fully take into account the outputs and outcomes of Business Plan 2 activity that is still ongoing or has recently come to an end, and the substantial time lag between that and reporting monitoring data.

According to data from the Welsh Government, there are approximately 45,000 farming household members across Wales. The programme's coverage across Axis 4 therefore accounts for around 0.5 per cent of the total.

Table 3.2: Number of farming households advised and financially supported

	Farming household members advised or supported	Number of farming household members financially supported to diversify into non-agricultural activities
Bridgend	1	0
Caerphilly	7	0
Flintshire	5	7
Gwynedd	19	0
Merthyr Tydfil	2	0
Neath Port Talbot	13	0
Powys	106	1
Torfaen	53	5
<i>Wales</i>	<i>206</i>	<i>13</i>

3.2.2. Measure 312: Grow and sustain micro-enterprises and create new micro-enterprises

Table 3.3 on page 67 highlights the number of micro-enterprises that have been financially supported by Axis 4 projects reporting under Measure 312. There is an important differentiation between the raw *number* of businesses being assisted and the *nature* and *value* of financial assistance, which cannot be determined by assessing statistics alone.

The table shows the breakdown by assistance and advice. Those who were provided with highest propensity of advice or assistance also received the highest proportion of financial support, apart from The Vale of Glamorgan. In Monmouthshire, Neath Port Talbot and Wrexham there was a focus upon advice/assistance rather than financial support.

Table 3.3: Number of micro enterprises ‘financially supported’ and ‘advised or assisted’ per Local Authority area

	Number of micro enterprises financially supported	Number of micro enterprises advised or assisted
Anglesey	75	85
Bridgend	1	1
Caerphilly	0	28
Carmarthenshire	0	14
Ceredigion	0	0
Conwy	2	37
Denbighshire	0	0
Flintshire	0	0
Gwynedd	0	95
Merthyr Tydfil	7	
Monmouthshire	8	82
Neath Port Talbot	0	86
Pembrokeshire	0	0
Powys	66	111
Swansea	1	16
Torfaen	10	30
Vale of Glamorgan	56	0
Wrexham	2	287
<i>Wales</i>	<i>228</i>	<i>872</i>

In addition to supporting existing business in their operations and development, there is a major emphasis in creating new businesses through this measure. Table 3.4 on page 68 shows the number of new businesses per area as a result of intervention. These are concentrated in just a few areas, with Anglesey creating 54 per cent of these, and Neath Port Talbot 25 per cent. The rest are within Torfaen and Carmarthenshire.

What this does not show is the nature of the businesses created by industry or whether the businesses are/have been sustainable, nor the value of the businesses in terms of contribution to the wider economy.

Table 3.4: Number of micro-enterprises created per area

	Number of micro enterprises created
Anglesey	20
Bridgend	0
Caerphilly	0
Carmarthenshire	2
Ceredigion	0
Conwy	0
Denbighshire	0
Flintshire	0
Gwynedd	0
Merthyr Tydfil	0
Monmouthshire	0
Neath Port Talbot	9
Pembrokeshire	0
Powys	0
Swansea	0
Torfaen	4
Vale of Glamorgan	2
Wrexham	0
<i>Wales</i>	<i>37</i>

Table 3.5 on page 69 highlights the spatial differentiation by area, again with the outputs being concentrated within just a few places. Only five new markets have been reported to have been accessed, these being in Monmouthshire (four) and Conwy.

Table 3.5: New products and services and new markets accessed per area

	Number of new products and services launched	Number of new markets accessed
Anglesey	0	0
Bridgend	0	0
Caerphilly	0	0
Carmarthenshire	0	0
Ceredigion	0	0
Conwy	1	1
Denbighshire	0	0
Flintshire	0	0
Gwynedd	0	0
Merthyr Tydfil	0	0
Monmouthshire	7	4
Neath Port Talbot	0	0
Pembrokeshire	0	0
Powys	22	0
Swansea	0	0
Torfaen	12	0
Vale of Glamorgan	0	0
Wrexham	0	0
<i>Wales</i>	<i>42</i>	<i>5</i>

The effects of business support and creation results in new jobs and safeguarding employment. Axis 4 activities coded to Measure 312 have created and safeguarded nearly all jobs in Axis 4, more than any other due to the overriding focus on enterprise development (91 per cent of jobs up to December 2012). Table 3.6 on page 70 shows the distribution of these by area. Anglesey received the most funding for this measure in Business Plan 1 and it is responsible for the majority of jobs created in 312 (56 per cent). As stated in the Axis 3 analysis, in terms of the sustainability of the jobs created and safeguarded, this is not measurable here and it is only by surveying beneficiaries in the future (beyond 2014) that this can be determined in detail.

Table 3.6: Jobs created and safeguarded per area

	Gross number of jobs created	Gross number of jobs safeguarded
Anglesey	45	0
Bridgend	0	0
Caerphilly	0	0
Carmarthenshire	0	2
Ceredigion	0	0
Conwy	0	0
Denbighshire	0	0
Flintshire	0	0
Gwynedd	0	0
Merthyr Tydfil	0	0
Monmouthshire	0	0
Neath Port Talbot	19	0
Pembrokeshire	0	9
Powys	1	0
Swansea	0	0
Torfaen	3	0
Vale of Glamorgan	12	4
Wrexham	0	2
<i>Wales</i>	<i>79</i>	<i>17</i>

It is important to understand how the support to existing enterprises, individuals and groups translates into the creation or safeguarding of jobs. This is presented in Table 3.7 on page 71 showing the number of jobs safeguarded and created for each enterprise, individual or group that has been financially supported.

On average across the areas, just 0.3 jobs are created or safeguarded for each instance of financial assistance. It should be noted that some of the local authority areas with lower ratios are within Business Plan 2, and the lag between achievement of outputs and recording these may be a factor.

When using the same calculation for assessing the number of jobs safeguarded or created for each group, enterprise or individual advised or assisted, the data highlights the lower conversion levels. This is due to the more widespread general advice or assistance, where some is more focused than others (e.g. one-to-one

support as opposed to seminars). Where financial support is provided, it would be expected that there is a higher propensity of jobs created or safeguarded as a result. The lower levels of conversions from assistance to jobs created and safeguarded, reflects the lower than target achievement rates across the programme area for Business Plan 1. Axis 3 figures are in general higher (at over one job per each case of financial assistance), although it did not meet its target, the job creation and safeguarding achievements were substantially higher.

