

WALES PROGRAMME MONITORING COMMITTEE
EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020

Date: Thursday, 26 January 2023

Time: 9:30am

Venue: Virtual via MS Teams

AGENDA

1.	Welcome and apologies	09:30 – 09:35	
2.	Minutes of May 2022 meeting, actions and other matters arising	09:35 – 09:40	WPMC(22)M25
3.	Update on ESI Funds Progress, including portfolio development: <ul style="list-style-type: none"> • Rural Development Programme • ERDF • ESF 	09:40 – 10:00 10:00 – 10:15 10:15 – 10:30	
4.	ERDF Programme Modification	10:30 – 11:15	
	Comfort Break	11:15 – 11:25	
5.	Technical Assistance 4% flat rate	11:25 – 11:45	
6.	Evaluation Update	11:45 – 12:00	
7.	Annual European Structural Funds Communications Plan	12:00 – 12:20	
8.	AOB <p>Papers to Note:</p> <ul style="list-style-type: none"> • Structural Funds Cross Cutting Themes Update • Rural Development Programme Communications Update 	12:20 – 12:30	

**EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020
WALES PROGRAMME MONITORING COMMITTEE**

**Thursday 19 May 2022
Virtual Meeting via Microsoft Teams**

Meeting Notes

ITEM 1: Welcome and Apologies

1. The Chair welcomed Members to the virtual meeting of the Wales Programme Monitoring Committee (PMC) and informed Members of meeting protocols/ instructions for the use of simultaneous translation service.
2. The meeting is quorate in attendance, enabling approval of the Annual Implementation Reports (AIRs) at Agenda Item 7. Attendees and apologies are listed at **Annex A**.

ITEM 2: Minutes of December 2021 meeting, actions and other matters arising

3. Members sought clarification on the following agenda items:
 - Item 3, Rural Development Programme (RDP), paragraph 6, programme spend – a potential anomaly in respect of total spend associated with Pillar 1 transfer payments i.e. £267m being stated within the December 2021 minutes, as opposed to £231m contained within the RDP Update paper issued to Members, 5 May 2022.
 - Item 3, RDP, paragraph 10 – EU regulatory requirement to publish on an annual basis details of recipients of CAP funding & whether a similar regulatory requirement placed upon Farming Connect recipients/ sub-set of recipients. Members were informed of the UK wide database which provides an overarching analysis of beneficiaries/ amounts awarded, however a need to check if sub-sets of recipients captured. **ACTION: RDP officials to address the anomaly in respect of total spend for Pillar 1 transfer payments in the update paper and if details of farming connect recipients/ subset of recipients are published and confirm/ clarify in writing following the meeting.**

4. With exception to the 2 areas for clarification, the minutes were agreed as a true and accurate record and there were no outstanding actions. Progress on action points arising is listed at **Annex B**.

ITEM 3: Update on European Structural and Investment Funds Progress

Rural Development Programme

5. Ryan Doyle, Deputy Director, Rural Economy and Legislation Division provided an update on the Rural Development Programme (RDP) 2014-2020:
 - RDP continues to make good progress in terms of commitment, delivery and spend. As at the end of March 2022 project level commitment stands at £833m, representing 99% commitment in funds, the total value of the programme is £842m
 - Programme spend to date: £625m of which £439m EAFRD. N+3 targets for 2021 achieved earlier in the year despite the challenges of COVID-19, the UKs exit from the EU and the current cost of living crisis being experienced in the UK. The number of schemes that are operated via the Programme, albeit at varying stages in their appraisal of projects, are forecast to assist in achieving full Programme spend by end of 2023
 - Programme error/ inspection rates are low and all Paying Agency (Rural Payments Wales (RPW)) accounts cleared by EC – demonstrating robust mechanisms in place for RPW
 - Members were reminded that final claims for payment of funds from all schemes will need to be submitted by June 2023 and there will be no extension to this date. However, it was also recognised that the cost of living crisis is currently impacting upon the delivery of projects. RPW will monitor this situation closely and will work projects/ beneficiaries to address.
6. Ryan Doyle provided updates on each RDP priority and Members were informed that the information presented inclusive of the European Commission's (EC) approval of the 5th Programme modification:
 - Priority 2 - Farming Connect (FC), the Sustainable Production Grant (SPG), the Farm Business Grant (FBG) and the European Innovation Partnership (EIP) for Agricultural Productivity and Sustainability have achieved all non-financial indicators and will overachieve. Financial indicators will be reported/ realised towards the mid/ end point of the schemes/ Programme.
 - Priority 3 - Food Business Investment Scheme (FBIS) no change since last PMC, with over £161m of new capital investments into Wales to help

aid/ support the agri food sector. In addition, the Rural Business Investment Scheme will provide capital investment equating to £2.7m. As noted at the last meeting, Measure 16 has accumulated lower expenditure than expected, in the main due to COVID-19. Approval of the 5th Programme modification has enabled reallocation of Measure 16 budget.

- Priority 4 – Glastir Agri-Environment and Glastir Small Grants –both schemes have been approved to run to the end of the Programme period via EC's approval of the 5th Programme modification
- Priority 5 – inclusive of (a) Glastir Woodland Creation (GWC) – projects selected via last round amount to £4m, (b) Glastir Woodland Restoration (GWR) and (c) Timber Business Investment Scheme (TBIS), Measure 8.6 – which reports against two Focus Areas i.e. 5C (renewable energy and the bio-economy) and 6A (Job creation). Following a recent call for Expressions of Interest (EOIs) Focus Area 6A has gained more approved projects, however in terms of job creation targets, these will not be realised until projects complete.
- Priority 6 - schemes supported include LEADER, Rural Community Development Fund (RCDF), TBIS, Environment Natural Resources and Well-being (ENRaW) and the new Rural Business Investment Scheme (non-agricultural) (RBIS Non-Agri). The number of beneficiaries supported appears low as only two applications approved by RPW. This will be resolved upon receipt of payment claim forms when the associated indicators are updated and will be further assisted with details of achievement via RBIS Non-Agri and RBIS Food schemes.

7. Ryan Doyle advised Members that this will be his last PMC and James Burgess will take over as Head of Managing Authority. The Chair thanked Ryan for his presentation and for his contributions to the PMC.

8. Members welcomed the update and in discussion raised the following points:

- Allocation, commitment and spend data held at table 1 of the RDP update paper requires clarification of the total spend % figure noted as 41%, which should reflect 74% based on figures provided. RDP officials will address and provide written confirmation of the correct % figure to be applied.
- Members would welcome reassurance that full Programme spend will be achieved particularly as it appears the Programme will need to spend over £200m in its latter years of delivery and coupled with the demands/ reliance to be placed upon domestic match funding. Members were advised that the Programme is dynamic in scope/ nature and carries with it a risk of back-loading spend. Despite being on track to achieve full spend there are many external factors i.e. economic/ social factors that will potentially have a bearing upon this.

- The need for a 6th Programme modification to ensure full Programme spend. This is currently being explored by RDP and will be brought to the PMC Autumn 2022. Members signified the need to provide the PMC with early notification of future modifications in order that sufficient time be given to consider the proposed changes. Members were assured that all modifications have to adhere to EU regulatory requirements in terms of timelines and these will be addressed as previously. In addition, RDP officials will provide the opportunity for pre-modification discussions with Members and in light of consideration of any required Ministerial endorsements.
 - The evaluation of Cywain noted at PMC is an independent evaluation commissioned by the project delivery lead and not Welsh Government. The Cywain evaluators have confirmed that value for money will be considered as part of their evaluation subject to available relevant data. Welsh Government's Research, Monitoring & Evaluation (RME) team confirmed that as part of the Welsh Government's evaluation of Food Schemes the interaction of Cywain with the Food Schemes will be assessed, and will include a value for money assessment, again subject to the availability of relevant data for Cywain.
 - Rural Development Celebration, June 2022 – some observations of beneficiaries not fully adhering to EU regulatory requirements surrounding publicity. Members informed that all funding agreements/ approval letters to beneficiaries contain a condition to publicise the receipt of money from RDP and not to do so can result in clawback of funds.
9. One member raised the issue of the current Ukrainian crisis and asked has/ will the EC announce any flexibility of application of the RDP regulations in order to provide additional assistance to farmers in terms of crops, particularly as (a) main growing season approaching, therefore action urgently needed and (b) to stem any potential detriment to the food supply chain. Members were advised of the EC's Cohesion's Action for Refugees in Europe (CARE) package announced March 2022 – enabling Member States to provide emergency support covering the basic needs of people fleeing the Russian invasion of Ukraine e.g. access to temporary accommodation, food, water and medical care – package not centred upon food supplies/ wider economy at its inception. CARE package available to Managing Authorities within the UK, however currently only specific in respect of application of the structural fund regulations and not RDP.
10. Peter Ryland added that WEFO has provided beneficiaries with an update on the CARE package, outlining how it can be utilised within the current European Regional Development Fund (ERDF)/ European Social Fund (ESF) Programmes i.e. help with skills training and help into work via existing schemes/ operations. One of the core changes notably being the possibility of 100% EU co-financing for 2014-2020 being extended for the accounting year 2021-2022. RDP officials noted that they were not aware of any flexibilities specifically for the RDP

regulation but will liaise with EC on potential packages/ announcements and report back to Members. **ACTION: RDP officials to liaise with EC on potential packages/ announcements and report back to Members.**

Overview of Structural Funds:

11. Peter Ryland, WEFO Chief Executive Officer, thanked members for the time given to PMC meetings and the Annual Implementation Reports which are an important monitoring element for the European Commission to ensure funds are being spent correctly.
12. All four programmes continue to make good progress during a continued challenging period. To date, 100% of funds committed, equating to around £2.1bn against 266 operations. The planning rate of £1/€1:17 will continue to be monitored monthly due to exchange rate fluctuations and continuing uncertainty. The planning rate becomes more fundamental the closer we get to the closure of the programmes, to ensure spend is maximised and there is sufficient funds to pay beneficiaries.

European Regional Development Fund (ERDF)

13. Peter Ryland updated members on activity within the ERDF programme, highlighting 148 operations approved with over £1.2bn committed. New approvals and extensions agreed since last PMC include:
 - Morlais Infrastructure (ERDF £31m) which is led by Menter Mon Morlais Limited.
 - Environmental Monitoring & Mitigation Plan (EMMP) (ERDF over £4.7) Also led by Menter Mon Morlais Limited
 - Extension of Social Business Wales (West Wales & the Valleys) to March 2023
 - Extension of Nova Enlli Project to July 2023
14. Overall spend is slightly behind where we would like to be at this point in the programmes with drawdown of 50% of ERDF in Wales (compared with averages of 57% across UK, and 56% across EU). A key reason for this being a number of capital programmes which tend to have large claims at the end of the programmes. ERDF WW&V has met its N+3 target for 2021 but 2022 targets for both WW&V and EW have not yet been met. Members were reminded to encourage their respective sectors/ beneficiaries to deliver/ spend to their approved business plans/ delivery profiles.

15. As noted at the last meeting, there will be a need to modify the ERDF programmes once due consideration has been taken regarding the Indicator review alongside the re-allocation of funds within the Priority axes. However, this modification is not likely to be presented to the PMC until later in 2022.

European Social Fund (ESF)

16. Peter Ryland updated members on activity within the ESF programme, highlighting that 118 operations have been approved with £857m committed. Under the new Containing Covid through Capacity ESF Priority, funding applications to support NHS Wales activity dealing with the Covid-19 pandemic are currently in preparation.

17. Spend is currently at 66% (£583m) and drawdown at 75% (compared with averages of 49% across UK, and 57% across EU). Both ESF programmes have met their 2022 N+3 target.

18. In addition, Peter also highlighted the following:

- Whilst the programmes have responded positively to the pandemic the focus is to deliver the operations to ensure all the funds are utilised to their best effect. WEFO are aware of concerns around staff resources and the importance of ensuring audit trails etc. are available until the end of retention periods.
- As previously noted, spend and submitting claims is a priority and extension requests are now the exception as too much activity towards the programme end date i.e. 31 December 2023, will significantly impact upon the closure process.
- In previous spending rounds, there was flexibility to apply surplus eligible expenditure in one Priority to underspend in other Priorities in the same Programme, by up to 10% of the total value of the Priorities concerned. However, for the current round, this flexibility is limited to 10% of the value of expenditure in the final year only of the Programme. Therefore closure management is a priority for WEFO and projects should look to prepare as much as possible.
- Guidance has been issued regarding eligibility of Ukrainians settling in Wales for ESF schemes and ERDF business support projects via an e-newsletter bulletin and also RETs communication channels. WEFO have also updated the ESF 2014-20 Guidance on assessing participant eligibility to provide more detail on the eligibility of individuals.

- Independent Indicator Review – impartial and independent assessment of programme delivery and to provide a sound evidence base for any changes to indicators that we may propose. The Research, Monitoring & Evaluation team will be finalising the report at the end of May and looking to publish mid / end June.

12. The Chair thanked Peter for his presentation and in response to questions from members Peter noted that at this point in the programmes the plan is to deliver what has been committed and there is very little flexibility in terms of spend. Money can not be redeployed easily and the programmes are over-committed as some underperformance is expected. WEFO have experienced its own resource issues however the payments and MVT teams are now up to strength and progress can be made on the backlog of claims. WEFO are conscious of the respective needs of certain beneficiaries where cash flow is more acute and prioritise where required.

ITEM 4: Update Post Transition & Closure

13. Peter Ryland updated members and highlighted the following:

- UK Government approached the devolved authorities early April 2022 to have a meaningful conversation on the UK Shared Prosperity Fund (SPF) ahead of the release of the SPF Prospectus. Some progress was made but Welsh Ministers could not endorse the UK Governments approach.
- Progress was made over the scope/ priorities and focus of the funds and it was agreed to include the regional investment framework as part of the prospectus. Governance arrangements were also discussed and there is no formal role for Ministers/ Welsh Government in the UK SPF. However, it was the funding methodology that could not be agreed upon and despite the Welsh treasury proposing an alternative formula which would distribute funding more fairly across Wales according to economic need, this was rejected by the UK Government and on this basis the model could not be agreed.
- Although Welsh Ministers have not approved/ endorsed the UK SPF, Welsh Government will look to support regions/ local government partners where investments align and may offer support to help in the way they deliver/ implement investments.

19. Members thanked Peter for the update and in discussion raised the following:

- Clarification requested on the value of the loss of more than £1bn of funding to Wales. Peter confirmed that this figure does include structural funds and RDP.
- Question on how the UK SPF will be monitored and scrutinised in Wales - Peter noted that there is no current guidance, and it is currently unknown. From a technical perspective, the National Audit Office will have responsibility to review the fund at a UK level and the Wales Audit office at the level of the Welsh local authorities with the level/ scope of reviews decided by the various audit offices. It will be difficult to monitor/ evaluate at a Wales level although from a UK Government perspective it may be seen as a reduction in bureaucracy.
- Welsh Government will continue to have discussions with local government/ third sector at a strategic level on future funding to address funding gaps/ avoid duplication

20. Lowri Gwilym noted that from the local government perspective work is ongoing to plan for the SPF, identify key gaps and engage with local community partners for local/ micro local interventions.

ITEM 5: Wales Rural Network Celebration Event

21. John Davies, Head of Wales Rural Network was invited to give a presentation on the event to be held, June 2022. Prior to informing Members of the event, John referred to the query raised by Members in respect of publicity & requested details in order to address outside of the PMC meeting. John then highlighted the following in terms of the celebration event:

- The 2 day event is taking place to highlight the successes the rural programmes, celebrate achievements and look ahead to the future of rural Wales.
- The event will be attended by the Minister for Rural Affairs, the Minister for Climate Change and the Director for Environment and Marine. There will be workshops and stakeholder/ expert panels and a rural awards ceremony, showcasing the achievement of rural projects.
- Taste of Wales Networking event, 9th May will be attended by the First Minister and will provide an opportunity to taste Welsh food and drink and learn about the rural development programmes.

ITEM 6: Annual Implementation Reports (AIRs)

Structural Funds (ERDF & ESF)

22. Richard Self, Head of Research, Monitoring & Evaluation presented the AIRs to the committee and noted that the presentation covers (i) requirements for submitting the Structural Funds/ RDP AIRs to the European Commission (ii) content and structure of the AIRs and (iii) Highlights, including what implementation issues the reports highlight, evaluation, and financial progress and performance against indicators. Key highlights included:

- The draft AIRs detail the activities undertaken by the Managing Authority to implement the Programmes and this year's reports cover the period 01/01/2021 to 31/12/2021.
- Sections 2 and 3.1 provide an overview of overall financial progress, Section 3.2 provides detailed data against all of the common and programme-specific indicator targets, Section 3.3 reports on progress made against the 2023 targets of the Performance Framework, Section 4 reports on any evaluation evidence that has become available during the reporting year, Section 6 reports on any issues affecting the performance of the Programme and Section 8 provides detailed data on the implementation of any Financial Instruments approved under the Programmes.
- All four AIRs report that during 2021 extensions were sought by a number of operations in order to address time lost due to the impact of Covid-19 and an external review of performance indicators was commissioned, including looking at the impact of Covid-19.
- Key issues - For both ERDF & ESF, Covid-19 impacted delivery. For ERDF spend will increase in the remaining years of the programmes, particularly around infrastructure, but with most operations completing their spending and delivery by June 2023. The ESF portfolio remained relevant to the challenges being faced in the labour market, as a result of the pandemic.
- In summary:
 - Good progress continued to be made across the four programmes during 2021, both financially and for performance indicators
 - Covid-19 has affected implementation and this has resulted in extensions to a number of operations
 - An independent review of the performance of all its ESF, ERDF and ETC programmes against indicators, including the impact Covid-19 has had on progress was commissioned by WEFO. The final report and findings were not received during 2021 but are expected to be published in June 2022.

Rural Development Programme

23. Richard Self also presented the RDP AIR and highlighted the following:

- Section 1 provides an update on the implementation of the programme, Section 2 provides an update on the implementation of the Evaluation plan during 2019, Section 3 covers issues which affect the performance of the Programme and measures taken to resolve these, Section 4 looks at the use of TA and publicity requirements and the work of the Wales Rural Network and Section 11 contains tables for the common indicators and target values.
- Issues which affect performance of the programme included issues relating to socio economic measures in April 2021, corrective action was implemented and is complete and for the 2020 claim year the Paying Agency took advantage of the Derogation in Commission Implementing Regulation (EU) 2020/532 reducing the minimum inspection rates required due to the Coronavirus outbreak
- Programme fully committed by end 2021 and strong progress made in delivery during 2021 with €112.2m payments for activity undertaken and claimed during 2021.
- By the end of 2021 some of the key achievements delivered through the Programme included: 90,879 participants received training, 8,491ha of new woodland created, 7,396 holdings received investment support through the SPG and FBG. 7,491 contracts under agri-environment-climate were supported by March 2022, 4,330ha supported through Glastir Woodland Management, along with 1,342ha of woodland restocked through the Glastir Woodland Restoration Scheme and 46 projects were funded through the European Innovation Partnership.

ITEM 7: Annual Implementation Reports (AIRs) Q&A and approvals

24. Members discussed the reports and raised the following:

- Errors noted in the RDP AIR (1) at pg. 38, commitment figures showing as €19.55m/ £23m and (2) 7,000 holding agri environment agreements, however the citizen summary states 4,800 and a number of these contracts have expired and (3) Disparity in numbers of agri environment climate contracts - AIR and citizen summary hectares of land do not align. Richard confirmed that the RME team will check the figures and revise if necessary.
- RDP AIR pg. 35 notes that Welsh Government land has been awarded grants for disease prevention etc. and members sought further details on if the award of RDP is standard practice? Reference to measure 10 & 11 - costs have increased hugely due to inflation and would consideration be given to reviewing the cost calculations given the current climate.

- RDP AIR pg. 38/39 reference that 41% of the budget has been spent on the SMS scheme however this is far below targets.

25. RDP officials noted that they would come back to members in writing with answers to the above questions/ issues raised as some of the information will need to be addressed by policy teams.

26. Members also raised the following questions in relation to the RDP AIR:

- Further information requested on the 2 key controls raised by the 2021 EC audit and what processes have changed since 2018 that resulted in these issues? Stuart Brailsford explained that they were (a) reasonableness of costs for socio economic measures & (b) eligibility criteria checks on projects. The measures viewed in the 2018 and 2021 audit were different, therefore different control regimes were assessed. The EC audit in 2021 was not linked to the WAO audit and were separate issues. The financial correction (disallowance) for 2021 being applied by the EC is not yet known and are awaiting minutes of a recent bilateral. Once the total amounts of disallowance are known, these can be circulated to members for information. **ACTION: RDP officials to circulate disallowance figures to members once known.**
- Further information requested on the evaluation report relating to the Farming Connect programme and if this covers the shift to digital delivery rather than face to face and what the uplift in funding was used for. Richard confirmed that more evaluation work is being done on farming connect, focusing on value for money and the switch to virtual delivery.

27. European Commission officials thanked the managing authorities for the work put into preparing the AIRs and that they would be in touch via email with any minor suggested amendments.

28. Peter Ryland also extended his thanks to the RME team for the effort that goes into preparing the AIRs and to members for taking the time to give due consideration.

29. The Chair requested members approve the following AIRs:

- Rural Development Programme
- European Social Fund (West Wales and the Valleys)
- European Social Fund (East Wales)
- European Regional Development Fund (West Wales and the Valleys)
- European Regional Development Fund (East Wales)

30. All AIRs were approved with no objections.

ITEM 8: AOB

31. The Chair welcomed members views on whether the next PMC meeting on 17 November should continue to be held virtually or if members would prefer to meet face to face. The following comments were noted:

- Hybrid meeting is possible, however with no more than 10 virtually as this can be difficult to manage.
- Some members welcomed the opportunity to meet in person at the next meeting and suggested the possibility for an extended meeting to cover future funding discussions.
- If face to face meeting, consideration should be given to the location of the meeting, considering travel times for members from across Wales.

18. The Chair thanked Members for attending and for their contributions to the discussions.

**PMC Secretariat
May 2022**

ANNEX A

EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020 WALES PROGRAMME MONITORING COMMITTEE

Thursday 19 May 2022
Virtual meeting via Microsoft Teams

Chair – Mike Hedges MS

Members nominated on a representative basis, from partners and statutory bodies:

Lowri Gwilym	WLGA (Alternate for Cllr Dyfrig Siencyn)
Rachel Lewis-Davies	National Farmers Union (NFU)
Matthew Brown	Wales Council for Voluntary Action (WCVA)
Bill Purvis	Natural Resources Wales
Huw Evans	Swansea University (Alternate for Prof. Steve Wilkes)
Nick Fenwick	Farming Union Wales (FUW)
Lisa Michelle Thomas	Colegau Cymru
Arfon Williams	RSPB
Matthew Bennett	DWP
Lowri Owain	LEADER
Duncan Hamer	Welsh Government
Scott Morgan	Welsh Government
Nigel Hollett	CLA
Tom Whyatt	Industry Wales
Derek Walker	Wales Co-operative

Members selected via the Public appointments process:

Grahame Guilford
Sian Price

Advisors:

Guus Muijzers	European Commission, DG Regio
Evert Veltkamp	European Commission, DG Employ
Egle Puosiunaite	European Commission, DG Agri

Programme Managing Authorities:

Peter Ryland	Chief Executive, WEFO
Ryan Doyle	Deputy Director, Rural Economy and Legislation Division
Karl James	EDRF Programmes, WEFO
Geraint Green	Head of ESF Programmes, WEFO
Richard Self	Head of Research, Monitoring and Evaluation, WEFO
James Burgess	Deputy Head RDP Managing Authority
John Davies	Head of Wales Rural Network
Stuart Brailsford	Head of Paying Agency Accreditation
Lois Wilson	Secretariat
Vanessa Crew	Secretariat

Apologies:

Alison Parken	Equality and Human Rights Commission
Cllr Dyfrig Siencyn	WLGA
Beth Winkley	Public Appointee
Prof. Steve Wilkes	Swansea University
David Blaney	HEFCW
Iestyn Davies	Colegau Cymru
Cllr Rob Stewart	WLGA
Dai Davies	Public Appointee
Janis Richards	Make UK

Meeting Date	Action Requested	Latest Situation
19/05/22	RDP officials to address the anomaly in respect of total spend for Pillar 1 transfer payments in the update paper and if details of farming connect recipients/ subset of recipients are published and confirm/ clarify in writing following the meeting.	<p>Welsh Government can confirm that there was a recording error relating to the Pillar 1 transfer payments in the minutes that were circulated from the previous PMC meeting. The total spend associated with Pillar 1 transfer payments up to the end of December 2021, should have read £207m and not £267m as previously recorded.</p> <p>£231m is the total spend associated with Pillar 1 transfer payments to March 2022.</p> <p>The CAP transparency requirements are set out in article 111, 112 and 113 of Regulation (EU) 1306/2013. This explicitly refers to beneficiaries, in receipt of more than €1,250 in any year. Beneficiaries are defined in 640/2014 as a farmer or recipient of RDP support. As a result, it is only possible to publish the payments made to beneficiaries and not publish payments to 3rd parties.</p>
19/05/22	RDP officials to liaise with EC on potential packages/ announcements and report back to Members.	<p>The European Commission published a proposal on 20 May 22 to enable an exceptional measure funded by the European Agricultural Fund for Rural Development (EAFRD) to allow Member States to pay a one-off lump sum to farmers and agri-food businesses affected by significant increases in input costs.</p> <p>As the proposal is drafted, it is only available to EU27 because the measure is proposed to be limited to 5% of the total EAFRD contribution for</p>

		<p>the year 2021-2022, as provided in part Two of annex 1.</p> <p>Officials have confirmed the following with the European Commission t Based on the current Commission proposal for a Regulation of the European Parliament and of the Council amending Regulation 1305/2013 as regards a specific measure to provide exceptional temporary support under EAFRD in response to the impact of Russia's invasion of Ukraine, there is no legal basis for the UK to use this measure, as only 2021-2022 allocations are targeted.</p> <p>(The text inserted into article 59 reads: "The EAFRD support provided under Article 39c shall not exceed 5 % of the total EAFRD contribution to the rural development programme for the years 2021- 2022 as provided for in Part Two of Annex I").</p>
19/05/22	RDP officials to circulate disallowance figures to members once known.	To confirm the disallowance figures are not currently available. The Managing Authority will circulate figures to the PMC members once the figures become available, estimated timescale late 2022.

WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020:

Welsh Government Rural Communities - Rural Development Programme (RDP) 2014-2020

1. Overall RDP Programme Update

The Welsh Government continues to make progress in programme delivery, based on a planning exchange rate of £1:€1.176, as at November 2022 project level commitment stands at £847m, representing 100.6% commitment in funds. The total value of the programme is £842,027,473. The programme is over-committed, and projects are expected to deliver against their objectives within the timeframes agreed. Since the last PMC the overall Programme spend to date has increased to £673m (£466m EAFRD), of this £236m relates to Pillar I transfer payments.

Monitoring Data is published on the Welsh Government website [here](#).

Allocation ¹		Committed ²			Spend ²				
TOTAL	EAFRD	TOTAL	EAFRD	TOTAL	EAFRD	TOTAL	EAFRD		
842	562	847	(100.6%)	567	(100.9%)	673	(80%)	466	(83%)

1 Based on a planning exchange rate of £1:€1.176
Percentages show share of allocation

2. Programme Amendment (Modification)

The European Commission approved the 5th modification to the programme on 26 January 2022. The proposal prioritised support for the extension to the Glastir Agri-Environment suite of measures and the extension of the Farming Connect contract.

The impact of COVID, along with Brexit has been greater on some areas of the programme than others, leading to delays and changes to planned activity, this was reflected in modification 5 which saw a decrease of funding allocated to Measure 16.

Planning is underway for a further modification as part of programme closure, utilising underspend to redistribute funds to ensure the available funding is correctly allocated to the measures required to best deliver the approved programme indicators.

3. Schemes Update

Scheme Allocation, Commitment, Spend

Figures below as at end of November 2022.

Scheme	Scheme Allocation	Total Committed to Projects	Total Spend
Cooperation & Supply Chain Development Scheme	£54,712,137	75,131,891	£51,187,797
Co-operative Forest Planning Scheme	£109,892	63,932	£57,456
Enabling Wales's Natural Resources Scheme	£31,000,000	29,572,994	£7,011,367
European Innovation Partnership	£2,475,000	2,474,680	£1,884,462
Farm & Forestry Infrastructure	£50,000	-	£0
Farm Business Grant Scheme	£23,607,843	21,184,034	£20,287,154
Food Business Investment Scheme	£50,061,706	58,360,576	£39,597,994
Knowledge Transfer & Innovation	£91,290,028	94,373,814	£75,882,001
LEADER	£46,480,799	47,424,311	£37,843,490
Rural Business Advisory Service	£14,322,407	14,211,326	£12,312,236
Rural Business Investment Scheme	£7,742,315	6,287,595	£4,978,291
Rural Community Development Fund	£18,330,782	20,479,242	£18,729,268
Sustainable Management Scheme	£20,162,336	23,657,976	£13,295,919
Sustainable Production Grant	£27,710,459	27,743,023	£19,783,247
Technical Assistance	£37,000,000	37,258,573	£27,855,676
Timber Business Investment Scheme	£7,015,663	6,893,181	£6,145,977
Socio-Economic Total	£432,071,366	465,117,147	£336,852,334
Forest Monitoring and Risk Management Scheme	£163,927	£298,851	£163,927
Glastir Advanced	£192,133,026	£178,166,502	£147,369,104
Glastir Commons	£37,490,097	£33,723,543	£28,592,265
Glastir Entry	£99,822,830	£100,147,729	£100,147,729
Glastir Organics	£33,192,041	£29,260,475	£25,995,760
Glastir Small Grants	£10,607,802	£10,339,473	£10,317,425
Glastir Woodland Creation	£22,480,615	£15,924,084	£11,802,073
Glastir Woodland Management	£959,900	£620,100	£615,497
Glastir Woodland Restoration	£5,003,946	£5,013,335	£3,728,663
Legacy Schemes	£8,101,923	£8,217,312	£6,984,556
Agri-Environment Total	£409,956,107	£381,711,404	£335,716,998
Total	£842,027,473	£846,828,551	£672,569,332

European Innovation Partnership (EIP)

Delivery of the EIP in Wales has been successful, encouraging participation by farmers coming together as Operational Groups (OGs), as of 30 November with 231 farmer and forester members in total across 46 approved OGs. A total of £1,799,515.17 has been awarded between the 46 groups, at an average of £39,125 per group (the maximum eligible support is £40k).

Knowledge Transfer & Innovation (KT&I)

The enhanced KT&I programme is continuing to provide support in transforming the business prospects of thousands of farmers and foresters. As at 31 October 2022 a total of 12,572 Businesses with 26,409 individuals registered and engaged with the programme. More information on Farming Connect programme delivery can be found [here](#).

Rural Business Advisory Service (RBAS)

RBAS provides expert, independent, confidential and bespoke advice to registered Farming Connect businesses. As at 30 November 2022 a total of 8,403 instances of advice on business support and/or technical advice have been delivered to 4,818 unique businesses. There have been 5,427 individuals supported through engagement with 3,875 groups.

Delivery of the current KT&I programme is due to end on March 19th, 2023, and Welsh Government is currently in the process of procuring the next Knowledge Transfer Programme 2023-2025.

Cywain

A project that has focused on supporting new and existing micro and SME businesses that wish to grow and expand. The value of the scheme is £16.6 million and to date has supported 983 participants. 851 participants have received training, across 1,158 training days. The majority of those have fallen into the Micro Business definition. 337 new markets have been accessed and 156 permanent jobs created.

Project Helix

Project Helix, run via Food Innovation Wales (FIW), is a unique triple helix food innovation and manufacturing support project, delivering a comprehensive support package to Welsh food businesses and to maximise their potential to

become more competitive in the market. The project provides participants expert advice to achieve efficiencies, product development and innovation and technical and operational knowledge required for success in food manufacturing. This is a £28.8m package of projects, split across three sites in Wales:

Financial impact of £46,446,180.81

- 567 enterprises have been assisted.
- 949 participants having received training across 940 training days.
- 467.65 jobs have been created.
- 2,481.9 jobs safeguarded.
- 1,402 new food & drink products.
- 827 new markets accessed.

Food Business Investment Scheme (FBIS)

FBIS has resulted in over £188.5m of investment in new capital investments in Wales since its induction and continues to attract new and exciting investments within the sector, to help aid and support the Agri food sector. A total of £58.36m grant has been committed to 133 companies.

Rural Business Investment Scheme (RBIS) - Food

This is a capital investment scheme for food and drink processing or manufacturing activities not eligible under the FBIS. The last window closed on 30/4/2021 and was oversubscribed. 25 Expressions of Interest were received with a total of 16 invited to full application, of these 16:

- 6 applications were withdrawn/rejected.
- 5 applicants failed to submit an application by the deadline.
- 5 applications were approved with a total grant awarded of £178.2k.

This was an important scheme to support the development small businesses, many of which were diversification of on-farm activities.

Timber Business Investment Scheme (TBIS)

The Welsh Government has delivered 5 successful rounds of the Timber Business Investment Scheme over the past 6 years. The scheme has enabled private forest owners, local authorities and other public sector forest owners to make capital investments that add value to the forests in Wales through woodland management activities, timber harvesting and/or timber processing. The 5th round which closed on 9 April 2021, expanded its remit to include investment in projects that deal with trees infected with Chalara, and/or increase

the capacity of a tree nursery. It resulted in 38 successful EOIs, with 20 projects being approved worth a total of £1,463,641 in grant funding.

Farm Business Grant (FBG):

Farm Business Grant provides grants from £3,000 to £12,000, which provide a maximum 40% contribution and allow farmers to make important investments in their businesses to support production efficiencies and improve productivity and on-farm sustainability. The grant provides funding towards the cost of a wide range of equipment, from handling systems and technology for precision farming, to equipment for more efficient use of resources. As the industry enters a critical period of change, businesses need to take this opportunity to ensure any investment they make supports them to become more sustainable, prosperous and resilient for the future.

A ninth and final FBG window opened on 1 September 2021 and closed on 1 October 2021. The budget for this round was £2m.

413 EOIs were received and contracts worth £1.8m have been offered to 378 customers. The deadline for submitting claims for window 9 was 8 February 2022. 188 valid claims were received and to date, 186 claims have been processed for payment worth £849k.

Due to a high level of demand for certain items available in FBG, in addition to supply issues due to a combination of Covid-19, Brexit and the war in Ukraine, some contract holders may struggle to complete the purchase of all items in their contracts, which is, currently, necessary to enable payment for the other items which are purchased. The Welsh Government are aware of this gathering situation and contract holders who are encountering difficulties for these reasons are urged to contact us using their RPW Online accounts as soon as possible, where each case will be dealt with on its merits, given the constraints of the contract.