Table 3.7: The conversion of financial support and advice or assistance into jobs being safeguarded or created

	Number of jobs safeguarded or created for each enterprise, group or individual financially supported	Number of jobs safeguarded or created for each enterprise, group or individual advised or assisted
Anglesey	0.5	0.4
Bridgend	0.0	0.0
Caerphilly	0.0	0.0
Carmarthenshire	0.0	0.0
Ceredigion	0.0	0.0
Conwy	0.2	0.0
Denbighshire	0.0	0.0
Flintshire	0.0	0.0
Gwynedd	0.0	0.0
Merthyr Tydfil	0.0	0.0
Monmouthshire	0.0	0.0
Neath Port Talbot	0.0	0.2
Pembrokeshire	0.0	0.0
Powys	0.0	0.0
Swansea	0.0	0.0
Torfaen	1	0.2
Vale of Glamorgan	0.1	0.2
Wrexham	0.0	0.0
<i>Wales</i>	<i>0.3</i>	<i>0.1</i>

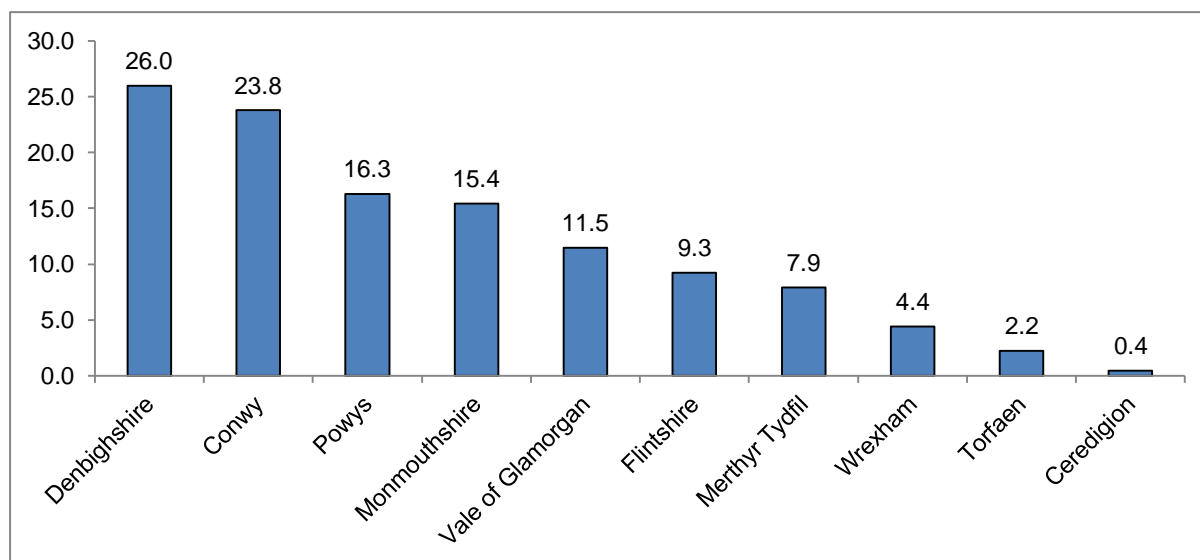
3.2.3. Measure 313 activities: Encourage tourism activities

Table 3.8 illustrates the total number of Axis 4 projects reporting under Measure 313 financially supported, with the proportion of these shown in Figure 3.1 on page 73. Four areas constitute four-fifths of the total.

Table 3.8: Total number of projects financially supported per area

	Total number of projects financially supported
Anglesey	0
Bridgend	0
Caerphilly	0
Carmarthenshire	0
Ceredigion	1
Conwy	54
Denbighshire	59
Flintshire	21
Gwynedd	0
Merthyr Tydfil	18
Monmouthshire	35
Neath Port Talbot	0
Pembrokeshire	0
Powys	37
Swansea	0
Torfaen	5
Vale of Glamorgan	26
Wrexham	10
<i>Wales</i>	<i>227</i>

Figure 3.1: Projects financially supported as a percentage of the total, by local authority area



Data is also available for this measure on the split of projects supported between: small scale tourism infrastructure projects; local recreational infrastructure projects; and projects to develop and/or market a rural tourism product or service.

The breakdown of these categories by area is shown in Table 3.9 on page 74 which shows the highest proportion of projects financially supported were in developing and/or marketing a rural tourism products/service. This varies by area as indicated in the table, with the grey shading indicating where there is particular focus by local authority area. This trend highlights that the focus in this measure has been on a 'business support' focused approach. Only two jobs have been created for this measure, both in Torfaen, and just 0.5 of a job safeguarded.

Table 3.9: Projects financially supported split by characteristics of the project

	% of financially supported projects by area that were small scale tourism infrastructure	% of financially supported projects by area that were recreational infrastructure projects	% of financially supported projects by area that were to develop and/or market a rural tourism product	Total number of projects supported
Anglesey	0	0	0	0
Bridgend	0	0	0	0
Caerphilly	0	0	0	0
Carmarthenshire	0	0	0	0
Ceredigion	0	0	100	1
Conwy	65	0	35	54
Denbighshire	86	14	0	59
Flintshire	43	58	0	21
Gwynedd	0	0	0	0
Merthyr Tydfil	0	22	78	18
Monmouthshire	0	0	100	35
Neath Port Talbot	0	0	0	0
Pembrokeshire	0	0	0	0
Powys	65	19	16	37
Swansea	0	0	0	0
Torfaen	80	0	20	5
Vale of Glamorgan	4	23	73	26
Wrexham	0	0	100	10
<i>Wales</i>	37	16	46	227

There are a number of other key related outcomes for this measure, including the number of new products or services launched and the number of new and improved processes introduced by a supported enterprise. Sixty-seven improved processes developed by supported enterprises were recorded, but 60 of these were recorded in Neath Port Talbot. In total, 271 new products or services have been reported, but the vast majority of these being concentrated in Caerphilly. Just eight new services or facilities for the rural population have been recorded, these all being in Wrexham.

Table 3.10: Number of new products or services launched and number of new or improved processes for supporting enterprises, per area

	Number of new products or services launched	Number of new or improved processes introduced by a supported enterprise
Caerphilly	220	0
Ceredigion	8	2
Monmouthshire	41	2
Neath Port Talbot	0	60
Torfaen	2	2
Wrexham	0	1
<i>Wales</i>	<i>271</i>	<i>67</i>

There are also a number of other related outputs. This includes the number of new enterprises created, totalling 16 and the number of new markets being accessed.

One of the most important outcomes from Measure 313 will be to increase levels of tourism which benefits the Welsh economy. Table 3.11 shows the additional number of tourists attracted to the region as a direct consequence of the programme's activities.

Caution needs to be applied to these figures as accounting for the additional number of tourists attracted to each area due to the activities of the projects is difficult, and the research was unable to establish whether some of the outputs have been overestimated or not.

Table 3.11: Additional numbers of tourists attracted to each area

	Additional number of tourists attracted to the region
Anglesey	68
Ceredigion	117
Gwynedd	431
Merthyr Tydfil	25
Monmouthshire	7,009
Neath Port Talbot	62,651
<i>Wales</i>	<i>70,301</i>

3.2.4. Measure 321: Basic Services

Table 3.12 shows the number of projects relating to measure 321 that were financially supported, and Figure 3.2 highlights the split in percentage terms. This does not capture the scale and nature of the projects being financially assisted and the outcomes they will achieve in the long term.

Table 3.12: Total number of projects financially supported per area

	Number of projects relating to basic services for the economy and the rural population financially supported
Bridgend	2
Carmarthenshire	13
Denbighshire	39
Merthyr Tydfil	12
Powys	2
Vale of Glamorgan	3
Wrexham	7
<i>Wales</i>	68

Figure 3.2: Projects financially supported as a percentage of the total, by local authority area

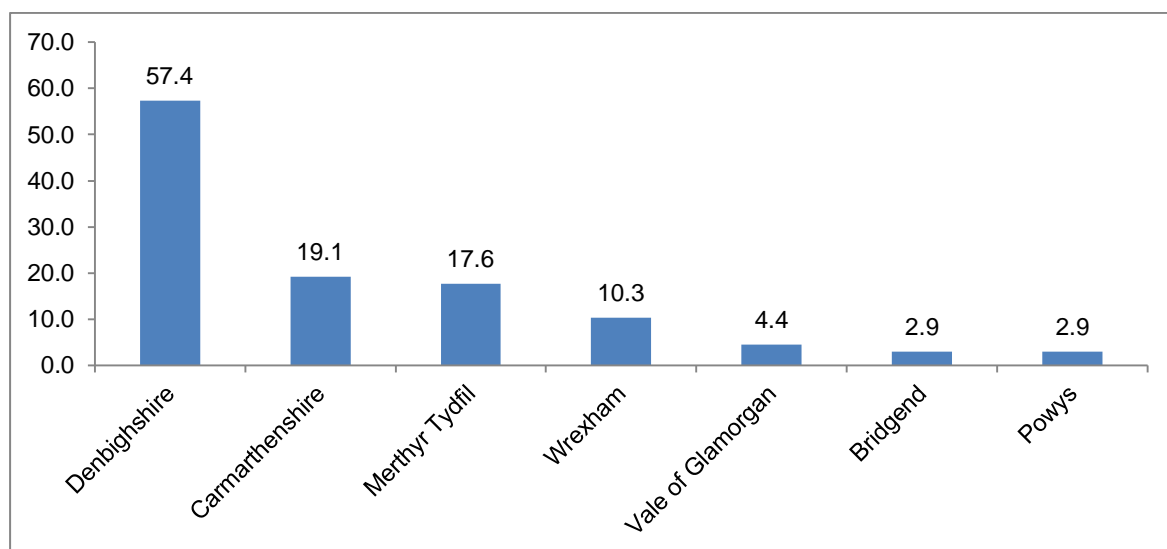


Table 3.13 shows the number of existing services and facilities sustained and created due to the activities of this measure. These figures are low across the board and focused in just a few areas. The new products and services being launched has been reported in just Bridgend and Wrexham. New services and facilities available to the population are concentrated in Carmarthenshire, Denbighshire, and Wrexham.

Table 3.13: Number of existing services and facilities sustained

	Number of new products or services launched	Number of new services & facilities available to the rural population
Bridgend	11	0
Carmarthenshire	0	11
Denbighshire	0	15
Merthyr Tydfil	0	0
Powys	0	0
Vale of Glamorgan	0	0
Wrexham	4	3
<i>Wales</i>	15	29

3.2.5. Measure 322: renew and develop villages in rural areas

Table 3.14 shows the number of projects related to this measure that have been financially supported, which was concentrated in Pembrokeshire and The Vale of Glamorgan. Apart from Pembrokeshire, the other areas financially supported are within Business Plan 2.

Table 3.14: Number of projects relating to village renewal and development financially supported, per area

	Number of projects relating to village renewal and development financially supported
Merthyr Tydfil	0
Pembrokeshire	35
Swansea	1
Vale of Glamorgan	27
<i>Wales</i>	63

Table 3.15 shows how many villages renewal projects have taken place in. This correlates strongly with Table 3.14 on page 77, with Pembrokeshire in particular (76.5 per cent), and to a lesser extent, The Vale of Glamorgan, having the highest number of villages where projects have taken place.

Table 3.15: number of villages where renewal projects have taken place

	Total number of villages	Number of villages supported as a % of the total
Merthyr Tydfil	6	4
Pembrokeshire	124	76
Swansea	5	3
Vale of Glamorgan	27	17

There is a lack of results data for this measure, only provided for Pembrokeshire, which reports that nearly 47,500 of the rural population will benefit from improved services. It also records that 14 new services and facilities have been created and 50 existing services and facilities have been sustained.

3.2.6. Measure 323: conservation and upgrading on the heritage of rural areas

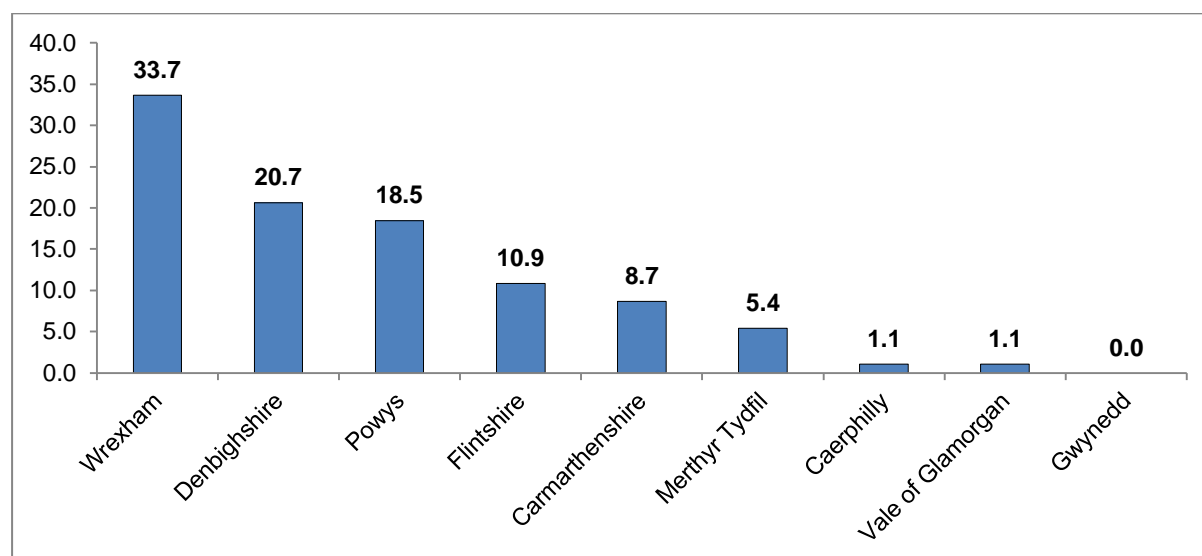
Table 3.16 on page 79 shows the number of projects relating to the conservation and upgrading of heritage that were supported. The percentage split as a proportion of the total is shown in Figure 3.3 on page 79. This table also shows the number of groups, individuals and enterprises assisted to develop rural heritage support projects.