Rural Business Investment Scheme - Non Agri (RBIS- Non Agri)

This was a new investment scheme to aid Covid-19 economic recovery, the RBIS (Non-Agri) covers capital investments costs and supports projects in Wales that contribute to one or more of the following:

- a) the diversification of the rural economy,
- b) the development of the supply chain for natural products,

c) increasing the productivity, efficiency and competitiveness of rural businesses.

Up to £50,000 grant was available to existing and start up non-agricultural enterprises.

There have been two application windows for this scheme. 15 contracts were issued to applicants totalling £488,397.61 of grant funding. To date claims, with an investment value of £340,119.66 have been submitted.

Further information on the scheme can be found [here](#).

Glastir Small Grants:

Water 2020 – All eligible claims received to date have been paid. RPW granted extensions for 3 claims worth £1,950. The customers must complete the works and claim by 31 March 2023.

Carbon – 2021 – All eligible claims received to date have been paid. RPW granted extensions for 12 claims worth £12,221. The customers must complete the works and claim by 31 December 2022 or 31 March 2023.

Landscape and Pollinators 2021 – All eligible claims received to date have been paid. RPW granted extensions for 8 claims worth £7,236. The customers must complete the works and claim by 31 December 2022 or 31 March 2023.

Sustainable Production Grant (SPG):

Grants range from £12,000 to £50,000 as a maximum 40% contribution to project costs. The items supported include, amongst other things, covered and uncovered slurry storage and management equipment. This will give more farmers the opportunity to take the lead in tackling agri-pollution to improve water, soil and air quality. The level of interest in most rounds of the SPG has demonstrated farmers are willing to invest in their businesses to become more sustainable, prosperous and resilient.

All 304 claims for SPG windows 1-3 have been processed for payment, worth over £12.767m. 564 claims have been received for SPG windows 4 - 7, of which 95% have been processed for payment, worth £7.31m. Every effort is being made to process the outstanding claims as quickly as possible. SPG claims are often complex and require further information from the claimant or the completion of an in-situ administrative check before payment can be made.

The seventh round of the SPG opened on 1 February 2021 and closed on 12 March. 601 EOIs were submitted with value of £20,766,099. Following selection, 194 SPG appraisal contract applications were submitted with a value of £6.3m. 155 contracts have been issued and accepted with a value of £5.01m. With the introduction of the Control of Agricultural Pollution Regulations, this round of the SPG had a strong focus on providing support to enable farmers to meet compliance with the storage requirements of the Regulations by the deadline of August 2024. As a departure from previous rounds, only the additional storage capacity necessary to meet the storage requirements could now be supported and not a wholly new system, regardless of any existing storage capacity, as previously required.

As with FBG, there are issues regarding the supply and increasing costs of materials and labour and some SPG contract holders may struggle to complete the purchase and installation of all items in their contracts, which is, currently, necessary to enable payment for the other items which are purchased.

Farm Business Grant – Yard Coverings (FBG-YC):

The FBG-YC is designed to support farmers to cover existing yards to reduce the volume of rainwater entering slurry stores. The aim of the FBG-Yard Coverings scheme is to improve current on-farm infrastructure, ultimately reducing their production costs. The scheme will support the covering of previously uncovered existing livestock feeding and gathering areas, manure storage areas, as well as existing slurry and silage stores. The scheme will be based on a standard cost per metre squared of roof installed. On 4 November, a knowledge transfer webinar was delivered to 1000 participants where an invited expert and Welsh Government and Farming Connect officials set out the detail about the FBG-YC scheme.

The FBG-YC EOI window opened on 9 November and closed on 18 December, with a first round budget of £1.5m. 583 EOIs were received. 149 contracts were offered and 134 accepted the contract offer. 74 claims have been received to date with 68 processed for payment worth £676k

A second round of FBG-YC closed on 25 June with a budget of £2m, with the unallocated amount of £152,062 from the first round added to the £2m budget. Contracts were offered to 250 farm businesses 193 have accepted a contract offer. 83 Claims have been received to date with 52 processed for payment worth £491k

Due to high levels of demand for materials and labour to complete projects in FBG-YC, officials have been made aware some contract holders were struggling to complete projects in time to make claim.

Delays in processing planning applications and Sustainable Drainage Systems (SuDS), both of which are dealt with through Local Planning Authorities, has also caused delays in completing projects in time to claim.

As with FBG and SPG, there are issues regarding the supply and increasing costs of materials and labour and some FBG-YC contract holders may struggle to complete the purchase and installation of all items in their contracts, which is, currently, necessary to enable payment for the other items which are purchased.

Agri-Environment Measures

Glastir Entry:

The last standalone Glastir Entry contracts reached their initial five-year contract period in December 2019, having commenced in 2015. Only where Glastir Entry contracts underpin Glastir Advanced contracts, can their commitments carry on beyond their initial contract period, as and when the overlying Glastir Advanced contract is renewed or extended.

Glastir Woodland Creation (GWC)

GWC windows 9, 10 and 11 have budgets of £8m, £9m and £5.5m respectively. Applicants submitted outstanding woodland creation plans by December 2022 and need to complete and claim funding for their projects by 31 March 2023. There are 269 verified contracts generated to date with a total area of 1,408 Ha woodland creation.

Glastir Woodland Restoration (GWR)

The remaining schemes in GWR windows 8 and 9 have until 31st March 2023 to complete and claim their projects. There are 114 verified contracts generated to date with a total area of 724.21 Ha woodland restoration.

Glastir Advanced:

The majority of Glastir Advanced and all Organic and Commons contracts have reached their initial contract expiry, when the 5-year contract period of their

contracts ended. With many contracts already subject to multiple extensions and renewals since 2017, the annual combined value of these contracts is £34.7m. Evidence from monitoring and evaluation activity shows continuous involvement in agri-environment schemes ensures the gains achieved, particularly in High Nature Value farmland in the uplands, are maintained and not lost to more intensive farming methods.

Extending Glastir will contribute to our aims of conserving and enhancing wildlife and biodiversity, improving our soil and water resources, restoring peatland habitats and responding to the climate emergency by taking action through the decarbonisation of Welsh agriculture.

In September 2021, the Minister announced continuing support for farmers as Wales transitions towards the Sustainable Farming Scheme, including extensions to Glastir Advanced, Commons and Organic contracts by two years, to December 2023. This represents a budget commitment of £66.79m over two years for Welsh farmers.

Commencing at the beginning of October, 1,745 eligible Glastir Entry/Advanced contracts will have been offered an extension and renewal contract with a value of £22.7m. To date, 1,561 contract holders have accepted their extension or renewal contract offer. The remaining contract holders have until 31st December 2022 to respond to their contract extension or renewal offer.

Glastir Commons:

Extensions for Glastir Commons contracts commenced beginning of October and have been offered to 180 Glastir Commons contract holders whose existing contract is due to end on 31 December 2022. The contract holders will be offered an extension until 31 December 2023. The extended contracts are worth £5.2m. To date, 166 contract holders have accepted their contract extension offer. The remaining contract holders have until 31st December 2022 to respond to their contract extension offer.

Glastir Organic:

The Welsh Government announced its intention to offer further contract extensions to take existing eligible Organic contracts to 31 December 2023. All eligible Glastir Organic contracts are being offered two further annual extensions to run until 31 Dec 2023. The second annual extensions, to 31 December 2023, commenced beginning of October and will be offered to 470 eligible Glastir Organic contracts, with a value of £3.25m. To date, 440 contract holders have

accepted their contract extension offer and 4 have declined. The remaining contract holders have until 31 December 2022 to respond to their contract extension offer.

Co-operation Schemes

Sustainable Management Scheme (SMS)

The purpose of the SMS is to support collaborative landscape scale projects delivering nature-based solutions to improve the resilience of our natural resources and ecosystems in a way that also delivers benefits to farm businesses and the health and well-being of rural communities. SMS projects are undertaking actions to enhance biodiversity; improve green infrastructure; sustain better land and water management and importantly, facilitate climate change adaptation and mitigation at landscape scale.

SMS collaborations include farmers and graziers who have seen the benefits working together can bring and being inspired to work with new and traditional methods. Projects involve partnerships and collaborations at a local level and landscape scale offering nature based solutions to tackle the decline in biodiversity and to improve the resilience of our ecosystems. Enabling collaboration at the right scale (be that site, regional, catchment, landscape or ecosystem) and the right locations is vital to tackling issues and maximising benefits.

By the end of the delivery period, June 2023, we hope to see clear outcomes for increased carbon storage, improved natural flood risk management, soil health, water quality and biodiversity.

In addition to environmental outcomes, we are also seeing outcomes for skills development, job creation, business diversification and community benefits. A number of the projects are now considering and focusing on the health and well-being benefits of the work they are doing.

This scheme has committed £23m of RDP funding to date through five EOI windows opened during 2016 - 2019. There are a total of 50 projects.

The fifth and last SMS window opened 21 May 2019 – 8 August 2019 with an allocation of £3m available. 45 EOIs were submitted with a request of over £21M, 8 EOIs were selected and decision notifications were sent out on or around 8 October 2019. All 8 project sponsors met the deadline of 8 April 2020 to submit a full application and have since been approved. Currently 18 SMS projects have

completed and provided project end evaluations and there are 32 ongoing projects.

The official SMS evaluation has moved into its final stage with the final impact report planned for June 2023. This report will present aggregated findings from the research period and aims to provide recommendations for future policy. The first phase report was published on 4th November 2021. The final stage of the evaluation involves an online survey of the projects which opened in November aimed at gathering feedback from funded projects about the benefits, impacts and difference made by the projects. The fieldwork for this final stage is also well underway having started in October 2022 and consists of interviews and case studies involving 25 selected projects covering the five windows.

In addition to the high level scheme evaluation all project activities and outputs are being collated by the SMS team. This will enable links to be made to wider benefits and outcomes, such as enhanced biodiversity & healthy ecosystems alongside health & wellbeing and community cohesion.

The SMS team are collating an evidence base to inform future policy going forward. A portfolio of material will be published as the first window of projects come to an end alongside virtual stakeholder events aimed at sharing success, learnings such as monitoring & evaluation techniques which were run by the SMS team in 2021. Individual project final evaluations and any supporting documents are being published online to a wider audience via Wales Rural Network web pages.

Enabling Natural Resources and Well-being (ENRaW)

ENRaW supports the development of collaborations and the delivery of actions through projects to improve the environment and biodiversity of the land around us as well as the wellbeing and mental health of the communities and businesses who utilise and enjoy them. These projects also bring a broad range of economic, social and cultural benefits.

Developing, regenerating and broadening access to sustainable green infrastructure.

Improving the quality of the urban and rural built environment; and

Developing resilient ecological networks, areas and nature-based solutions.

The grant was open to a wide range of organisations working in a collaborative way to deliver activity under the themes of action and provides both revenue and capital funding to support delivery. In response to the first EOI, 85 applications were received in December 2018 and a total of 38 projects were recommended and approved.

A second funding window closed on 22 November 2019, with funding being available from 1 April 2020. Five projects have been invited to develop full applications to the scheme at a value of £14.5m.

A third window closed in March 2020, with 19 projects approved with a scheme value of £19.1m.

Co-operation and Supply Chain Development Scheme – COVID-19 recovery Windows

Welsh Government held a series of Expression of Interest Windows relating to COVID-19 response and recovery, as follows:

- Window 8 - Pilot Actions for Community Cohesion and Green Recovery support (closed Oct 2020)
Four applications with a grant value of £1,047,645 were invited to progress to the application stage. These applications have now been approved and are delivering.
- Window 9 - OCVO - Antimicrobial Resistance (closed Nov 2020)
One application with a grant value of nearly £4m awarded
- Window 10 - Food Tourism (closed Dec 2020)
Two applications with a grant value of over £3m were invited to submit full applications. One application has been approved with a total grant award of £49,199,70
- Window 11 - Innovative approaches to Collaborative Growing (closed Jan 2021)
Five applications with a grant award of £1,924,313 were invited to submit full application. Appraisals have been completed, and contracts totalling £1,813,322.40 have been awarded. Claims to the value of £275,720.75 grant award have been paid.
- Window 12 - Food Covid Recovery Plan (closed Feb 2021)
Eight applications with a grant award of £2,958,591 were invited to submit full applications. 6 contracts totalling £1,912,126 were awarded. To date claims to the value of £23,363.72 have been paid.

- Window 13 - Pilot actions for green growth and the Circular Economy (closed Feb 2021)
Four approval letters were issued totalling £789,553.23, claims to the value of £66,511.04 have been paid to date.

LEADER

Welsh LEADER Local Action Groups continue to play an active role in supporting their rural communities at this time of unprecedented challenge. LEADER has proven itself to be a useful socio-economic tool in economic recovery following the Covid-19 emergency.

- networking and collaborating to ensure an informed and appropriate approach to meet local needs

The LEADER Scheme underwent a re-evaluation process in the final quarter of 2021. Sixteen of the Eighteen Local Action groups submitted re-evaluations for their LEADER projects, in total 60 applications were received.

Total Spend for the LEADER scheme was £37.9m to the end of November 2022. Twenty LEADER Projects came to an end during the 2021/2022 Financial Year –

- Conwy Cooperation
- Pembrokeshire – Implementation; Running Costs; Animation & Cooperation
- Neath Port Talbot – Implementation; Running Costs; Animation & Cooperation
- Torfaen – Implementation; Running Costs; Animation & Cooperation
- Swansea Co-operation
- Merthyr Tydfil – Implementation; Running Costs; Animation & Cooperation
- Monmouthshire – Animation & Cooperation

A Further 6 LEADER Projects came to an end by 30 September 2022

- Monmouthshire – Implementation & Running Costs
- Powys – Implementation; Running Costs; Animation & Cooperation

20.2 Technical Assistance - Wales Rural Network

Wales Rural Network Events & Participation

Wales delivered its end of term event on 9 & 10 June 2022.

The two-day event [Celebrating Rural Wales](#) included –

- 360 Delegates over 2 days
- 30 Showcased Projects
- 6 themed Panel Discussions

Taste of Wales Evening Networking Reception

Aims and Objectives

This event supported the Wales Rural Network to deliver on its aims to:

- Share best practice
- Collate and disseminate case studies
- Promote the Rural Development Programme and its' success stories
- Reiterate the importance of a funding programme designed to assist rural businesses, enterprises, infrastructure, communities and people

WRN Website / IT Development

Website

There are over 1700 projects (including LEADER) published on the interactive Project pages, numerous now contain links to live web pages. WRN added 118 projects in the period January – November 2022.

- At least 2 pieces of information are added to the website on a daily basis.
- There have been 102,476 website hits from Jan – 30 November 2022. In addition, there was a Welsh Local Authorities election between 14 April and 5 May 2022, which meant we were unable to post as much content on social media. In addition to this, all social media and website activities were paused between 8 – 20 September after the passing of her Majesty. Resulting in less traffic going to the Website. There was also an error with Google analytics meaning we didn't get any figures for May 2022.

Social Media

- Twitter followers increased to 1,966 by end of November 2022.
- Facebook has also seen a steady increase to 584 followers in November 2022. In addition, there was a Welsh Local Authorities' election between 14 April and 5 May 2022 which meant we couldn't post as much content on social media. All social media and website activities were paused between 8 – 20 September after the passing of her Majesty.
- A monthly Social Media post goes out to promote a different case study every month.

Internal Permissions given to add WRN Social Media Channels, the channels went live early 2022

Instagram has seen a great increase in followers since its launch, as of November 2022, we have 114 followers already.

WRNSU Communications & Publicity

- In the period Jan - November 2022, 206 case studies were written and shared
- WRNSU Newsletter - 10 editions in 2022; WRN Newsletter subscribers remain steady with over 10,600 in December 2022 across the English and Welsh versions
- 22 updates via Gwlad e-newsletter
- 8 programme updates have been included in the Climate Change Newsletter
- 14 programme updates were provided to EU Funds newsletters
- 6 programme updates were provided to Wales' Food & Drink newsletters
- 2 programme updates were provided to Wales' Tourism newsletters
- For Farming newsletter, one for Spring, one for Summer and another for Winter.

More information regarding the WRN activities can be found in the WRN written update for PMC.