Table 3.16: Number of projects financially supported per area, and the total of groups, individuals and enterprises advised or assisted

	Number of projects in support of maintaining, restoring or upgrading the rural heritage financially supported	Total number of enterprises, individuals and groups advised or assisted to develop projects in support of maintaining, restoring or upgrading the rural heritage
Carmarthenshire	8	0
Caerphilly	1	5
Denbighshire	19	12
Flintshire	10	22
Gwynedd	0	17
Merthyr Tydfil	5	0
Powys	17	24
Vale of Glamorgan	1	0
Wrexham	31	0
<i>Wales</i>	92	80

Result outcomes are not recorded apart from Wrexham, where 14 new products and services have been reported to have been launched. Other data may be recorded in future as Business Plan 2 comes to an end.

Figure 3.3: Projects financially supported as a percentage of the total



3.2.7. **Measure 331: training**

Table 3.17 shows the key outputs for Axis 4 reported under measure 331, with nearly 1,000 individuals trained. The majority of these individuals were located in Wrexham, Bridgend and Caerphilly. In Bridgend, in particular, the data would suggest an approach of larger and more intensive courses.

In Conwy, the individuals were trained via mentoring schemes, and there was a distinction between 62 training *days* reported and training *courses* held. In Denbighshire, like in Conwy, there is no data on the number of training courses held.

Table 3.17: Number of training courses and individuals trained per area

	Number of individuals trained	Number of training courses held
Bridgend	212	5
Caerphilly	200	24
Carmarthenshire	13	6
Ceredigion	8	32
Conwy	4	-
Denbighshire	49	-
Flintshire	112	138
Monmouthshire	33	5
Torfaen	74	12
Wrexham	280	44
<i>Wales</i>	986	323

Data showing the categories of courses being held is not readily available for Axis 4, or has not been recorded.

Table 3.18 on page 81 that individuals gained qualifications in only three areas - Caerphilly, Wrexham and Torfaen. Caerphilly and Wrexham also produced the highest number of individuals implementing their skills where no formal qualification was developed. Flintshire, despite having no qualifications gained, also produced a high number of individuals implementing their skills. As mentioned in the Axis 3 report, this is an important result but is one which could be difficult to measure effectively as opposed to a 'harder' measure, such as qualifications gained.

Table 3.18: Qualifications gained and implementing skills developed, per area

	Number of individuals gaining a qualification	Number of individuals implementing skills developed (no formal qualification was achieved)
Bridgend	0	81
Caerphilly	53	204
Carmarthenshire	0	0
Ceredigion	0	14
Conwy	0	0
Denbighshire	0	0
Flintshire	0	133
Monmouthshire	0	0
Torfaen	9	0
Wrexham	50	140
<i>Wales</i>	<i>112</i>	<i>572</i>

Table 3.19 on page 82 shows the proportion of participants gaining a qualification. This is not repeated for those implementing skills they have learned, due to the difficulty in recording this, and the data recorded may underestimate the total. As with Axis 3, it is worth recalling that the training courses targets will differ, with some areas focusing upon qualifications, some in implementing new skills, and others a mix of the two. The table shows that only 11 per cent of individuals gained a qualification across the three areas where qualifications were gained through training, with the highest ratio in Caerphilly. This compares with 40 per cent in Axis 3.

Table 3.19: Conversion percentage from the number of individuals trained to those gaining a qualification

	% of individuals trained who gain a qualification
Bridgend	0
Caerphilly	26
Carmarthenshire	0
Ceredigion	0
Conwy	0
Denbighshire	0
Flintshire	0
Monmouthshire	0
Torfaen	12
Wrexham	18
<i>Wales</i>	<i>11</i>

4. Project and beneficiary case studies

This chapter includes a number of case studies for projects funded by Axes 3 and 4 and beneficiaries supported by some of the projects. The case studies are taken from a variety of sources including interviews undertaken for this evaluation, reports produced at a Local Authority level and case studies provided by Lead Bodies to the Welsh Government as part of their reporting. A few case studies have also been included relating to beneficiaries of previous LEADER programmes in Wales in order to explore the longer term impact of the support provided to them.

4.1. Measure 311: farm diversification

4.1.1. Business support for Farm Diversification, Pembrokeshire

The evaluation of Business Plan 1 Axis 3 projects in Pembrokeshire⁸ included a review of the *Business support for Farm Diversification* project; a project which had advised or assisted 150 farming households to diversify into non-agricultural activities leading to 30 existing jobs being saved and 12 jobs being created.

Interviews were undertaken with seven beneficiaries of that support for the Pembrokeshire evaluation. All but one identified some kind of positive impact as a result of the support of the project including:

- *“It helped me market my holiday let, which increased business.”*
- *“It's a [software] package that can do everything, it makes my life easier”*
- *“I would not have been able to do the project without the grant.”*

Respondents were less certain of a positive impact when asked specifically about the impact *on their business* via questions about turnover, numbers employed and so on. One respondent made the point *“the support was specific to me as the book keeper, [but] it has had no real impact on the business as a whole”*. The likely reason for this is that this is support to diversify a farm enterprise and, as such, the main business of that enterprise is going to remain agricultural. The impact of the support being provided may therefore not be that substantial on the enterprise as a whole.

⁸ Wavehill, (2012) *Evaluation of the Pembrokeshire Advance Rural Development Plan: Axis 3 (Business Plan 1)*. A report for Pembrokeshire Advance

4.2. Measure 312: support for micro-enterprise

4.2.1. Gill Broad, Pembrokeshire

Gill is the owner of Clements Dale Cattery based in Pembrokeshire. The cattery is set within a secure garden setting located in the countryside of Narberth. She established her business in 2011 having been supported by the *Community Based Business Development for Micro Rural Enterprises* project. When asked about the support she received Gill said;

“It was brilliant, really fantastic, I'd had a dream of having a cattery for 25 years, I went along and they talked me through the whole process of running a business. I had a half day taster then a three day course, I also went to a talk from HMRC, I've done a couple of their meet and greet sessions - one on networking and one on customer service. [The project officer] came out and sorted me out on Facebook and Google maps and helped me with the best way to market the business - putting cards in the kind of shops I would never have thought of. They helped me with a solid business plan, told me the best way to do it all. Even after the business started when I started to do my accounts and wasn't sure what I was doing [the project officer] came out to help me.”

The business has shown a steady growth with turnover going from £8,000 in 2012, £15,000 in 2013 to a projected turnover of £20,000 in 2014, Gill believes this growth is due to the support she received.

4.3. Measure 313: Tourism development

4.3.1. Development and Promotion of the Evening Economy, Conwy

The evaluation of Business Plan 1 projects in Conwy included a review of the *Evening Economy project* which developed and promoted events to strengthen the evening economy in the area. Interviews were undertaken with 15 beneficiaries all of whom had hosted events provided via the project including music (in most cases), comedy evenings and poetry evenings. The following are examples of the comments made when respondents were asked to describe how their business had benefitted from their involvement with the project:

- *“It had a huge impact on the business we were in the papers - all publicity is good for business.”*
- *“Great night, lots of locals supported it; we could not have afforded to put on a show like this normally.”*
- *“People who attended came back the next week for meals, also the enquiries for parties in our function room has increased no end, so the overall benefit has been excellent.”*

All but one of the comments were positive, with the increase in trade generated by the event being the most frequent benefit identified. When they were asked to rate the significance of the impact of the project on their business, the average (mean) score given was 6.3. The range of scores given (five scoring the impact as 8 or above and four scoring the impact as 4 or lower) reflects the fact that the benefit has varied quite substantially depending, on the success of the events in question.

The fact that eight of the 15 beneficiaries (53 per cent) identified an increase in turnover as a result of the events underlines this, as does the fact that three of those responses reported an increase of over 80 per cent as a result of the project. The longer term impact on the business is less certain and depends to a large extent on whether they choose to repeat the event which would be at their own expense rather than funded by the Evening Economy project.

4.4. Measure 321: Basic services

4.4.1. Basic Services, Swansea

The Business Plan 2 basic services project in rural Swansea includes a range of activities such as enhanced Sunday bus services and a project to work with young people in the rural areas of the county.

The project manager provided the evaluation team with statistics for the number of passengers using the Sunday Explorer service during the period 17 July 2011 to 2 October 2011. Those figures demonstrate a strong demand for the services with a total of 2,579 having used the service during that period; an average of 198 per Sunday. A survey of users (n=119) on these routes was undertaken by the project on Sunday 14 August 2011, the key findings of which were:

- 73 per cent of respondents did not have a car available to them for the journey concerned.
- The average-spend of passengers (excluding fares) as part of their journey was just under £9.00. If we apply this figure to the average number of users on a Sunday (198) this suggests a direct expenditure in the region of £1,800 per Sunday.
- The most common purposes of the journey were: 'leisure' (51 per cent), a visit to a tourism attraction (20 per cent) and walking (12 per cent).
- 59 per cent of the passengers were using the service for the first time.

4.5. Measure 323: conserve and upgrade the heritage in rural areas

4.5.1. Enhancing the Heritage in the Lower Dyfi Valley, Ceredigion

This Business Plan 2 project is focused on restoring land (which has been acquired) at the Ynys-hir nature reserve⁹ for key wildlife species, implementing new visitor infrastructure and improving the location's links with the local community. As part of an ongoing evaluation of the Business Plan¹⁰, a research team undertook interviews at the visitors centre on a very wet day in June 2012 and undertook interviews with 18 visitors to the project; including four local residents and 14 people from outside the immediate area.

Twelve of those from outside the local area were on holiday whilst the other two were on day visits, one visiting family or friends. When asked whether they were visiting the area that day specifically for the purposes of visiting the nature reserve, nine of the 14 in question said that they were, with another two saying that it was part of the reason for being in the area that day.

During their visit, the research team also undertook interviews with eight volunteers working on the site of the nature reserve in various capacities. The benefits of being involved included:

⁹ <http://www.rspb.org.uk/reserves/guide/y/ynys-hir/>

¹⁰ Wavehill (2012) *Ongoing evaluation of the delivery of the Rural Development Plan (phase 2) in Ceredigion; Mid-term evaluation report*. For Ceredigion County Council

- *“Learnt lots about nature, work outside, work in areas that I had no skills in before and met a lot of interesting people and by the end of the internship I will have the skills needed to work in conservation.”*
- *“Yes, I used to be shy but volunteering has encouraged me to speak up and I have gained confidence.”*
- *“It has given me a lot more confidence talking to people, it has been brilliantly for me personally.”*
- *“I am really enjoying it and learning a lot about conservation, birds and wildlife.”*

Whilst it is important to underline the fact that the sample is small, the comments made are an indication of the wide range of benefits a project of this nature can generate, including personal and social capital benefits for the individual concerned.

4.6. Measure 331: training

4.6.1. CASH (community and skills hubs), Pembrokeshire

This project aimed to narrow skill gaps in rural areas of Pembrokeshire. It provided a range of short ‘taster’ training courses to address issues that had been identified by local communities, partners and business groups as being essential to meet local skills gaps and for the sustainability of the community.

Thirty-one participants in the CASH project were asked to assess how significant the impact of the support had been on them personally, the average response was 7.6 out of 10 (ranging from 3 to 10).

Nineteen of the interviewees were not currently employed. However, 16 of those were retired and two not looking for employment at the time of the interview. There was little evidence of the project increasing the potential of participants to gain employment. However, of those respondents who were currently employed (12), two had found employment *since* attending a CASH training course. Whilst both respondents said that they would have gained the job in question regardless of the training provided by CASH, both identified a positive impact:

- *“It gave me the confidence to find a job, but the job isn't related to either of the courses I did.”*
- *“They were quite important, I now use all the skills on the farm.”*

The interviews with the other 10 respondents who were in employment did not identify any clear benefit in terms of employment or career prospects in Pembrokeshire.

In October 2010 PLANED commissioned Arad Research to undertake an independent evaluation of the CASH project¹¹. The evaluation found that CASH engaged many individuals with multiple barriers to learning, including health, alcohol and substance misuse and previous negative experiences of learning. Many of these individuals would have been less likely to have engaged in more traditional training courses, whether due to cost, lack of time or a perceived inflexibility of provision.

The tangible, hands-on and practical nature of the courses offered by CASH, as well as the flexibility in terms of course length and the pastoral support offered to participants meant that a high proportion of participants found the courses useful.

4.7. Axis 4: LEADER

4.7.1. Pembrokeshire

Councillor Simon Hancock, chairman of the Neyland Ahead Community Association which was established in 2007 received funding through 'Communities as the Hub of Rural Life' project delivered by PLANED. The funding was used to enhance a grassy area, called Policeman's Bank, just off the High Street in Neyland. Volunteers of the local area have since landscaped the area and put in new flower beds.

When asked how likely it would be, without RDP intervention, that the activity would have taken place anyway Simon replied:

"We needed considerable funding to carry out the enhancement work. We did not have the funds to do this ourselves; so it definitely would not have happened, without the funding we could not have done the project."