ESNR / Welsh Government Lead: Katy Watkin

Approved by:

Date: 12 January 2023

Section 1: ERDF Programmes: Commitment

1. This section gives details of current financial progress under the ERDF Programmes, including an overview of the Programmes and information at Priority-level.
2. Table 1 shows the number and amount of EU Grant committed to approved Operations under the West Wales and the Valleys and East Wales ERDF Programmes.
3. Progress data for finance and indicators is published monthly on the WEFO Website at <https://gov.wales/progress-programmes-eu-structural-funds-2014-2020>

Table 1: EU Grant Commitment by Programme and Priority: Approved Operations

Priority	Operations	Allocation		Committed				Spend			
		Total ¹	EU Grant ¹	Total ²		EU Grant ²		Total ³		EU Grant ³	
West Wales and the Valleys ERDF											
1	36	415.2	276.2	468.0	(113%)	294.3	(107%)	324.9	(78%)	204.5	(74%)
2	8	290.3	181.2	414.2	(143%)	229.4	(127%)	386.9	(133%)	211.5	(117%)
3	19	193.5	134.4	207.4	(107%)	141.8	(106%)	123.2	(64%)	95.7	(71%)
4	37	656.8	431.3	672.5	(102%)	374.0	(87%)	306.7	(47%)	196.4	(46%)
5	7	28.0	20.9	30.2	(108%)	22.4	(107%)	22.6	(81%)	16.1	(77%)
Total	107	1,583.8	1,043.9	1,792.2	(113%)	1,061.9	(102%)	1,164.4	(74%)	724.2	(69%)
East Wales ERDF											
1	19	178.4	89.2	181.2	(102%)	84.3	(94%)	111.9	(63%)	53.7	(60%)
2	8	78.9	39.5	111.7	(142%)	51.9	(132%)	108.3	(137%)	49.5	(126%)
3	1	7.9	3.9	7.1	(90%)	3.5	(90%)	7.1	(90%)	3.5	(90%)
4	6	78.5	39.2	77.8	(99%)	38.9	(99%)	31.5	(40%)	15.1	(38%)
5	6	7.1	3.5	7.7	(110%)	3.6	(101%)	5.8	(82%)	2.5	(71%)
Total	40	350.7	175.3	385.5	(110%)	182.2	(104%)	264.5	(75%)	124.3	(71%)
Total ERDF	147	1,934.5	1,219.2	2,177.7	(113%)	1,244.1	(102%)	1,428.9	(74%)	848.5	(70%)

Source: WEFO, 30/11/2022

¹ Based on a conversion rate of £1:€1.17² Percentages show committed as share of allocation³ Percentages show spend as share of allocation

Overall Programme

4. The two ERDF Programmes continue to make good progress with 147 operations approved committingting £1,219 million grant representing 102% of the programme values (102% West Wales and the Valleys and 104% East Wales) at a WEFO planning rate of 1.17/£. These commitment levels are manageable and reflect previous programme over-commitment thresholds to ensure we can maximise the draw-down of EU funds at final claim stage. Both the ERDF programmes are now complete with no further approvals anticipated.
5. The N+3 2022 targets for all ERDF Programmes have been achieved.
6. So far nearly £713m (68% WWV) and £124m (71% EW) has been paid out to ERDF project beneficiaries. Currently there are ERDF payments awaiting authorisation by WEFO amounting to £21m and £2.5m for WWV and EW respectively; taking these into account the payments to sponsors rise to £734m in WWV and £127m in EW.
7. These ERDF spend figures have translated into a draw-down of funds from the European Commission of 62% of the grant allocation in WWV and 64% of the grant allocation in EW.

8. In terms of indicator delivery as previous reported a programme wide indicator review for both ERDF and ESF had been commissioned and has now reported its findings, recommendations of which have been considered and form part of the ERDF Modification proposals. This is a separate paper for the PMC to consider.

9. Due to Covid, flooding, the Ukraine war and the overall cost of living crisis, a number of operations have requests timeline extensions with a number also asking for additional grant due to cost increases. WEFO has tried to be as accommodating as possible to these requests which has resulted in an increase in the number of operations that will now physically and financially complete in 2023. This is a risk for final draw-down as these late completing operations will need to ensure they have completed closure in an equally timely manner for all expenditure to be eligible by end December 2023. The December 2023 is a non-movable date and any expenditure post that date will not be eligible for ERDF.

10. Progress continues closing operations and a number have already closed. However as indicated a high proportion of the ERDF portfolio will continue with delivering into 2023 meaning that beneficiaries will need to submit their claims on time with the necessary documentation if WEFO is to carry out its closure functions and make final payments ensuring that expenditure is in draw downs during 2023 or in the final programme claims in 2024.

Section 2: Progress by Priority Axis

Priority 1: Research and Innovation

Approvals Since the last PMC

No new approvals since the last PMC.

11. The Research and Innovation portfolio is led by the smart specialisation agenda, which is reflected in the backbone operations approved alongside the individual niche operations. The portfolio consists of 55 approved operations

from the public, private and HE sector, a number of which are pan-Wales, and have been very technical in nature to approve.

12. The Covid-19 pandemic led to delays in operations delivering activity under both Specific Objects 1.1 and 1.2, resulting in a significant number of non-financial extension requests and de-commitments. Some extensions have been agreed as an exception to deliver key activity into 2023 and, are continually monitored to ensure there is no further slippage.
13. The main challenges remain to support all operations to achieve their original aims in terms of delivery, compliance, and expenditure. At this stage in the Programmes, regular, ongoing review meetings are critical to ensure the effective closure of each operation with limited scope for slippage. To date 6 operations have closed compliantly.
14. Taking into account updated evidence from current approvals, forecast assumptions, and the findings from the Wavehill Indicator Review, key indicator targets will be met and, in the following areas targets will be exceeded:
 - Amount of research funding secured;
 - Number of partners co-operating in research projects;
 - Number of researchers working in improved research infrastructure facilities;
 - Number of improved research infrastructure facilities.

Any changes to other P1 indicators for both Programmes are under consideration. As a minimum, the review is considering impact on the following areas to be included in a Programme modification

- Number of new researchers in supported entities;
- Number of enterprises receiving non-financial support;
- Employment Increase;

Priority 2: SME Competitiveness

Approvals since the last PMC

15. No new approvals since the last PMC update.
16. WWV is fully committed, but the repurposed ERDF in response to business needs due to the COVID pandemic has increase the level of over commitment for P2 but still keeping the overall Programme overcommitment level at 102%

at the WEFO planning rate of €1.17/£1. Spend has exceeded the allocation and is currently at 101%.

17. EW is fully committed, but the repurposed ERDF in response to business needs due to the COVID pandemic has increase the level of over commitment for P2 but keeping the overall Programme overcommitment level at 104% at the WEFO planning rate of €1.17/£1. Spend has exceeded the allocation and is currently at 120%.

18. There is a need for a further modification to the programmes to vire monies into P2 from other Priorities to account for the repurposed ERDF that we needed to manage the COVID response. This re-allocation of funding will come from areas of the programme that have experienced unexpected de-commitments and under commitments more generally but will ensure the funds are not lost to Wales.

19. Taking into account updated evidence from current approvals and forecast assumptions, key indicator targets will be met and, in the following areas targets will be exceeded:

- Investment in enterprises
- Private investment matching public support to SMEs
- Number of enterprises receiving non-financial support
- Employment increase in supported enterprises
- Increase in level of export

Changes to a number of indicators under both Programmes is being considered as part of the external review including:

- Enterprises adopting or improving sustainable development strategies
- Enterprises adopting or improving diversity strategies

This externally commissioned review has now reported, and considered the impact of the COVID 19 pandemic had on indicators not least the situation the Priority 2 portfolio is experiencing, that the current business growth direction of P2 has had to be adapted to business survival and which is likely to lead to the inclusion for the business support operations a new key indicator: jobs safeguarded.

Priority 3: Renewable Energy and Energy Efficiency

Approvals since the last PMC

20. No new approvals since the last PMC

21. Priority 3 is overcommitted to a level of 102% of the programme allocation, which equates to around £3 million overcommitment. Many operations are reappraising what they can deliver by their agreed end dates. In some cases this is leading to early warning of likely underspend/overspend and questions about extensions. We are managing this dynamic situation and emphasise the need for operations to complete as early as possible in order for WEFO to have time to close the programme and draw down the EU funding. There is little or no room for slippage.

22. It is very important for operations to comply with the agreed timescales as the indicators are often single achievements that are backloaded. 3 community energy installation operations are continuing into summer 2023, but as these are made up of several smaller schemes, there is lower risk of incomplete operations. 2 marine site preparation operations and 3 prototype demonstrations will be completing in 2023 – we are monitoring the prototype dates closely and will continue to challenge any slippage. On an exceptional basis, due to their importance as enabling operations and scale, two energy infrastructure projects are likely to close after June 2023. There is good awareness of the deadlines and commitment to achieving completion but high risk, nonetheless.

23. Covid 19, inflation, energy market volatility and supply chain issues have affected all aspects of Priority 3. While the sector handled Covid 19 relatively well, there were delays for energy efficiency measures in particular. Inflation and supply chain pressures have pushed up cost and extended timescales. Match funding is also difficult to find in some cases, either due to the pre-commercial nature of technology or difficulty agreeing terms in a volatile market.

24. The modification paper explains the changes to indicators proposed. These include an increase in site preparation balanced against a lower number of prototypes. Community Energy is doubling its indicators as various schemes that had a long gestation are now reaching the point of delivery. Energy efficiency targets are reduced due to reduced funding following Covid and flooding, but the ARBED scheme has outperformed the target on a per-pound basis.

25.No other operations are foreseen in the EW priority and commitment is at 91% under the 1.17 planning rate.

Priority 4: Connectivity and Urban Development

Approvals since the last PMC

26. One approval has been made since the last PMC. This is to support new business units at Holyhead. A grant award of £3.1m was made which utilised part of the de-commitment from the Llanbedr Airfield operation. Overall commitment in West Wales and the Valley stands at 87%.

27. The Priority continues to deliver with 13 of the sites and premises operations now complete. Several projects within our large umbrella operations are also complete and delivering benefits on the ground.

28. The portfolio has experienced challenges over recent years arising from floods, Brexit and Covid with resulting impact on what can realistically be delivered. Due to the EU programme timescales, we have not been able to offer time extensions across the board. This has resulted in de-commitment in some areas and the modification paper outlines plans for dealing with this along with the associated indicators. We are still seeing challenges around inflationary costs. Where possible, we have mitigated against this by funding costs increases.

29. The focus going forward is very much on ensuring operations deliver and claim on time with a view to ensuring a prompt closure process. The long lead in time associated with infrastructure projects means that a number, especially the Metro operations and A40, will run close to the end of the programme. There remains very limited scope for operations to slip.

30. East Wales is 99% committed with some £31.5m ERDF allocated to the Metro. As with WWV, the challenge is to ensure operations deliver to time and budget and claim promptly. The 3 larger Metro operations in East Wales are not due to complete until July/August 2023 so have very little room for slippage and WEFO continues to monitor these closely.

31. The nature of the infrastructure investments supported under P4 means that we will only witness significant progress against output targets in the latter part of the programme period once operations reach completion stage. The modification paper details the changes we propose to make to Priority 4 indicators.

Priority 5: Technical Assistance

Approvals since the last PMC

32.No new approvals since the previous PMC.

33.All TA operations are approved and in delivery. There is a recommendation to PMC to shift from an expenditure declared model to a flat rate of 4% model for Technical Assistance. This is covered in the WWV element of the modification paper as this involves the virement of funds into the Technical Assistance Priority, together with a separate paper addressing this new model for delivery for the other programmes.

Section 1: ESF Programmes: Commitment

1. This section gives details of current financial progress under the ESF Programmes, including an overview of the Programmes and information at Priority-level.
2. Table 1 shows the number and amount of EU Grant committed to approved Operations under the West Wales and the Valleys and East Wales ESF Programmes.
3. Progress data for finance and indicators is published monthly on the WEFO Website at <https://gov.wales/progress-programmes-eu-structural-funds-2014-2020>

Table 1: EU Grant Commitment by Programme and Priority: Approved Operations

Priority	Operations	Allocation		Committed				Spend			
		Total ¹	EU Grant ¹	Total ²		EU Grant ²		Total ³		EU Grant ³	
West Wales and the Valleys ESF											
1	19	185.6	146.5	221.7	(119%)	156.5	(107%)	151.7	(82%)	110.6	(75%)
2	22	375.7	271.4	682.8	(182%)	293.9	(108%)	540.0	(144%)	235.0	(87%)
3	20	260.7	193.9	308.2	(118%)	212.8	(110%)	258.7	(99%)	170.7	(88%)
4	6	18.8	13.9	25.9	(138%)	15.0	(108%)	20.2	(108%)	11.3	(81%)
5	6	10.6	8.0	15.9	(149%)	10.2	(127%)	6.4	(60%)	3.8	(48%)
6	1	92.3	68.4	101.9	(110%)	35.0	(51%)	0.0	(0%)	0.0	(0%)
Total	74	943.7	702.2	1,356.5	(144%)	723.3	(103%)	976.9	(104%)	531.5	(76%)
East Wales ESF											
1	9	43.6	21.8	48.5	(111%)	23.2	(107%)	35.1	(80%)	19.0	(87%)
2	15	156.5	64.7	285.6	(183%)	72.0	(111%)	241.1	(154%)	56.8	(88%)
3	12	94.0	47.0	129.3	(137%)	49.3	(105%)	92.5	(98%)	38.5	(82%)
4	5	7.0	3.5	6.1	(87%)	3.0	(85%)	4.8	(68%)	2.0	(58%)
5	4	9.6	4.5	6.1	(64%)	3.0	(67%)	2.6	(27%)	1.3	(29%)
6	1	70.1	35.0	69.8	(100%)	30.0	(86%)	0.0	(0%)	0.0	(0%)
Total	46	380.8	176.6	545.5	(143%)	180.6	(102%)	376.1	(99%)	117.7	(67%)
Total ESF	120	1,324.5	878.8	1,902.0	(144%)	903.9	(103%)	1,352.9	(102%)	649.2	(74%)

Source: WEFO, 30/11/2022

¹ Based on a conversion rate of £1:€1.17² Percentages show committed as share of allocation³ Percentages show spend as share of allocation

Overall Programme Update

- Commitment levels have increased since the last PMC meeting and now stand at 103% in WWV and 102% in EW (103% overall) at the current planning rate of £1=€1.17. The increase follows the approval of two new operations in Priority 6 supporting Covid-19 expenditure for the NHS and social care. The total EU funds committed now amount to £904m.
- Commitment levels in the three largest priorities - Tackling Poverty, Skills for Growth and Youth Employment (Priorities 1 to 3) – remain high at between 105% and 111%. Some underspend by approved operations as they close is anticipated and this is expected to be sufficient to ensure that the programme out-turn does not exceed the available EU funds.
- Funds paid out to beneficiaries have risen to £531m in WWV and £118m in EW – a total of £649m which represents 74% of the programme funds. The 2022 N+3 targets were achieved.

7. As of 1 December, 11 ESF operations had completed the project closure process and a further 9 operations had reached their end date and were in the closure process. The remaining 100 ESF operations have end-dates falling during the last year of the programmes.

8. Some enquiries continue to be received from operations seeking extensions to their end-dates, however as we are now entering the final 12 months of the programme period it is unlikely that any further extensions will be agreed.

9. More than 365,000 participants have so far been recorded (84% of the combined final programme targets). Of these, over 148,000 participants have gained qualifications (85% of the expected final number) and over 37,000 have been supported into employment or self-employment (92% of the expected final number). WEFO has recently reviewed the achievement of the programmes against the whole range of indicator targets set under the OPs and Performance Framework, including considering the evidence from the independent review which reported in 2022. Our conclusion is that overall the volume of participants engaged and the outcomes they have achieved show that the programmes have performed well, despite the unprecedented circumstances in which they have been delivered. At the level of individual output and result indicators under each Specific Objective there is some variance, with over-performance against some indicators and under-performance against some others. However we have concluded that in line with the EU Regulations there is little merit in seeking to adjust targets set at the start of the programmes simply to align them with actual performance. Progress against the priority expenditure targets also gives confidence that these will be achieved for almost all priorities and that any possible shortfalls would be manageable within the flexibilities allowed by the EC's closure rules. Consequently no modifications to the ESF programme targets or financial allocations are being proposed at this time.

Section 2: Progress by Priority

Priority 1 : Tackling Poverty through Sustainable Employment

10. This Priority is 107% committed in WW&V and 107% in EW. The Priority has so far supported over 85,000 participants across Wales.
11. Expenditure by operations continues to make progress towards the priority expenditure targets (end of programme targets set for 2023), with 82% of the target amount now achieved in WWV and 80% in EW.
12. The output indicators show particularly high levels of participation by long-term unemployed participants and, in WWV, participants with a work-limiting health condition or disability. For these two participant groups the indicator target values set for 2023 have already been significantly exceeded. Good progress is also being made in supporting economically inactive participants, with 84% of the target value set for 2023 already achieved in WWV and 70% achieved in EW.
13. The results indicators show a more mixed picture but demonstrate that participants are achieving a range of positive outcomes relevant to their employment journeys. A particular strong point is the proportion of economically inactive participants entering employment which stands at 26% in WWV and 27% in EW, above the target values of 20%. The proportion of underemployed participants achieving an improved labour market position in WWV is also above target at 45% against a target of 40%.
14. The main area in this Priority where numbers are lower than expected concerns short-term unemployed participants and participants impacted by redundancy in WWV. In the labour market conditions that the programmes have operated in, fewer people from these groups have been accessing support than was originally expected and this seems unlikely to change markedly in the remaining time the programmes have left to run.

Priority 2: Skills for Growth

15. Commitment in this Priority stands at 108% in WW&V and 111% in EW. The Priority has so far supported over 163,000 participants across Wales.
16. Expenditure declared by operations in this Priority has already exceeded the priority expenditure targets (end of programme targets set for 2023) for both WWV and EW.
17. The output indicators continue to show particularly high levels of participation by workers with an upper secondary education. For these participants the

indicator target values set for 2023 have already been met, and significantly exceeded for females.

18. The final targets for participants with lower secondary education in SO1 have also now been met in EW. In WWV there is good progress for this participant group with 88% of the final target now achieved for males and 73% for females.
19. Similarly there is strong progress in both programmes for male and female participants with a graduate degree in SO3 (83% and 74% of the final targets already achieved in WWV, 74% and 78% in EW) and participants in SO4 (77% of the final target now achieved in WWV, 96% in EW)
20. The area of this Priority which has shown slower progress is participants with a lower secondary education in SO2. So far in EW 72% of the final target has been achieved for males and 64% for females. In WWV 61% of the final target for males has been achieved so far and 52% of the target for females.
21. Results indicators are generally progressing satisfactorily, with the proportions of participants gaining qualifications tracking close to the target values across most participant groups. The proportion of participants gaining qualifications is between 60% and 70% in most participant groups. Lower proportions have been reported to date for post-graduate qualifications but this reflects the long duration of these courses and their awarding timescales. The proportion of enterprises adopting or improving their equality practices at 92% in WWV and 93% in WWV, and the proportion of operations integrating sustainable development at 68% in WWV and 67% in EW, are both well in excess of the programme targets.