The project appears to have been a catalyst for further activity in the area:

"We have just updated the Neyland Action Plan. It will be distributed to every household in Neyland and then there will be an adoption meeting to see if we can access more funding to go ahead with it. We are looking at the Neyland

¹¹ Arad (2012) *Evaluation of the CASH (community and skills hubs) project*. For PLANED

Action Plan to decide what future projects we can access funding for. Without the funding (RDP) we could not have gone ahead with the project and would not be looking for further projects.”

In terms of benefit, Simon believes the local area and community have benefited in a number of ways: *“It (the work undertaken) enhanced the area just off the High Street in Neyland. There was a physical improvement to the town and it is a much more attractive area than it was... People could see others getting involved with the project and the positive outcome. It heightened public awareness and more people wanted to be involved and as a result they have more volunteers now.”*

4.8. Beneficiaries of previous projects delivered as part of previous programmes

4.8.1. Rowena Mansfield, Herbs from Wales – supported By Menter Môn

Cae Gwyn Herb nursery run by a husband and wife team sells a variety of herbs, herb plants, salad crops and other vegetables when in season. They were approached by Menter Môn about 6 years ago;

“They asked us if we would be willing to teach other people about hydroponics, growing herbs without soil using nutrients in the water.”

Menter Môn supplied them with a hydroponic growing kit with a view to encouraging farmers interested as a way for them to diversify.

“The farmers were not interested so we opened it up to anyone who had an interest. As a business ourselves we wanted to go down the hydroponic route and we had an interest in training others so I think this would have happened eventually however, having the kit from Menter Môn enabled us to start the training aspect a lot sooner than we thought. They helped us to buy things that we would not have necessarily been able to purchase ourselves. We have people visit us for training from all over the world; South Wales, North Wales, England, France and Hong Kong.”

The business owner said that the training aspect has given them ‘another arm to their business’ which they felt had been really helpful with this current economic climate.

“Menter Môn helped us a lot and have been fantastic.”

The business believes that the support they received from Menter Môn has definitely contributed to their success, however they went on to say;

“I think there should be more support for local businesses but they should concentrate on new and innovative ideas – instead of looking at what is already being done they should look at what businesses are not doing”.

5. Origins of Axes 3 and 4 and their administration in other Member States

This chapter provides some additional information on the origins and development of Axis 3 and 4 of the RDP at a European Commission level. It also introduces the approach that has been taken to their administration in other member states to provide a useful comparator to the approach in Wales as discussed within the main report.

Summary

- Prior to 2000 RDPs as we know them today did not exist, rural development support was mainly delivered through a range of Common Agricultural Policy (CAP) accompanying measures
- LEADER originated in the early 1990s as an ‘accompanying measure’ to the CAP
- The 2007-13 programmes saw rural development more fully encompassed within the scope of the RDPs and the introduction of the four Axes.
- Axes 3 and 4 have been administered in a range of different ways across the EU which can be compared to that used in Wales. For example:
 - In Finland, 15 regional ‘ELY centres’ are responsible for the regional implementation and development tasks of the central government including all EU funding and they link with multiple LAGs in their region.
 - In Portugal, the Managing Authority delegates management competencies to the LAGs.
 - In Denmark, the LEADER method (i.e. Axis 4) is used exclusively to deliver the bulk of the measures under Axis 3.

5.1. Origins of Axis 3 and Axis 4

Prior to 2007 the structure, programming and linkages between EU supported rural development instruments was very different.

5.1.1. LEADER origins

Introduced as an alternative to conventional top-down support to the agricultural sector LEADER originated in the early 1990s as an ‘accompanying measure’ to the

Common Agricultural Policy (CAP). As a European 'Community Initiative' LEADER was concerned with finding new solutions and developing innovative ways of doing things. As such, it sat alongside (and complemented) the mainstream Structural Funds Programmes and had its own regulation, Programme Monitoring Committee, programming document and implementation arrangements.

An experimental rural development approach based on territorial, bottom-up and partnership based principles, LEADER sought to enable beneficiaries to move from being viewed as recipients of support to becoming active in contributing to their own improvement, and enhancing the development potential of those local rural areas. In LEADER I (1991-93), the main innovation lay in the approach itself involving and supporting communities, drawing on the local populations' initiative and skills, promoting and supporting their acquisition of know-how and pursuing local development in an integrated way.

LEADER II (1994–1999) was applied more widely acting as 'a laboratory' extending the pursuit of innovation beyond the method alone to include the projects supported. Leader + (2000-2006) was no longer restricted to disadvantaged areas, the area and number of LAGs expanded further and a far stronger focus on LAGs' preparation and delivery of Local Development Strategies emerged.

5.1.2. Axis 3 origins

Prior to 2000, rural development support was mainly delivered through a range of CAP accompanying measures (including LEADER) and through the Structural Funds Programmes. Between 2000 and 2006 rural development support was programmed through Horizontal Rural Development Programmes and under Objective 1, Objective 2 and Transitional Programmes, a common set of six measures was employed. The four CAP accompanying measures and LEADER+ were applied horizontally across Europe's rural areas. All elements were funded from the European Agricultural Guidance and Guarantee Fund (EAGGF).

The four CAP accompanying measures and five of the set of six measures broadly equate to Axes 1 and 2 of the current RDPs. The sixth measure, commonly known as Article 33 (Council Regulation 1257/1999 Article 33 Promotion and Adaptation of Rural Areas) comprised a menu of 13 sub-measures aimed at promoting integrated

rural development (based on experience under the former Objectives 1, 6 and 5b of the Structural Funds) from which Managing Authorities could select.

5.1.3. The 2007 – 2013 programme

The 2007 programmes saw rural development more fully encompassed within the scope of the RDPs and the introduction of the four Axes. Axes 3 picked up many of the rural business diversification, tourism and quality of life elements of the former Article 33 (EAGGF) and Objective 1 (ERDF) Programmes. LEADER (Axis 4), through the requirement for a minimum level of funding, became a compulsory element of all RDPs.

The linked policy and delivery architecture of the 2007 – 2013 Rural Development Regulation foresaw LEADER (Axis 4) being ‘mainstreamed’, that is to say, integrated into the Rural Development Programmes. No longer governed by its own regulatory framework, LEADER sat within the RDPs as a complementary methodology contributing to the objectives of the three ‘mainstream’ Axes through Local Development Strategies¹², and also pursued the horizontal priority of improving governance and mobilising the endogenous development potential of rural areas.¹³

The ‘mainstreaming’ intention to strengthen local partnerships and the LEADER approach to involve and empower local communities in delivering Local Development Strategies was clear; that this should contribute to the objectives and priorities of the other Axes ‘and in particular Axis 3’ was also clearly indicated. The interpretation of this intention and the extent to which this has been achieved in practice however varies considerably across the RDPs.

5.2. Examples of implementation in other member states

5.2.1. Finland

Finland employs a structure of 15 regional ‘ELY centres’ - Centres for Economic Development, Transport and the Environment - which are responsible for the regional implementation and development tasks of the central government including

¹² Previous generations (LEADER and LEADER II) involved links to Structural Fund designations for rural development and the intervention logic of those strategies.