Priority 3: Youth Employment and Attainment

22. Commitment in this Priority stands at 110% in WW&V and 105% in EW. The Priority has so far supported over 116,000 participants across Wales.
23. Progress towards the priority expenditure targets (end of programme targets set for 2023) is strong, with expenditure by operations now amounting to 99% of the final target in WWV and 98% in EW.
24. Output indicators are showing strong levels of participation by participants who are NEET, with the indicator target value set for 2023 for this participant group already exceeded in WWV and 76% achieved in EW. Good progress is also being made in supporting young people in WWV to engage with STEM subjects, with the target for male participants already exceeded and 82% of the target for females now achieved. More females than males have

participated in STEM activities (over 11,000 females compared to just under 9,500 males) but this gender split is not as strongly in favour of females as had been hoped.

25. Progress is slower for participants at risk of NEET, with 54% of the 2023 target value for this indicator having been achieved so far in WWV and 73% in EW. Eligibility of participants in this group is based on risk identification systems developed by education providers, and it seems likely that the target over-estimated how many participants would be identified through these systems. Numbers of employed participants from the early years sector are also below expectations.
26. The results indicators show a generally positive picture of the outcomes that young people and educators are gaining from taking part in operations. For NEET participants both the proportion of participants gaining qualifications (25% in WWV, 27% in EW) and the proportion entering employment (32% in both programmes) are above target values. In the WWV programme, the proportions of young people completing their STEM training and the proportions of employees from the early years sector gaining qualifications are both showing steady progress towards the target values.

Priority 4: Technical Assistance

27. Commitment in this Priority stands at 108% in WWV and 85% in EW.
28. The activities supported continue to include revenue support for WEFO as Managing Authority in implementing the programme, the four 'Regional Engagement Teams' based in North Wales, Mid Wales, Swansea Bay and South East Wales, and Intermediary Body revenue support for the WCVA. No further commitment is anticipated.

Priority 5: Public services reform and regional working

29. Commitment in this Priority stands at 127% in WW&V and 67% in EW.
30. This is a relatively new portfolio of projects and so progress against the priority expenditure targets (end of programme targets set for 2023) is slower than for other priorities, with expenditure declared by operations having reached 60% of the WWV target and 27% of the EW target at this stage.
31. Indicator achievements against targets are quite strong, with the final target for the number of entities participating in projects already exceeded for both WWV and EW. New methods, processes and tools are also starting to be

reported. Overall, forecasts from operations suggest that all indicator targets should be achieved.

32. An innovative aspect of this Priority is that the evidence requirements for the 'new methods, procedures and tools' result indicator are needing to be agreed separately with operations for each method/procedure/tool being claimed. WEFO's Research, Monitoring and Evaluation team are working closely with operations to ensure this happens.

Priority 6: Containing Covid through Capacity

33. Two new operations, entitled ***Supporting the NHS and Social Care through Covid*** (WWV: TPC £101.9m, ESF £35.0m and EW: TPC £69.8m, ESF £30.0m) have been approved since the last PMC meeting. These operations are led by the Welsh Government Health Department with local health boards and NHS trusts from across Wales as joint beneficiaries. They are expected to have helped support the employment of almost 4,000 additional medical staff and the purchase of almost 200 million items of PPE for the NHS and social care during the pandemic.

WPMC(23)201

WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020:

ERDF PROGRAMME MODIFICATION FOR THE WEST WALES AND THE VALLEYS 2014-2020 PROGRAMME

ERDF PROGRAMME MODIFICATION FOR THE EAST WALES 2014-2022 PROGRAMME

Issue

1. Following the response both programmes made to the Covid pandemic there is a need to modify the programmes to ensure maximum draw down of the funds that were made available to businesses in Priority 2, SME Competitiveness during this critical time. The modifications reflect the need to modify financial allocations at both Priority and Thematic Objective level and indicator targets in support of this response.

As part of the review of the Independent Indicator Review there are also proposals to make changes to a limited number of indicators across the programmes. Changes are also required at Performance Framework level to reflect financial and framework indicator targets.

The Managing Authority is making a proposed change to how Technical Assistance is drawn down, moving from a declaration of expenditure at Technical Assistance Priority level to a 4% flat rate approach. As funds are being proposed to be moved into the Technical Assistance Priority for West Wales and the Valleys this change is presented in this modification paper. The proposal to move to a 4% flat rate for the other Programmes (no movement of funds) is dealt with under paper WPMC(23)202.

A review of the contextual content of both the ERDF programmes has been undertaken and no changes are considered necessary.

Recommendation

2. The following changes reflect the ERDF financial modification proposals for West Wales and the Valleys. The changes to Indicators can be found in Annex 1 and changes to the Performance Framework in Table 1. The WEFO Planning Rate of £1/€1.17 is used for the conversion calculations.
 - To move ERDF £10.4m (€12.3m) from Priority 1, Research and Innovation Thematic Objective 1 (Strengthening research, Technological Development and Innovation) into P2, SME Competitiveness, Thematic Objective 3 (Enhancing the Competitiveness of small and medium-sized enterprises)
 - To move ERDF £2m (€2.4m) from Priority 1, Research and Innovation, Thematic Objective 1 (Strengthening research, technological Development and Innovation) into Priority 5 Technical Assistance
 - To move ERDF £46.6m (€54.5m) from Priority 4, Connectivity and Urban Development (£25.8m being €30.2m from Thematic Objective 7 – Promoting sustainable transport and removing bottlenecks in key network infrastructures, together with £20.8m being €24.3m from Thematic Objective 8 – Promoting sustainable and quality employment and supporting labour mobility into Priority 2, SME Competitiveness, Thematic Objective 3 – Enhancing the competitiveness of small and medium-sized enterprises). Part of the movement of funds from Priority 4, Connectivity and Urban Development addresses the

audit agreement reached with the EU regarding the operation, The Station Improvements Scheme. More detail can be found in Annex 1 under Priority 4

- To move ERDF £3m (€3.5m) from Priority 4, Connectivity and Urban Development, Thematic Objective 8 (Promoting sustainable and quality employment and supporting labour mobility) into Priority 5, Technical Assistance
 - The distribution of funds between Thematic Objectives in Priority 4, Connectivity and Urban Development will also need to be modified with £3.7m (€4.3m) moving from Thematic Objective 2, (Enhancing access to and use and quality of, information and communication technologies), into Thematic Objective 4, (Supporting the shifting towards a low-carbon economy in all sectors)
 - As a consequence of moving funds into Priority 2, SME Competitiveness relating to the pandemic response and the need to fine tune the funding allocations between debt and equity as reflected in the ex-ante refresh exercise completed during the pandemic period, £12m (€14m) will also need to be moved from Thematic Objective 2 (Enhancing access to and use and quality of information and communication technologies) into Thematic Objective 3 (Enhancing the competitiveness of small and medium-sized enterprises).
3. The following changes reflect the ERDF financial modification proposals for East Wales. The changes to Indicators can be found in Annex 1 and changes to the Performance Framework in Table 1. The WEFO Planning rate of £1/€1.17 is used for the conversion calculation.
- To move ERDF £11.5m (€13.5m) from Priority 1, Research and Innovation, Thematic Objective 1, (Strengthening research, Technological Development and Innovation) into Priority 2, SME Competitiveness, Thematic Objective 3, (Enhancing the Competitiveness of small and medium-sized enterprises (£6m/€7.m) together with £5.5m (€6.5m) into Thematic Objective 1, (Strengthening research, technologies development and Innovation).

Background

4. Since the beginning of 2020, the ERDF programmes have had to deal with several external impacts. These included flooding caused by Storm Dennis, the pandemic and associated lockdowns, social distancing measures, the ability of people to work, the Ukraine war, the significant increases in the cost of goods and services via supply chains, delays in goods and services being delivered and the general cost of living crisis. To a lesser or greater extent these factors have created operational impacts for funded ERDF operations, in particular those operations that offer businesses access to specialist facilities and expertise, and infrastructure operations. Infrastructure operations have faced the disruption of the pandemic and significant cost increases, delays in materials being delivered and staff difficulties as people were

encouraged to work from home, which was challenging if personnel needed to be on site.

In response to the pandemic crisis, Priority 2 SME Competitiveness in both the ERDF programmes took advantage of the flexible regulations introduced by the EU. This meant that additional funding was put into the Development Bank of Wales (loans/equity investments) to help businesses during the pandemic together with additional funding into business support activities (non-financial support). The overall package of support from the West Wales and the Valleys programme totalled £60m (€70.2m) and for East Wales £11.5m (€13.5m). This was invaluable support whilst businesses coped during an unprecedented time for them and the economy.

The financial modification proposals reflect the support the programmes made available to businesses and the funds that were awarded to the Development Bank of Wales. The proposals are supported by the ex-ante refresh exercise that highlighted the lack of demand for equity investments specifically in the WWV region (quite the opposite in EW region) and the movement of money across to debt investment in Thematic Objective 3, Enhancing the competitiveness of small and medium-sized enterprises.

The virement of funds into Priority 2, SME Competitiveness, has been found from reserves within Priority 1, Research and Innovation and Priority 4, Connectivity and Urban Development. These reserves have come about as a result of funded operations, particularly infrastructure operations, being unable to deliver to scale as planned. Also, operations were not able to offer facilities and expertise to businesses during the pandemic period where lockdown restrictions prevented collaborations in specialist facilities taking place.

In addition, the modification deals with an audit issue involving a Priority 4 funded operation, namely the funding for the retrospection Station Improvement Scheme. The 2014-2020 programme supported a second phase of this development that originally commenced during the 2007-2013 ERDF programme period. However, the EC deemed the procurement of the works for the 2007-2013 non-compliant, making the expenditure ineligible. This had a direct impact on the operation funded under the 2014-2020 programme as this operation was a retrospection operation and the same procurement arrangements applied. The agreement reached with the EC meant that whilst the expenditure would be deemed ineligible due to a procurement irregularity and the Managing Authority removed the expenditure and operation from the programme, the ERDF would not be lost to the programme's allocation but would have to be moved out of Priority 4, Connectivity and Urban Development into another area of the programme. As such £15m (€17.6m) ERDF is part of the £46.6m (€54.5m) proposal from Priority 4 into Priority 2, SME Competitiveness.

As regards Technical Assistance, the modification for West Wales and the Valleys proposes a change to how the Technical Assistance funds are drawn

down together with the virement of funds into the Priority. Technical Assistance in the West Wales and Valleys programme has been put in place to enhance implementation arrangements, provide additional capacity for programme support and development, research and monitoring activities and programme promotion. Direct salary costs for the Managing Authority and relevant stakeholders are also supported. At programme approval the Managing Authority applied a 2% Technical Assistance allocation to the West Wales and the Valleys programme and has to date incorporated all Technical Assistance expenditure into draw downs.

The Managing Authority would like to move to a Technical Assistance flat rate of 4%, taking advantage of an option recently introduced by the Commission. The Managing Authority would like to adopt this simplified process to reduce the administrative burden on Technical Assistance costs which will free up Managing Authority resources to concentrate on maximising spend and closure. It will also mean that whilst the Managing Authority will continue to pay beneficiaries Technical Assistance cost on real costs, those costs will not be audited by EFAT/EC whilst an increase in the allocation maximises the Managing Authority's ability to close the programmes efficiently, compliantly and with a low error rate.

Overall, a modest amount of funding is being proposed to be moved into Priority 5, Technical Assistance, totalling £5m (€5.85m) but no operation is impacted by this movement of funds and the Technical Assistance operations in West Wales and the Valleys directly benefit by not having to be audited in the future.

Changes to Indicators and Performance Framework Table

5. The ERDF programme modifications also require changes to be made to Performance Framework Indicators and Priority level indicators. The Managing Authority commissioned an independent review of programme indicators and targets which was completed by Wavehill. The results of this review are incorporated into Annex 1 which highlights the indicators and targets the Managing Authority feel are sensible changes to make.

This proposal brings together the financial changes (Eligible expenditure that is derived from ERDF, national and private contributions) and changes to Performance Framework Indicators, shown in Table 1. These changes will form part of the modification request to the Commission for due consideration.

Decision

6. The decisions required of the Programme Monitoring Committee are:
 - To agree the ERDF programme financial changes, as outlined in this paper for West Wales and the Valleys 2014-2020, Priority 1, Research and

Innovation, Priority 2, SME Competitiveness, Priority 4, Connectivity and Urban Development and Priority 5, Technical Assistance

- To agree the ERDF programme financial changes, as outlined in this paper for East Wales 2014-2020, Priority 1, Research and Innovation and Priority 2, SME Competitiveness.
- To agree the changes as outlined in Annex 1 to this paper for Indicator and targets for both the ERDF West Wales and the Valleys and ERDF East Wales programmes, 2014-2020
- To agree the changes to Table 1, Performance Framework for both the ERDF West Wales and the Valleys and ERDF East Wales programmes 2014-2020.

Next Steps

7. Subject to the decisions of the Programme Monitoring Committee, the Managing Authority will prepare the necessary electronic submissions of the programme modifications as a matter of priority. Once submitted, the requests to change the programmes will be considered as part of the Commission's inter-department review process. The Managing Authority will respond to any queries that come from this inter-department process as a matter of priority to ensure a decision by the Commission can be taken in a timely way.

Managing Authority/WEFO Lead: Sue Price

Approved by: Peter Ryland

Date: 6 December 2022

Annex 1 – Priority Indicator changes at Performance and Priority level for the ERDF West Wales and the Valleys, 2014-2020 and ERDF East Wales, 2014-2020 Programmes

Aligned to the financial proposals for change to both the ERDF 2014-2020 programmes there is a need to also consider changes to indicators at both Performance Framework and Priority level. The Managing Authority commissioned an independent review of ERDF (and ESF) indicators, the recommendations of which have been considered by the Managing Authority and are reflected in this paper. The independent review was completed by Wavehill.

For each Priority in each programme there is a set of indicator changes being proposed. Those indicators that are **highlighted** are Performance Framework indicators which alongside the financial changes will form a new Performance Framework for delivery if approved by the Commission.

ERDF West Wales and the Valleys 2014-2020 programme

Priority 1 – Research and Innovation

The Priority has performed well but has felt the impact of the pandemic particularly affecting business appetite to engage with new RD&I. That limited the ability of businesses to access the expertise and specialist facilities to develop RD&I concepts. The Managing Authority has kept the Priority under constant review and has largely been able to keep financial commitments stable even though there have been large de-commitments and in more recent times not all grant has been claimed at final claim stage. The financial changes reflect the situation that there is surplus in the Priority that needs to be moved so it is not lost to Wales. As a consequence of the general overall difficult environment the pandemic has thrust upon our RD&I community some indicator changes are required:

- It is proposed to increase the target for '**Number of partners cooperating in research projects**' from 1,800 to 3,657 in West Wales and the Valleys. The Indicator Review found that this indicator was designed following discussions with Operations on how best to evidence collaborations. These discussions took place post the approval of the Operational Programme. The targets in the Operational Programme were significantly lower than forecast by Operations as there was limited rationale to baseline a target figure at the time the Operational Programme targets were set. The following changes are proposed:
- Propose to increase the targets for 'Number of improved research infrastructure facilities' under Specific Objective 1.1 from 6 to 11. The Programme has funded more research infrastructure facilities than originally planned as a result of 2 open Calls for funding to target areas of existing Smart Specialisation. These calls and the decision to fund were taken pre-pandemic. The facilities have been successful in securing competitive research funding and so consequently we propose to also increase the

targets for 'Amount of research funding secured' under Specific Objective 1.1 from £165m to £180m.

- Propose reducing the targets for 'Number of enterprises receiving non-financial support' under Specific Objective 1.2 from 2,000 to 1,676 (the reduction in target is in proportion to the proposed reduction in total funding for Investment Priority 1b (promoting business investment in innovation and research) in the financial table which Specific Objective 1.2 is aligned with. This equates to a 16% reduction in target). The Indicator Review found that the pandemic has affected appetite amongst many businesses to engage with new RD&I and, pandemic related lockdowns limited the ability of businesses to access expertise and specialist facilities/equipment which were critical in the activities under Specific Objective 1.2. Another major factor in the under-commitments is due to projects de-committing funding and reducing targets accordingly because of the pandemic.
- Propose reducing the targets for 'Employment increase in supported enterprises' under Specific Objective 1.2 from 1,125 to 942 (the reduction in target is in proportion to the proposed reduction in total funding for Investment Priority 1b (promoting business investment in innovation and research) in the financial table which Specific Objective 1.2 is aligned with. This equates to a 16% reduction in target). The Indicator Review noted that increase in employment is not the focus of Priority 1 and many innovative processes can lead to a reduction in jobs in some cases. Therefore, we propose a reduction to reflect how the RD&I community operates.
- Propose the removal of the indicators for 'Enterprises adopting or improving equality and diversity strategies and monitoring systems' and 'Enterprises adopting or improving sustainable development strategies and monitoring systems'. As previously reported to the PMC (September 2019), any business looking for support from operations funded through ERDF Priority 1.2 will be referred to the Business Innovation Future Proofing Toolkit (formally the Smart Innovation 'Future Proofing' Toolkit), developed by the Smart Innovation operations. Using the toolkit companies will baseline their current position in relation to equality and diversity, sustainable development, resource efficiency and the Welsh language with the help of links to useful resources and case studies. This will enable them to identify opportunities to develop and/or improve their business in line with the Well Being of Future Generations Act and make them more resilient to change in the future. Once the baseline assessment is complete, the business is automatically referred to Resource Efficiency and HR Advisors within Business Wales who support them to make any improvements or changes identified. The Business Wales operations claim the outputs from these CCT referrals as counting towards their targets in Priority 2, where they are delivering the same indicators.