¹³ Point 3.4 of Council Decision of 20 February 2006, 2006/144/EC.

EU funding. There is a national framework set out in the RDP, and regional agreements at ELY level sit within this. Overall, there is strong national and local coordination with ERDF, ESF and EFF, with clearly defined and specified demarcation and complementarity. Within each regional ELY centre there is cross directorate cooperation/coordination (which also involves connections to the LAGs), which provides updates on the overall state of play to inform positioning and progress.

Regional rural plans were developed at ELY centre level and LAG LDSs are coordinated with the regional ELY plan. The distinctions and complementarity between the ELY plan and LAGs LDS were negotiated and decided when the relative strategies were developed. LAG LDSs cover both Axes with Axis 3 programmed under Measure 413. The main differentiation is in scale; LEADER is limited to a €150k project cap but there is also thematic distinction of the LDS. The LEADER Managing Authority approved LAG LDS but not the ELY plans; on occasion this can cause problems in divisions and the hierarchy of strategies.

LAGs and ELY can programme any Axis 1 measure in their strategies, but only specific local environmental designations elements of Axis 2 under Measures 214 and 216. LAGs mainly concentrate on Axes 3 and 4. Only the LAGs and ELY centres can deliver Axis 3 and delivery is split between them by measure. The performance of the LDS is subject to two reviews.

The regional plan sets out the relevance and legality of the split between LAGs and ELY centres. The ELY centre is the formal intermediate body although operationally LAGs effectively operate that way too. LAGs are legally registered and follow tripartite membership principles. Axis 3 is mainly delivered by LAGs on the basis of an on-going approach as with Axis 4, there are also a small number of specific calls. The ELY centre handles all post selection administration and can only decline LAG projects on legal/eligibility grounds. Occasionally, conflicts arise due to interpretation. Axis 3 activity other than LAG-supported is decided by the ELY centre team.

All the ELY centres link with multiple LAGs, there is no direct connection required between LAG area and the ELY area. LAGs can cross over multiple ELY areas, if so they then use a lead ELY centre to coordinate this. This has generally worked well

from the MA perspective although for the new programme the MA is requiring ELY centres and LAGs to better develop demarcation and complementarity to meet customer requirements.

The Finnish MA suggests that the LAG LDS provides a clear focus on the area strengthening local relevance, involvement and impact. This activity connects to and complements the regional approach. Added value is generated through the strong mobilisation of funds (including a compulsory 20 per cent of total public funding from municipalities and leverage of 35 per cent private funding), organisations and people, this includes small ideas and projects which would not otherwise have come forward. In doing so LAGs contribute to the wider objectives of rural development.

5.2.2. Portugal

Mainland Portugal's rural development programme, PRODER has a total of 47 LAGs, 46 of which have worked with LEADER in the previous programming periods. Axis 4 has been employed as a methodological axis to deliver measures from Axis 3. In addition to Axis 4, these LAGs deliver almost all of Axis 3 through their LDSs, representing 10 per cent of the total RDP under the LEADER Approach. LAGs partnerships are responsible for delivering RDP measures 311, 312, 313, 323, and part of 321, representing 89 per cent of the Axis 3 total. The exception is under measure 321 where there are two RDP actions (rural schools in the Algarve, and broadband in rural areas) that are delivered in the traditional centralised way.

There are two types of LAGs – formal partnerships i.e. local development associations (LDA) and non-formal partnerships (under a partnership agreement), in which the local development association acts as the accountable body. LAGs are intermediary bodies.

The Portuguese Managing Authority delegates management competencies to the LAGs to open calls in the framework of the five possible actions (the five Axis 3 measures programmed under the RDP). The LAGs analyse applications and decide which projects should be selected and supported. All the partnerships deliver the same set of measures. Within their LDS the LAGs can adjust eligibility, the priorities and the budget allocation between the measures although programming is restrictive and limited to the measures.

The Paying Agency (PA) delegate the payments analysis competencies to the LAGs (although the actual payment is made by the PA directly to the beneficiaries).

Mainstreaming and the integration of LEADER in the RDP has caused problems in Portugal, more bureaucracy, less flexibility and restrictions on LAG autonomy. This integration has also resulted in greater national visibility for LEADER and the LAGs. This has delivered benefits in the increased emphasis on clear and traceable procedures, which has resulted in a greater professionalisation of the LAG approach.

The Portuguese LDAs network very actively and have their own development association, Minha Terra which supports and helps coordinate their activities. Although the majority of LDAs already work with several funds they are not involved in the delivery of Axes 1 and 2. Looking ahead, the LAGs are actively seeking to implement formal multi-fund CLLD.

5.2.3. Denmark

Denmark has 51 LAGs, with Axis 4 allocated 9.7 per cent of the RDP budget. In Denmark the main objectives pursued under Axis 3 are job creation and achieving a good quality of life in rural areas, LAGs also address the competitiveness objective. The main Axis 3 activities supported fall under basic services. Direct delivery of Axis 3 is restricted to:

- Measure 331, Training and information;
- Sub-measures under Measure 321, Basic services for the economy and rural population; and
- Sub-measures under Measure 323 Conservation and upgrading of the rural heritage relating to state land acquisition and environmental planning elements.

The LEADER method is used exclusively to deliver the bulk of the measures under Axis 3, measures including diversification into non agricultural production, support to micro enterprises, local tourism and village renewal, all delivered by the LAGs. LAGs also deliver one specific Axis 1 Measure, adding value to agricultural and forestry products.

LAGs may also support projects which contribute to the objectives of the two Axes (but principally Axis 3). LAGs have sole responsibility for all decision making on projects and set the amount of funding awarded. The MA cannot overrule the LAG, it only takes a view on eligibility and may reduce awards for ineligible elements.

5.2.4. Germany

In Germany's Rhineland–Palatinate, an additional integrated territorial development approach is applied, contrasting with the approach adopted in Wales. In this Lander, rural development operates with two complementary approaches for integrated, territorial development: the Leader approach (Axis 4) and the ILE (integrated rural development) approach supported through EAFRD measures 341-1 and 341-2 and combined with other measures of Axis 3.

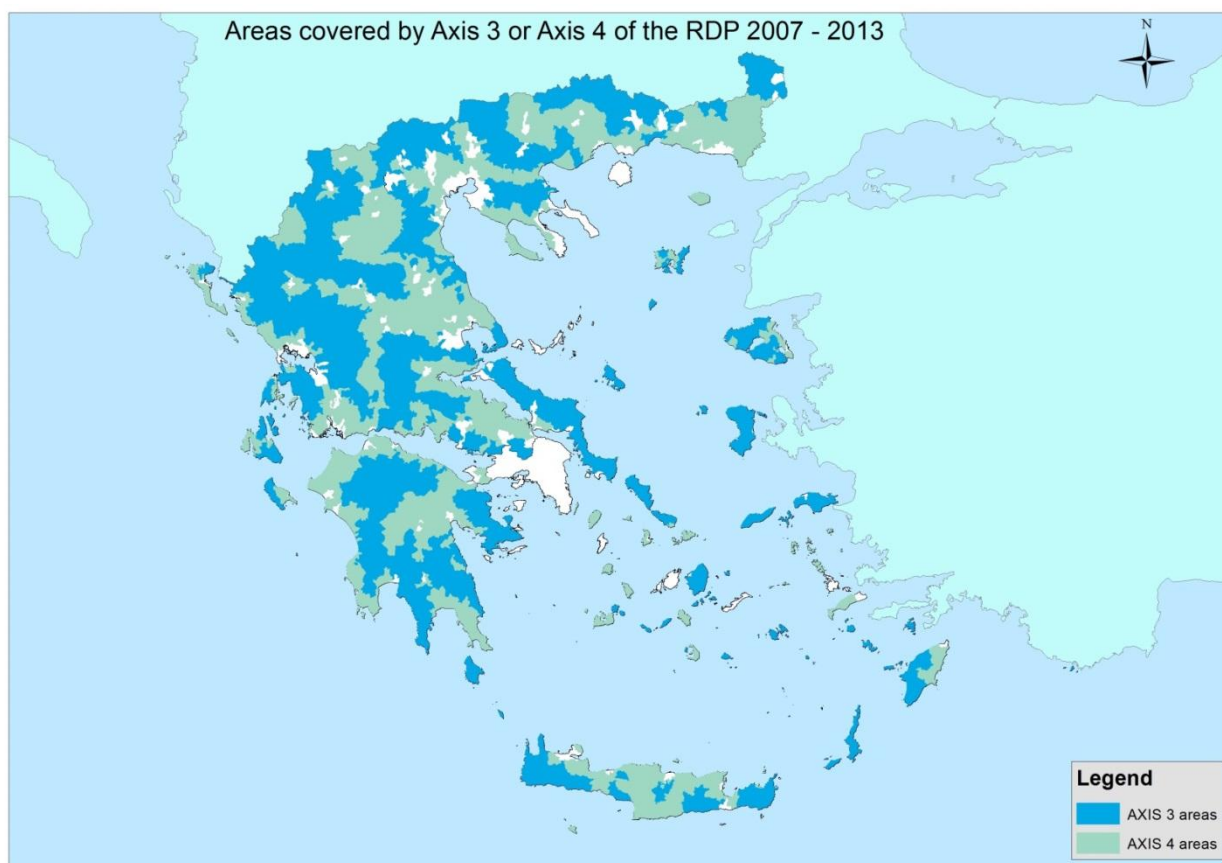
Both approaches are project-based, bottom-up approaches which seek to foster local participation drawing on local knowledge, competences and resources to create local identity and encourage innovative projects. Both approaches are based on the preparation of a territorial-based development strategy. The major difference between the two approaches lies in the number of inhabitants covered by the respective LDS with ILE regions, having 30-60,000 inhabitants, as opposed to Leader's 60-150,000 inhabitants. Leader regions may therefore cover approximately two counties, while ILE regions stretch over two to five municipalities. In terms of its thematic focus, ILE is a smaller version of the Leader approach, yet there are differences regarding the measures which can be utilised.

In principle, Leader LAGs can use and combine all measures of Axis 3 and some of the measures of Axes 1 and 2, in implementing their LDS. They can also use so-called 'complementary Leader measures' to support projects contributing to one strategic objective of EAFRD but which cannot be covered through mainstream measures. ILE groups can access all Axes 1 and 2 measures together with reserved Axis 3 measures. They also receive a guaranteed budget of EUR 100,000 for the implementation of measures under Axis 3.

5.2.5. Greece

In Greece, EAFRD Axis 3 and Axis 4 delivery is demarcated by geography and delivery organization, EFF Axis 4 also fits within this territorial demarcation. Although there are no formal connections between the different instruments in practice there is a degree of informal coordination enacted at the local level by local partnerships.

Figure 5.1: Areas covered by Axis 3 or Axis 4 of the RDP 2007 -2013



Greek Local Development Agencies

Greece has a structure of area based Local Development Agencies based on local partnerships and many of which have evolved from LAGs set up in earlier generations of LEADER. These non-statutory LDAs generally have an overarching strategy for their territory which they address by delivering activities and funding from a number of sources and mechanisms e.g. LEADER, EFF FLAGS, Equal etc. They

secure their involvement in these initiatives through normal tendering procedures, effectively building up a package of activities.

Axis 3

In Greece, the Implementation Body for Axis 3 is the Managing Authority for the RDP 2007-2013, which is centrally based in the Ministry of Rural Development and Food. Axis 3 is targeted at mountainous and disadvantaged areas and is being used to familiarise local people with local development activities. This is resulting in strong competition between projects locally and improved quality. Achievement of complementarity with other initiatives is a priority, as is the involvement of the young.

The Axis 3 process is supported by Local Advisors who contribute to monitoring the implementation of private projects, as well as the animation and awareness raising of local communities. They have no involvement in programming or project approval (although the LDA strategy should take account of Axis 3 programming). Local advisors are selected under a call for tenders from the Technical Assistance Axis of the RDP. LDA involvement in Axis 3 is through this route, where they have successfully bid for the contract to deliver this service in their territory.

The administrative checks and monitoring of Axis 3 (state aid) is done by a committee reporting to the Implementation Authority to ensure compliance with the Paying Agency procedures. This has the benefits of affording complete control by the authorities whilst avoiding irregularities. Unfortunately the bureaucracy and delays associated with this are cited as the main weaknesses of the approach.

Axis 4

Axis 4 is completely different and is implemented through LAGs in the defined eligible areas of Greece. LAGs are selected on the basis of their Local Development Strategy, their strategies in many respects deliver Axis 3 type measures. The LAGs are often associated with an LDA which may act as the accountable body. The LAG strategy will normally contribute to the LDA strategy and the LAG may either be a separate decision making body sitting within the structure of the LDA or the LDA partnership in its entirety. Whichever approach is adopted, the LAG committee must

constitute 50 per cent of private sector partners (social and economic), and at least a 30 per cent of public sector partners. LAGs receive advance payment to facilitate project delivery.

The benefits of the approach are said to lie in bottom up decision making and the flexibility associated with local autonomy, community awareness and involvement is strong. Wider involvement in rural development and the achievement of complementarity with other initiatives are again priorities, as is the involvement of the young. The main risks are seen as disproportionate influence within the LAG by strong interests and the possible abuse of public funds. The pressure of achieving N+2 has also compromised the delivery of LDS objectives and the quality sought.

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