Priority 2 SME Competitiveness

The financial proposals made in this paper are then supported by the following indicator changes:

- Propose adding in a new indicator for Specific Objective 2.1 and Specific Objective 2.5 (relating to the Financial Instrument) for 'Jobs safeguarded' to better capture the impacts of the overall investment under these Specific Objectives with particular reference to the support given to business during the pandemic. The Indicator Review highlighted the focus of investment under these Specific Objectives shifted, as a result, to investing in businesses that supported business survival and safeguarding of existing jobs, at least in the short term because of the changing economic climate, particularly as a result of additional business uncertainty caused by the pandemic, meaning businesses were more reluctant to take-on new staff. The target will be 3,500 for Specific Objective 2.1 and 975 for Specific Objective 2.5 and will only be reported on by the Development Bank for Wales
- Propose increasing the **Investment in enterprises** indicator from £149.6m to £243.0m in Specific Objective 2.1 to reflect the financial proportionate increase in additional funding (this increase in target is based on the proposed increase in total funding for Investment Priority 3a (promoting entrepreneurship) in the financial table which Specific Objective 2.1 is aligned with. This equates to a 62% increase in target. To note that whilst Specific Objective 2.5 has had a reduction in funding we are not proposing to reduce the targets proportionally as the original targets have been achieved, so representing better value for money.

Priority 3 Energy and Energy Efficiency

This Priority operates in a very challenging environment at the best of times with a thorough and lengthy consent/licensing process applied in Wales which developers must go through before they can deploy their technology devices into the waters around Wales. This has proven to be difficult for developers to achieve as well as to design, fabricate, engineer, build and deploy their devices in the programming period. Therefore, changes to the Specific Objective 3.1 indicators are required. Also, an adjustment is now also required to take into account the €15m of ERDF from Specific Objective 3.3 made in the programme modification in 2021.

- It is proposed to increase the target for '**Energy support site preparation schemes**' from two to eight (relating to Specific Objective 3.1: Marine energy). Several developers have taken forward marine licence consents in addition to the two development zones envisaged when the programme was originally developed and approved. As explained above more developers have had to take forward site preparation schemes that include the marine licensing consent process rather than move straight to deploy and test devices. The licensing process is a statutory obligation. It takes time, is costly

and significant effort is required, but without consent no deployment and test can take place in the Welsh waters. By supporting more site preparation schemes it is anticipated this will help support developers in the future when they do come to deploy and test their devices. In addition, the ERDF-funded developers bring their global expertise to Wales and are contributing to the review of the regulatory environment.

- As a consequence of the proposed changes to site preparation schemes it is proposed to reduce the target for '**Number of renewable energy prototypes tested**' from eight to six (also relating to Specific Objective 3.1: Marine energy). While there has been considerable interest from technology developers in testing and deploying prototypes, years of site preparation are required before prototypes can be deployed and tested. Many of the developers supported have been preparing environmental consents and grid connection options rather than deploying prototypes. Thus, site preparation has increased while prototypes tested has decreased. In addition, significant challenges have emerged in securing the necessary co-financing to take operations forward. Debt solutions are difficult to secure as the absence of a revenue stream for pre commercial/utility scale deployments means loan repayments cannot be serviced. Equity finance has been limited due to the inherently high-risk profile of early stage of the technologies. By the end of the programme, a key ERDF infrastructure investment in a tidal stream test area will unblock many of the barriers for the sector by creating a consented area with grid connection.
- It is proposed to reduce the target for '**Number of households with improved energy consumption classification**' from 3,060 to 2,069. The previous Programme modification, agreed at the beginning of 2021, saw a reduction of just over €15m of ERDF that had been allocated to Specific Objective 3.3: Energy efficiency in housing. These funds were moved to another area of the programme, however no changes were made to reduce the corresponding indicator target. The reduction at the time of the 2021 modification equated to a reduction of 32% in total funding which is reflected in the above revised target reduction. This particular Specific Objective has been significantly impacted by first flooding and then the pandemic. (Storm Dennis made properties that were eligible for the retro scheme uninhabitable, and owners were moved to alternative accommodation for significant periods of time). With the introduction of pandemic-related lockdowns, social distancing measures and people working from home or being furloughed, delivery rates tumbled, and the scheme was halted by Welsh Government. When the scheme could re-start the Minister for the Environment decided to reduce the scale of the retro programme as delivery was not going to catch up within the procured delivery framework. This resulted in a further £7.5m ERDF not being spent in this Single Objective but it was not lost to Priority 3 as it was used for Marine Energy and small-scale community energy operations. These have experienced the same cost increases as other infrastructure operations in the programme. The decrease in funding is greater than the decrease in the indicator.

- A technical change to the targets for 'Estimated decrease of GHG' is required. The current target was calculated in kilo tonnes and we propose amending it to tonnes, in line with the measurement unit in the Operational Programme. There is no reduction to the targets despite the reduction in funding for the Priority, just a technical change to the unit of measurement.

Priority 4 Connectivity and Urban Development

This Priority being an infrastructure priority, has faced, like Priority 3, unforeseeable challenges from flooding, Brexit, the pandemic, the Ukraine War and cost of living increases directly impacting on supply chain costs. As such indicator changes are proposed being:

- It is proposed a reduction in the 'Jobs accommodated' target from 3,000 to 2,405 and 'Premises created or refurbished' from 150,000m² to 120,232m² (under Specific Objective 4.4: Strategic sites in West Wales and the Valleys) is required. This reductions in targets are based on the proposed reduction in total funding for Investment Priority 8b (supporting employment friendly growth) in the financial table which Specific Objective 4.4 is aligned with. This equates to a 20% reduction in targets. The Indicator Review concluded that stakeholders expect that these two indicators were at high risk of falling short of their respective targets and that stakeholders had also noted that there had been delays following the outbreak of the pandemic, with impacts on supply chains and limitations on access to site over certain periods.

ERDF East Wales 2014-2020 Programme

Priority 1 Research and Innovation

This Priority has performed well considering the challenges as defined under Priority 1, West Wales and Valleys but also raising match funding has been particularly difficult alongside an intervention rate of just 50%. A surplus of funds remains uncommitted in this Priority which cannot be absorbed and therefore as outlined in this paper a financial modification is proposed. Changes to indicators are also proposed being:

- Propose to increase the target for '**Number of partners cooperating in research projects**' from 540 to 838. The Indicator Review found that this indicator was designed following discussions with Operations post approval of the programme, on how best to evidence collaborations. The targets in the Operational Programme were significantly lower than forecast by Operations as there was limited rationale to baseline a target figure at the time the Operational Programme targets were set.
- Propose to increase the targets for 'Number of improved research infrastructure facilities' under Specific Objective 1.1 from 2 to 5. The Programme has funded more research infrastructure facilities than originally

planned as a result of 2 open Calls for funding to target areas of existing Smart Specialisation. The decision to fund these facilities were taken pre-pandemic. These facilities have gone on to secure competitive research funding and so consequently we propose to also increase the targets for 'Amount of research funding secured' under Specific Objective 1.1 from £65m to £95m. Propose reducing the targets for 'Number of enterprises receiving non-financial support' under Specific Objective 1.2 from 650 to 550 (the reduction in target is in proportion to the proposed reduction in total funding for Investment Priority 1b (promoting business investment in innovation and research) in the financial table which Specific Objective 1.2 is aligned with. This equates to a 14% reduction in target). The Indicator Review found that the pandemic has affected appetite amongst many businesses to engage with new RD&I and pandemic related lockdowns limited ability of businesses to access expertise and specialist facilities / equipment which were critical in the activities under Specific Objective 1.2. Another major factor in the under-commitments is due to projects de-committing funding and reducing targets accordingly as a result of the pandemic.

- Propose reducing the targets for 'Employment increase in supported enterprises' under Specific Objective 1.2 from 670 to 574 (the reduction in target is in proportion to the proposed reduction in total funding for Investment Priority 1b (promoting business investment in innovation and research) in the financial table which Specific Objective 1.2 is aligned with. This equates to a 14% reduction in target). The Indicator Review noted that increase in employment is not the focus of Priority 1 and many innovative processes can lead to a reduction in jobs in some cases.
- Propose the removal of the indicators for 'Enterprises adopting or improving equality and diversity strategies and monitoring systems' and 'Enterprises adopting or improving sustainable development strategies and monitoring systems'. As previously reported to the PMC (September 2019), any business looking for support from operations funded through ERDF Priority 1.2 will be referred to the Business Innovation Future Proofing Toolkit (formally the Smart Innovation 'Future Proofing' Toolkit), developed by the Smart Innovation operations. Using the toolkit companies will baseline their current position in relation to equality and diversity, sustainable development, resource efficiency and the Welsh language with the help of links to useful resources and case studies. This will enable them to identify opportunities to develop and/or improve their business in line with the Well Being of Future Generations Act and make them more resilient to change in the future. Once the baseline assessment is complete, the business is automatically referred to Resource Efficiency and HR Advisors within Business Wales who support them to make any improvements or changes identified. The Business Wales operations claim the outputs from these CCT referrals as counting towards their targets in Priority 2, where they are delivering the same indicators.

Priority 2 SME Competitiveness

The following changes are required:

- Propose adding in a new indicator for Specific Objective 2.1 and Specific Objective 2.5 (relating to the Financial Instrument) for 'Jobs safeguarded' to better capture the impacts of the overall investment under these Specific Objectives. The Indicator Review highlighted the focus of investment under these Specific Objectives shifted, as a result, to investing in businesses that supported business survival and safeguarding of existing jobs, at least in the short term because of the changing economic climate, particularly as a result of additional business uncertainty caused by COVID-19, meaning businesses were more reluctant to take-on new staff. The proposed targets are, 55 Jobs Safeguard for Specific Objective 2.1 and 90 for Specific Objective 2.5 all of which will be reported by the Development Bank for Wales.
- Propose increasing the **Investment in enterprises** indicator from £60.0m to £169.0m in Specific Objective 2.1 and from £20.0m to £63.0m in SO2.5. This is based on updated forecast information and reflects increases in additional funding. We have not based it on increases in financial proportions to the relevant parts of the Priority because current achievement against the indicators is greater than target increases based on proportionate financial increases.

Priority 3 Energy and Energy Efficiency

The following changes are required:

- It is proposed to remove the two indicators: 'Community energy schemes' and 'Number of pilot projects completed' from Specific Objective 3.1: Community energy in East Wales. Interest in small scale community energy schemes was tested with a call for proposals in the summer of 2017 but interest was limited, and those proposals did not develop into operations. Therefore, there are no approved operations delivering this activity. The funds for this activity were largely removed as part of a previous programme modification.
- A technical change to the targets for 'Estimated decrease of GHG' is required. The current target was calculated in kilo tonnes and propose amending it to tonnes, in line with the measurement unit in the Operational Programme. There is no reduction to the targets despite the reduction in funding for the Priority, just a technical change to the unit of measurement.

Performance Framework Table 1

This table reflects the proposed changes to all financial and indicator changes at Performance Framework level for both the West Wales and the Valley and East Wales programmes.

Performance Framework Table for WWV and EW

Priority	Indicator	West Wales and the Valleys			Current target	East Wales
		Current target	Change +/-	Proposed target		
1	Eligible Expenditure (€M)	477	-23	454	207	
1	Number of partners cooperating in research projects	1,800	1,857	3,657	540	
2	Eligible Expenditure (€M)	333	123	456	91	
2	Investment in enterprises (£M)	191	93	284	80	
3	Eligible Expenditure (€M)	224	0	224	9	
3	Energy support site preparation schemes	2	6	8	n/a	
3	Number of renewable energy prototypes tested	8	-2	6	n/a	
3	Number of households with improved energy consumption classification	3,060	-991	2,069	765	
4	Eligible Expenditure (€M)	763	-107	656	91	
4	Total length of reconstructed or upgraded railway line	24	0	24	5	
4	Land developed (Ha)	100	0	100	n/a	

This table reflects the proposed changes to all financial and indicator changes at **Performance Framework level** for the WWV and EW programmes as discussed in this paper.

WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020:

Technical Assistance 4% Flat Rate

Issue

1. This paper is to inform members of WEFO's decision to implement the European Commission's (EC) simplified cost¹ 4% flat rate financing option for reimbursement of Technical Assistance (TA) priorities for the ERDF and ESF regional Programmes.

Recommendation

2. Members are invited to note the contents of the paper and provide comments/questions.

Background

3. The Commission delegated regulation (EU) 2019/1867 provides an option for Managing Authorities to apply a flat rate of 4%, of other programme expenditure, to calculate expenditure for Technical Assistance². The flat rate can be adopted without EC decision and is applied to each payment application to the EC, from the date of Managing Authority decision until closure.
4. At programme approval, WEFO agreed a 2% Technical Assistance funding allocation, with expenditure claims based on real costs. Going forward, this **funding allocation will remain at around 2%** for both the ERDF and ESF programmes; the separate ERDF modification paper sets out details of a proposed £5m transfer into the West Wales and the Valleys technical assistance budget but this does not significantly change the percentage. However, WEFO has concluded that it would be beneficial to the programmes to now adopt the flat rate option for expenditure claims (see Paragraph 7 for benefits).

¹ Simplified costs are an alternative way of calculating and reporting eligible costs. They use estimated costs, agreed and fixed in advance, rather than costs that are actually incurred and paid.

² Technical assistance support is for actions linked to the functions and tasks necessary for the implementation of the structural funds programmes and are fulfilled by the managing authority/certifying authority/ audit authority and intermediate bodies.

5. The option to use the flat rate has been available since November 2019 but amended simplified cost guidance from the European Commission in 2021 provided more detail on its practical application, furthermore information from other UK Managing Authorities who have already adopted the 4% flat rate, has highlighted the potential benefits of utilising it.
6. Adoption of the flat rate will not reduce the availability of funds to existing operations as this method of reimbursement will stop once the overall programme allocation is fully drawn down.

Benefits of the 4% Flat rate

7. The key benefits of using the flat rate include:
 - The flat rate is a simplified cost; therefore, it will significantly reduce the administrative and audit/ inspection burden i.e., audits will no longer check expenditure incurred/paid under this method.
 - The reduction of the administrative/ audit burden will free up the Managing Authorities resource to concentrate on closure of the programmes.
 - It has the potential to reduce the risk of compliance errors and financial corrections.
 - It will help to maximise absorption of TA budgets and reinforce WEFO's ability to close the programmes efficiently and compliantly.
 - It is a flat rate established in EC regulations, therefore the risk of using it is very low.
 - There will be no additional impact on external beneficiaries of TA funding, costs will continue to be claimed in the usual way.

Next Steps

8. Members will continue to be informed of implementation changes to the Structural Funds programmes.

WEFO Lead: Catherine Ashcroft
Approved by: Sue Price/ Geraint Green
Date: 19 December 2022

**WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN
STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020:**

Annual European Structural Funds Communications Plan for 2022 - 2023

Issue

8. The paper sets out the Communications Plan for 2022 and 2023 for the ERDF and ESF Structural Funds programmes 2014–2020. It provides an update of communication activity, sets out the main information and publicity priorities and measures for this period, and how they will be delivered.
9. Unless otherwise stated, updates in this paper cover the period between October 2021 and November 2022.

Recommendation

10. To note and agree the Communications Plan for 2022 and 2023.

Background

11. The Communications Plan has been prepared by the programmes' Managing Authority, the Welsh European Funding Office (WEFO). It has been informed by and supplements the overarching Communication Plan for 2014–2020, which was agreed by the Wales Programme Monitoring Committee in June 2015.

Context

12. The UK formally left the EU at the beginning of 2021 after a transition period with ‘a deal’ and we are now reaching the final stages of the programme, however communicating the benefits and achievements of EU funds in Wales remains a key priority of our communications activities.
13. Working with our sponsors and stakeholders, we continue to use a number of communication channels to publicise progress, achievements and impact: press / media notices, social media such as Twitter, the e-newsletter, and website measures, which continue to attract a growing following and reach among stakeholders and the general public.
14. We are also continuing to take a more nuanced approach to announcing EU funded projects via social media, also encouraging project leads to develop press notices where we can arrange a Ministerial quote.
15. There has been a steady increase in invitations for Ministers to attend hybrid events (both with attendees present and online) which has allowed Ministers more flexibility in terms of travel so that they can continue to deliver keynote speeches at an event online or through pre-recorded video clips, as well as make other arrangements, such as online tours of facilities.
16. Ministers have also begun to travel and visit projects and we have looked to arrange with private office ways to add value to visits or events through a planned itinerary of visits to a number of operations in the area.
17. Since the last annual communications update to the PMC in December 2021, we have achieved 98% average of positive coverage of EU funds in press / media. In addition, the number of subscribers to our e-newsletter has increased by just over 6% from 13,038 to 13,855, while the number of Twitter followers has also increased from 4,732 to 4,895.

The UK Shared Prosperity Fund (UK SPF)

18. Despite lobbying by the Welsh Government alongside other Devolved Governments, the UK Government confirmed the UK SPF is being channelled through local authorities to support regional investment plans. However at time of writing there still remains a period of uncertainty, the cabinet changes in Westminster has caused a number of delays and despite local government submitting their four regional investment plans for the first year by the 1 August deadline, the UK Government has yet to confirm approval with no announcement made despite only four months remaining in this financial year.
19. With these delays and the appointment of a new Levelling Up Minister, there is a certain amount of renewed optimism Welsh Government could still influence the case for collaborative input with the UK Government to design and deliver successor arrangements in Wales for future years. Therefore, we are continuing to work with the future regional investment team, through our ongoing publicity of EU funds achievements and benefits to our businesses, communities and people, to support them in influencing this case.

20. WEFO Annual Information Event 2022

We decided to take a similar approach to last year and delivered a weeklong online campaign via our social media channels, with a variety of content including animation, links to video clips, case studies, key milestone achievements and statistics. This encompassed the high level strategic overview of the programmes usually presented at an annual information event as well as content focussed on themed days including: Cost of Living / Tackling Poverty, Environment / Climate Change, Support for Business (incl infrastructure and in skills training) and Innovation.

21. WEFO Annual Information Event 2023

For the past three years, the Annual Information event has been delivered virtually through a Legacy Document and two social media activity weeks, this was in line with COVID 19 restrictions in Wales but also taking into consideration the shifting focus of the audience onto post EU funding and the future.

Given the EU Structural Funds programmes will be coming to an end in December 2023 and this would mark the end of over 20 years of EU funding in Wales, we plan to deliver a more traditional Annual Event (with the possibility of being hybrid) in mid October at the Principality Stadium in Cardiff. The event will be an opportunity to celebrate the achievements of the current programme but also reflect the impact of EU funding over the past 20 years. We also plan to widen the scope of the event to incorporate future facing items, focussed on how the legacy of EU funded interventions are being taken forward – to encourage wider attendance and add further value to attendees.

Information and Publicity priorities for 2022 and 2023

22. The key information and publicity priorities to promote the ERDF and ESF programmes at national and regional levels will be as follows:

- to promote the delivery and benefits of EU funds in Wales, with a stronger consensus around the importance of EU funds to Wales' prosperity especially around post COVID 19 recovery, simplifying messages, and achieving a 'plain English' readability score;
- ensure delivery project sponsors, partners and stakeholders, including the Regional Engagement Teams, continue to understand and comply with regulatory requirements on publicising the programmes so that EU funds are not put at risk;
- ensure existing and potential beneficiaries are kept informed about any COVID 19 arrangements or any impact of COVID 19 restrictions on projects and delivery;
- continue to mark the significance of Europe Day (9 May) working with project sponsors to promote the benefits of EU projects and the programmes;
- continue to increase the profile of cross-cutting themes and the wider value being generated by projects in these areas, maximising key opportunities such as International Day for the Elimination of Racial Discrimination.

- develop publicity to create awareness and interest in any new funding calls to support the delivery of ESF and ERDF programmes in Wales;
- develop and plan a hybrid Annual Information Event in 2023 widening the scope to allow for a celebration of the last 20 years of successive EU funding but also linking achievements & legacy of the programmes to future funding opportunities.
- create PR opportunities for Welsh Ministers to continue to raise the ongoing impact of EU-funded projects;
- maximise the potential of new digital / social media technologies, where appropriate;
- continue to integrate opportunities and successes with other EU funding programmes such as the European Territorial and Co-operation and rural development programmes, and those directly managed by the European Commission, such as Horizon Europe, and
- evaluate the effectiveness of key publicity activities and content to inform future communications.

Measures

23. How these priorities can be taken forward in 2022/2023 is set out in the main publicity measures in **Annex A**. This includes delivery arrangements and the timetable for implementation.

Major information activity for 2022 / 2023

24. We are now in the last period of the 2014-2020 programmes, with over 100% commitment of EU funds planned for and approved projects delivering benefits and achieving significant milestones. Therefore whilst publicity around remaining funding announcements will continue, there are more opportunities to showcase the real-life impact of these projects on people, communities, businesses, in terms of post COVID economic recovery in Wales.

25. Measures to promote project activities will continue to link with activities to promote the achievements of the programmes overall.

26. WEFO will continue to work with RETs / 3-SET to help with the effective delivery of the 2014-2020 Communication strategy and annual plans, as they continue to play an important role in helping to promote the programmes and projects at regional and local levels.

27. Given the shifting focus on future funding opportunities in Wales, we will work with the regional investment team and across Welsh Government communication teams on key messages and future communication requirements.

Progress so far – October 2021 – November 2022

28. The following is a snapshot of communications activities so far:

- Substantial mainstream media, online and social media coverage of EU funding project announcements including:
 - An additional £2m ERDF for Supercomputing Wales to extend their project until December 2022.
 - £31m ERDF for the Morlais Infrastructure project, led by Menter Môn Morlais Ltd, which aims to further the development of tidal power generation technologies by providing grid connectivity.
 - £4.7m ERDF for the Marine Characterisation Research Project (MCRP) - (previously titled Environmental Monitoring & Mitigation Plan (EMMP)), led by Menter Môn, which will allow the deployment of Tidal Stream energy devices in Welsh waters.
 - £3.1m ERDF for the Penrhos Phase 2 and Phase 3 projects, led by Anglesey Council, for the construction of 13 further business units on the Penrhos Industrial Estate in Holyhead, following the initial EU funded development of 10 units at the site in 2020.

Details of media / press coverage of these and other projects have been included in our monitoring bulletins, which are emailed monthly. Over the last year, PR generated by WEFO has achieved 98% positive media coverage.

- Created Ministerial PR opportunities to mark project achievements and milestones, for example:
 - The Minister for Economy launched the final tranche of the Fast Track Data/AI Graduate Programme in January
 - The Minister for Health & Social Services officially opened the Tredegar Medical Heritage Centre (part funded through the Building for the Future programme) as part of the Aneurin Bevan Festival in July
 - The Minister for Economy attended a Technocamps Workshop at St Cuthbert's RC Primary School in Cardiff in July
 - The Minister for Economy also attending a Supercomputing Wales Symposium on the theme of 'Supercomputing Wales versus the grand challenges' to deliver the opening address and announce additional funds to extend the project in July
 - The First Minister visited M-Sparc and the Digital Signal Processing (DSP) Centre of Excellence as part of his itinerary for North Wales in July
 - The Minister for Economy visited the Penrhos Industrial Estate Expansion Phase 2 & 3 sites, the Llangefni Gateway Phase 2 site and met with Menter Môn who lead on the Morlais Infrastructure Project as part of his itinerary for North Wales in August
- A successful social media campaign in October in lieu of an Annual Information Event which was launched by the Minister (via video clip) highlighting the performance of current programmes and how they are creating sustainable economic, social and environmental benefits for people, businesses and communities in Wales. The weeklong campaign covered 44

operations spanning all sectors (public, private and Third Sector) with themed days: Tackling Poverty / Cost of Living, Environment / Climate Change, Support for Businesses (including new or repurposed infrastructure and skills training) and Research / Innovation. The content included animation, links to video clips, case studies, announcements, key statistics and gained over 26,850 impressions (i.e. the number of times people saw a tweet on Twitter).

- We continued with a cross cutting themes (CCTs) focus especially on social media, linking CCT activity of Welsh projects for events such as World Mental Health Day, International Sign Language Day, International Women's Day, World Biodiversity Day, International Day of Older People, International Day for the Elimination of Racial Discrimination, Earth Day and World Menopause Day. These tweets continue to perform well on our twitter page.
- During October 2021 to November 2022, some 539 tweets were posted and our Twitter channels @wefowales / @wefocymru gained 4,895 followers. We have gained an average of 19,753 impressions per month (i.e. the number of times people saw a tweet on Twitter) which equates to just over 638 impressions per day;
- Our EU funds newsletter has successfully achieved 13,855 subscribers – an increase of just over 6.2% in the last year;
- PR opportunities on the regional funding programmes and projects are also being co-ordinated with other EU funding programmes such as Horizon Europe; here, success stories are being communicated through the regular Horizon Europe e-newsletter and Twitter.

Decision

29. To approve the Annual Communications Plan for 2022 / 2023.

Next Steps

30. The Communications branch to deliver to the priorities set out in the Communications plan and provide an update of progress to the PMC in Autumn 2023.

WEFO

Lead: Jo Binding, WEFO Communications and Briefing Branch

Approved by: Sue Price, Head of Programme Management (ERDF)

Date: 5 December 2022

Main Information and Publicity Measures for 2021 / 2022

Measure	Additional Information	Lead Responsibility	Timetable for Implementation
Priority 1: Publicising the impact and benefits of the EU funding programmes investing in sustainable growth and jobs, including via the approval, launches and achievements of projects, Europe Day, and integration of the Cross Cutting Themes	Target group – mainly national, regional and local media, delivery and strategic partners, the European Commission and the general public	WEFO Communications	Ongoing actions throughout the year
1.1 Issue to media good news stories on progress of projects and programme milestones for print and online coverage, achieving over 90% positive media coverage.	Specific publicity measures to include: – issue press releases, editorials about project approvals and milestones, and general progress of programmes to newspapers, online news channels, and the Welsh Government website – provide Ministerial quotes containing key strategic messages to press releases developed by project sponsors/partners	WEFO Communications, in liaison with press office, project sponsors, RETs / 3-SET etc	Ongoing actions throughout the year
1.2 Positively influence media reporting of stories involving EU funds and EU funded projects	Specific measures include: – provide comprehensive and timely responses to media queries including background context, key facts, statistics, and Welsh Government quotes	WEFO Communications in liaison with project sponsors, and press office	Ongoing actions throughout the year
1.3 Utilise new technology and digital channels as key communications tools, including production of digital footage to publicise key messages, impact of programmes, and project case studies and milestones	For publication on You Tube, Twitter and use at events. In particular, prepare and disseminate video clips of projects, participants and develop graphics of interesting facts to maximise impact of publicity	WEFO Communications, in liaison with project sponsors, RETs, 3-SET etc.	Ongoing actions throughout the year
1.4 Arrange Ministerial visits to projects across Wales – to mark funding	Specific publicity measures to include: – arrange publicity about the impact and benefits of projects	WEFO Communications, in liaison with WG press office, project	Ongoing actions throughout the year

Measure	Additional Information	Lead Responsibility	Timetable for Implementation
announcements, launches and delivery milestones.	(with a focus on human interest case studies), as well as the wider progress of the programmes via issue of press releases, tweets, EU funds web pages, e-newsletter etc. Post live tweets and photos during visits and events to engage further with a wide audience - continue to arrange Ministerial participation in online events and co-ordinate publicity of these events as above.	sponsors, RETs / 3-SET etc	
1.5 Draft and circulate e-newsletter to more than 6,000 subscribers including stakeholders, project sponsors, and general public.	– Highlighting latest developments and achievements of programmes and projects, upcoming events, and information and guidance on delivery of 2014–2020 programmes, including any funding calls for certain priorities of the programme – Integrate developments with other EU funding programmes, including Horizon 2020 and European Territorial Co-operation programmes	WEFO Communications	Monthly
1.6 Proactively seek opportunities to demonstrate the positive impact of EU funds/regional policy in Wales	Prepare case studies / success stories highlighting the achievements of projects and participants using a range of channels, including those of sponsors and other stakeholders to convey key messages widely e.g. Valleys Taskforce, City Regions etc.	WEFO Communications	Ongoing
1.7 Publicise Europe Day (9 May) in accordance with Article 7 of European Regulation	Publicity measures to include: – Work in collaboration with project sponsors and stakeholders to promote positive messages around the impact of EU funds and projects in Wales – issue special Europe Day EU funds newsletter during week of Europe Day	WEFO Communications, in liaison with project sponsors and stakeholders, including RETs and 3-SET	9 May
1.8 Participate in EU led campaigns and initiatives such as EU in my Region, EYCH, RegioStars and other	– keep in close contact with European Commission and UK communication representatives.	WEFO Communications, in liaison with EC offices in	Ongoing

Measure	Additional Information	Lead Responsibility	Timetable for Implementation
EU communication activities to showcase Welsh success in delivery of EU programmes on an EU platform.	– Maximise publicity at Wales level of achievements resulting from participation such as publicising Wales' EYCH and RegioStars achievements through press notices, Twitter etc.	Brussels, Cardiff and London	
1.9 Continue to develop promotional items for use at events and other publicity channels	– Develop new branding for pop-up stands etc., representing regional and thematic areas – Continue to develop promotional items as appropriate.	WEFO Communications	Ongoing
2.0 Build on library of photos, case studies and digital footage of projects and beneficiaries for use in publicity etc	Build on library of photos and case studies for use in press releases, publications, advertorials, events, presentations and social media.	WEFO Communications, in liaison with project sponsors and stakeholders	Ongoing actions throughout the year
Priority 2: continue to ensure project sponsors, partners and stakeholders, including the Regional Engagement Teams, understand and comply with regulatory requirements on publicising the ERDF and ESF programmes	<u>Target group</u> – project sponsors and beneficiaries, RETs / 3-SET. The main action is the Information and Publicity Guidelines (incorporating EU regulatory requirements) for project sponsors (published on the Welsh Government website), holding seminars on the regulatory requirements for WEFO staff, the RETs / 3-SET, and project sponsors establishing appropriate communication channels between WEFO and the RETs / 3-SET.	WEFO, in liaison with the RETs / 3-SET	Ongoing actions throughout the year
2.1 Review and implement best practice on Information and Publicity Guidelines (incorporating EU regulatory requirements) for project sponsors and beneficiaries	– ensure information and publicity measures are fully integrated into project delivery and are monitored by WEFO to ensure compliance; – respond promptly and effectively to communications queries from WEFO staff and sponsors.	WEFO, in liaison with project sponsors and the RETs / 3-SET	Guidance published on WG web pages and undertake ongoing review to cover best practice
2.2 Review opportunities for refresher seminars on information and publicity guidelines and requirements	Refresher seminars to cover EU regulatory and Managing Authority contractual requirements, information and publicity priorities, best practice,	WEFO	Ongoing actions throughout the year

Measure	Additional Information	Lead Responsibility	Timetable for Implementation
for sponsors, and share best practice	and forward planning and monitoring at national and regional levels; tailored to meet needs of RETs, 3-SET, WEFO staff and project sponsors.		
2.3 Participate in regular project reviews with sponsors, and meet with project communication officers where appropriate	<ul style="list-style-type: none"> – Ensure project communications activities, best practice and PR opportunities are addressed at project review meetings – Review and provide editorial contributions for RETs regional newsletters, where appropriate – Participate in WEFO meetings with RET teams to provide updates on communications activities and best practice 	WEFO Communications in liaison with PMD, RETs, 3-SET, and project sponsors	Ongoing actions throughout the year
2.4 Distribute free commemorative plaques and posters for all sponsors that have been approved funding under 2014–2020 programmes (in line with Article 8 of European Regulations)	<ul style="list-style-type: none"> – Free commemorative plaques and posters, displaying respective EU funds logo to be distributed to all project sponsors regardless of grant value. – Design, draft text, and distribute A3 posters to projects for display 	WEFO Communications	Ongoing actions throughout the year
Priority 3: Organise annual event to publicise the achievements of the programmes	Target group – mainly national, regional and local stakeholders and potential sponsors, the European Commission, the media, and the general public.	WEFO Communications Team	Winter
3.1 Arrange annual event for the programmes involving key stakeholders and beneficiaries, including recognition of programme achievements.	Deliver a face to face (hybrid) event in Oct 2023, highlighting the achievements of current Structural Funds programmes, the impact / achievements of the past 20 years of successive EU funding as well as Welsh Government future funding opportunities.	WEFO Communications Team	Winter/Ongoing actions throughout the year
Priority 4: Maintenance and update of bilingual EU funds section of the Welsh Government website	Target group – mainly national, regional and local stakeholders and potential sponsors, the European Commission, other EU managing authorities, the media and the general public.	WEFO Communications Team	Ongoing actions throughout the year

Measure	Additional Information	Lead Responsibility	Timetable for Implementation
4.1. Ensure website section is easy to navigate and is customer-friendly, and content is up-to-date	Review content regularly to meet core business functions, including access to WEFO Online, through online surveys, feedback etc	WEFO Communications Team	Ongoing actions throughout the year
4.2. Develop search engine database for approved projects (in line with Article 7 of European Regulations)	<p>Technical issues with new WG website content management, work postponed due to COVID 19.</p> <p>- Continue to publish Excel spreadsheet of EU funded projects and business planning proposals monthly on our web pages, exceeding EU regulatory requirements.</p>	WEFO Communications Team in liaison with WG Central Web Team	Ongoing actions throughout the year
Priority 5: Evaluate the effectiveness of key publicity activities and content to inform future communications	Target group – mainly for internal purposes, but sharing best practice and lessons learned with national, regional and local stakeholders, and the European Commission.	WEFO Communications	Ongoing
5.1 Campaign evaluation to be carried out using UK wide recognised evaluation model	Ensure OASIS evaluation model is undertaken to review and evaluate activities such as annual event and Europe Day social media campaign.	WEFO Communications	Ongoing
5.2 Ongoing evaluation of social media, web and press to review and adapt effectiveness of content	Monthly evaluation reports created and shared and template adapted to keep up with changing of channel priorities	WEFO Communications	Monthly

WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN STRUCTURAL AND INVESTMENT (ESI) FUNDS 2014 – 2020

IMPLEMENTATION OF THE CROSS CUTTING THEMES: SUSTAINABLE DEVELOPMENT, EQUAL OPPORTUNITIES & GENDER MAINSTREAMING, TACKLING POVERTY & SOCIAL EXCLUSION

Issue

1. This paper provides an overview of progress with implementation of all three Cross Cutting Themes (CCT) in the ERDF and ESF European Structural and Investment (ESI) Fund Programmes 2014 - 2020, from November 2021 until October 2022.

Recommendation

2. Members are invited to note the content of the report and to provide comments.

Background

3. There are three Cross Cutting Themes (CCT) in the 2014-2020 Structural Funds (SF) Programmes, Equal Opportunities and Gender Mainstreaming, Sustainable Development and Tackling Poverty and Social Exclusion.
4. The first two of these themes are mandatory and are governed by the EU General Regulations, Article 7 Promotion of equality between men and women and non-discrimination (in Wales this includes the Welsh Language) and Article 8 Sustainable Development. In addition, Tackling Poverty and Social Exclusion is a Wales specific CCT in line with the EU Platform against Poverty and Social Exclusion (Europe 2020 Flagship Initiative) and as a key commitment of the Welsh Government. The CCT require action in multiple fields and are integrated into all areas of the ESI programmes.

Indicators

5. The CCT indicators agreed with the European Commission for the current ERDF and ESF Operational Programmes are:
 - Enterprises adopting or improving sustainable development strategies and monitoring systems
 - Enterprises adopting or improving equality strategies and monitoring systems
 - Operations integrating sustainable development into awareness raising, education and training programmes (ESF only)
6. **Annex 1** shows the operations contributing to these indicators. The consequences of Covid 19 and the impact on operations, has meant that this reporting period has been concerned with supporting beneficiaries to catch up and deliver activity and outcomes disrupted by the pandemic. The figures demonstrate there has been an improvement and satisfactory progress

is being made, with some operations having achieved their target and others close to achievement.

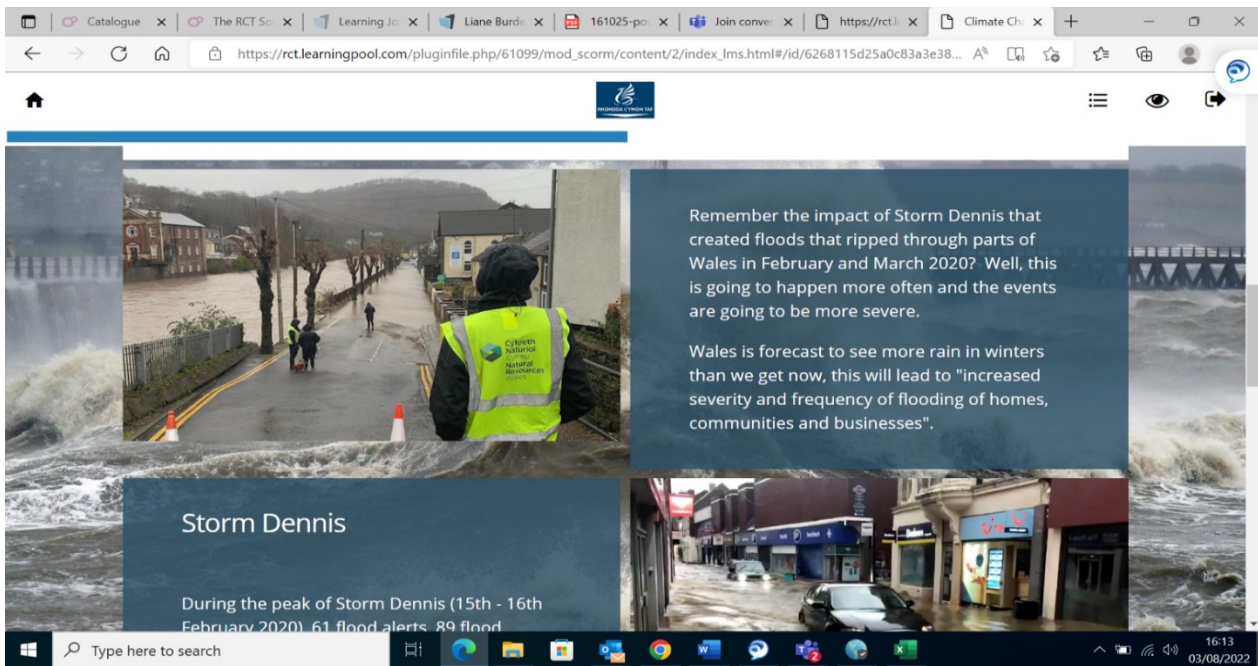
The Cross Cutting Theme Project Level Indicators

7. The inclusion of a formal target is an important driver to encourage projects to address the CCT. It also enables the monitoring of progress to take place systematically over the life of the programme.
8. However, as highlighted to members previously, formal targets have limitations when it comes to validating the wide range of related activity undertaken. For that purpose, the information contained in **Annex 2** gives an indication of the kind of activity supporting the CCT and members will note the wide variety of activity which is adding value. The data is a demonstration of outcome achievement claimed. To note some of the indicators will be claimed at the latter end of an operation's delivery e.g. sustainable development aspects such as BREEAM, SUDs. The case studies below highlight activity specific to some of the indicators.

Staying Well @work

9. Staying Well @work led by Rhondda Cynon Taf County Borough Council, funded through ESF West Wales and the Valleys, Priority 1 SO3, consists of two main elements. The first is concerned with supporting Micro, Small and Medium-sized enterprises in the county who do not have access to professional Human Resource to respond to the needs of their workforce, improving well-being at work and adopting or improving existing equality and diversity strategies, policies, and monitoring systems. The second element focuses on enhancing the support available to the Council's own employees who experience work-limiting health conditions or disabilities that impact their ability to attend the workplace.
10. The operation is delivering activity which supports two of the ESF CCT programme indicators; Enterprises adopting or improving equality strategies and monitoring systems and Operations integrating sustainable development into awareness raising, education and training programmes. The operation also delivers activity that contributes to a range of CCT case level indicators, some examples of which are highlighted below.
11. Programme Indicator: Integrating sustainable development into awareness raising, education and training programmes. An e-learning climate change induction pack was created to enable SME clients to help their staff contribute to tackling climate change. The training package looks at what climate change is, the evidence, and how businesses can help to combat it. The information aims to equip businesses and their staff with the knowledge and solutions to tackle the growing environmental crisis; reducing their emissions and have a better understanding of local risks so they can adapt to the changes that will and are, already happening. The extensive, destructive flooding in RCT during 2019 was used as the backdrop to the information provided, supporting local businesses to understand the contribution they can make through reducing their own carbon footprint.

Below is a screen shot from the E-Learning Module:



12. CCT Case Level Indicators: Positive Action Measure – Women In recognition of a high percentage of females in the workforce, particularly those around and over 51 years of age, the operation decided to deliver a Health Awareness and Information Event, specifically aimed at women, concentrating on living, and working with the menopause. The aim was to address the stigma of menopause, reduce the impact that symptoms may have in the workplace, raise the profile of the workplace barriers faced by menopausal women and reduce the impact that this might present for those individuals to participate fully in work. In addition, educating employers on how they can best support their staff by providing information on how the menopause can affect people at work, and practical guidance on how to improve workplace environments. In addition to raising awareness, specific additional bespoke organisational support is offered to SME's as well as on site training for managers and staff to raise awareness of how the menopause affects women and what can be done to support them through this period in their life.

13. Positive Action Measure – Older People - Understanding that the ageing workforce is a trend that cannot be ignored, a suite of information was developed to provide businesses with resources that they can use to prepare for the aging workforce in their organisation. The information contains an 'ageing worker risk assessment' highlighting adjustments that could be incorporated into the business to ensure ageing workers are supported. The aim is to address the stigma older workers can face and reduce the impact that this might present for those individuals to participate fully in work. In addition, educating employers on how they can best support their staff by implementing policies such as a flexible working, completing the "mid-life MOT" and following the guide to support workers to remain in work following retirement age.

SMARTAQUA

14. SMARTAQUA is led by Swansea University's Centre for Sustainable Aquatic Research (CSAR)³. Funded through ERDF, West Wales and the Valleys Priority 1.2, it aims to work with Welsh businesses to use advanced technology and develop ground-breaking new products and services for the specialised aquaculture market. In this specialised sector, with the potential to provide significant economic opportunities, particularly in rural areas, the project's focus is on methods for cleaner fish production, fish for biomedical research and the aquarium trade and develop locally sourced and more environmentally friendly aquafeeds and nutraceuticals.
15. As part of its ongoing commitment to deliver the CCT, the project has delivered activity supporting a range of indicators, one of which is 'local supply chain development.' The examples below highlight the contribution the project is making to the indicator:
16. Local Supply Chain Development. SMARTAQUA collaborated with leaders in the aquaculture industry including one of the largest UK wrasse suppliers and lumpfish broodstock suppliers, the largest lumpfish producer in the UK, and a producer of Scottish-source lumpfish in the UK to develop a mature lumpfish sector in Wales. Through the direct intervention and support from SMARTAQUA, the sector now supplies over four million cleaner fish to Scotland per year. These cleaner fish improve the welfare of tens of millions of salmon by removing sea-lice from them. This collaboration has established Wales as an industry leader in this form of non-food aquaculture.
17. One of the SMARTAQUA technicians attended a zebrafish conference with international speakers from across Europe⁴. The conference presented an opportunity to learn from best practice which has been implemented in CSAR and assist in establishing the CRISPR⁵ facility that has been funded through SMARTAQUA. As Wales does not currently have a supply chain for zebrafish, this will inform the foundation for establishing one.

Welsh Speakers Data

18. Information on Welsh language status, collected through the participant database and the breakdown for participants across both ESF Programmes is as follows:

Welsh Language	WW&V	East Wales
Preferred Language for Communication - Welsh	7%	2%
Understand Welsh	16%	6%
Speak Welsh	15%	6%
Read Welsh	13%	4%
Write Welsh	13%	4%

³ CSAR is Wales' only centre of excellence for sustainable aquaculture and is the UK's leading centre on recirculation technology and non-food aquaculture. It was established in 2003 with backing from the Welsh Government, EU funds and Swansea University.

⁴ <http://www.aquaneering.com/zebrafishworkshop2021.php>

⁵ CRISPR-Cas9 A New Tool for Genome Editing

Received provision in Welsh, either 'partially' or 'fully'	13%	5%
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Closure of Operations

19. This reporting period has seen the programmes move into the final phase of delivery, the closure of operations becoming a central feature of the work of the Managing Authority. As previously reported, a Cross Cutting Theme Closure Report has been developed for each operation. The report, much of which is being populated in advance, contains the key elements needed to finalise closure from a CCT perspective and should ensure a robust audit trail for the CCT element of the programmes post 2023.
20. The Cross Cutting Themes Team continue to explore ways to publicise how operations are integrating the CCT into their design and delivery. Working with the WEFO Communication Team, the aim is to raise the profile of the CCT and demonstrate the added value they bring to operations. **Annex 3** illustrates a collection of recent WEFO Tweets, linked to international awareness days, highlighting operations which are embedding the CCT.

Next Steps

21. To keep members informed of progress regarding the final phase of delivery of the CCT.

Drafted by: Chriss O'Connell WEFO

Approved by: Sue Price WEFO

Date: 06 /12/2022

Annex 1

**Projects contributing to the Equal Opportunities CCT programme indicator:
‘number of enterprises adopting or improving their equality strategies including monitoring system’.**

Operation Title	Lead Beneficiary	Programme	Priority	Forecast	Achieved to date
Entrepreneurship Support - Business Wales	Welsh Government	East Wales ERDF	2	581	495
SME Support - Business Wales	Welsh Government	East Wales ERDF	2	802	804
Social Business Wales	Wales Co-operative Centre	East Wales ERDF	2	50	66
Social Business Wales New Start	Wales Co-operative Centre	East Wales ERDF	2	25	39
Agile Nation 2	Chwarae Teg	East Wales ESF	2	196	196
Entrepreneurship Support - Business Wales	Welsh Government	WW&V ERDF	2	1060	932
SME Support - Business Wales	Welsh Government	WW&V ERDF	2	1709	1505
Social Business Wales	Wales Co-operative Centre	WW&V ERDF	2	260	227
Social Business Wales New Start	Wales Co-operative Centre	WW&V ERDF	2	100	118
SEACAMS 2	Bangor University	WW&V ERDF	1	8	8

Annex 1

**Projects contributing to the Equal Opportunities CCT programme indicator:
‘number of enterprises adopting or improving their equality strategies including monitoring system’.**

Operation Title	Lead Beneficiary	Programme	Priority	Forecast	Achieved to date
Together for a Healthy Working Wales (In-Work Service)	Welsh Government	WW&V ESF	1	700	149
Agile Nation 2	Chwarae Teg	WW&V ESF	2	554	417
Better Jobs, Better.....for Women in Employment	Gower College Swansea	WW&V ESF	2	18	0
Better Jobs, Better Futures...for the Underemployed	Gower College Swansea	WW&V ESF	1	0	0
Nurture Equip Thrive	Torfean CBC	WW&V ESF	1	75	19
Staying Well at Work	Rhondda Cynon Taff	WW&V ESF	1	70	66
Expanding Mons Horizons	Cymunedau Ymlaen Mon Communities Forward	WW&V ESF	1	392	279
Tackling in work Poverty Pembrokeshire	Pembrokeshire County Council	WW&V ESF	1	15	7

Annex 1

**Operations contributing to the ERDF Sustainable Development CCT programme indicator:
‘number of enterprises adopting or improving their sustainable development strategies and monitoring systems’.**

Operation Title	Lead Beneficiary	Programme	Forecast	Achievement to date
Entrepreneurship Support - Business Wales	Welsh Government	East Wales	673	603
SME Support - Business Wales	Welsh Government	East Wales	710	763
Social Business Wales	Wales Co-operative Centre	East Wales	50	55
Social Business Wales New Start	Wales Co-operative Centre	East Wales	25	39
SME Support Business Wales	Welsh Government	West Wales and the Valleys	1559	1398
Entrepreneurship Support Business Wales	Welsh Government	West Wales and the Valleys	1210	1082
Social Business Wales	Wales Co-operative Centre	West Wales and the Valleys	260	205

Social Business Wales New Start	Wales Co-operative Centre	West Wales and the Valleys	100	117
SEACAMS 2	Bangor University	West Wales and the Valleys	8	8

**Operations contributing to the ESF Sustainable Development CCT programme indicator:
‘operations integrating sustainable development into awareness raising, education and training programmes’**

Operation Title	Lead Beneficiary	Programme	Forecast	Achievement to-date
KESS II	Bangor University	West Wales and the Valleys	1	1
Materials and Manufacturing Academy	Swansea University	West Wales and the Valleys	1	1
Skills for Employers and Employees SO 1	Coleg Cambria	West Wales and the Valleys	0	1
Skills for Employers and Employees SO 2	Coleg Cambria	West Wales and the Valleys	1	1
Skills for Industry 2 SO1	Gower College Swansea	West Wales and the Valleys	1	1
Skills for Industry 2 SO 2	Gower College Swansea	West Wales and the Valleys	1	1
Achieve through Work Experience	Higher Education Funding Council for Wales	West Wales and the Valleys	1	1
Inspire 2 Achieve	Blaenau Gwent County Borough Council	West Wales and the Valleys	1	1
METAL 2	Swansea University	West Wales and the Valleys	1	1
Growing Workforces Through Learning and Development (GWLAD)	University of Wales Trinity Saint David	West Wales and the Valleys	1	1

Annex 1

Operation Title	Lead Beneficiary	Programme	Forecast	Achievement to-date
Apprenticeships	Welsh Government	West Wales and the Valleys	1	1
ReAct 3	Welsh Government	West Wales and the Valleys	1	1
Traineeships	Welsh Government	West Wales and the Valleys	1	0
Active Inclusion	Wales Council for Voluntary Action	West Wales and the Valleys	1	1
Active Inclusion Youth	Wales Council for Voluntary Action	West Wales and the Valleys	1	1
Agile Nation 2	Chwarae Teg	West Wales and the Valleys	1	1
TRAC 11-24	Denbighshire County Council	West Wales and the Valleys	1	1
Apprenticeships Skills Enhancement	Welsh Government	West Wales and the Valleys	1	1
Inspire 2 Work	Blaenau Gwent County Council	West Wales and the Valleys	1	1
Cynnydd	Pembrokeshire County Council	West Wales and the Valleys	1	1
Cam Nesa	Pembrokeshire County Council	West Wales and the Valleys	1	1
Leading Business Growth	Swansea University	West Wales and the Valleys	1	1
Workways II	Neath Port Talbot County Council	West Wales and the Valleys	1	1
North Wales Business Academy	Grwp Llandrillo-Menai	West Wales and the Valleys	1	1
ADTRAC	Grwp Llandrillo-Menai	West Wales and the Valleys	1	1

Annex 1

Operation Title	Lead Beneficiary	Programme	Forecast	Achievement to-date
Nurture Equip Thrive	Torfaen County Council	West Wales and the Valleys	1	1
Trio-Sci Cymru	Welsh Government -	West Wales and the Valleys	1	0
Upskilling for Industry	University of Wales Trinity Saint David	West Wales and the Valleys	1	0
Better Jobs, Better Futures - For the over 25s	Gower College Swansea	West Wales and the Valleys	1	0
Better Jobs, Better Futures - Young people at risk of NEET	Gower College Swansea	West Wales and the Valleys	1	0
Welsh BioInnovation	Aberystwyth University	West Wales and the Valleys	1	1
International Innovation Masters (IIM)	University of Wales Trinity Saint David	West Wales and the Valleys	1	1
Staying Well at Work	RCT County Council	West Wales and the Valleys	0	1
Tackling in-work poverty Pembrokeshire	Pembrokeshire County Council	West Wales and the Valleys	1	1
Expanding Mon's Horizons	Cymunedau Ymlaen Mon Communities Forward	West Wales and the Valleys	1	1
Swansea Working Short-Term unemployed	City & Council of Swansea	West Wales and the Valleys	1	0
Workways Plus Short-Term unemployed Over 25s	Neath Port Talbot County Council	West Wales and the Valleys	1	0
Better Jobs, Better Futures for Women in Employment	Gower College Swansea	West Wales and the Valleys	0	0
OPUS	Conwy County Borough Council	West Wales and the Valleys	0	1

Annex 1

Operation Title	Lead Beneficiary	Programme	Forecast	Achievement to-date
Skills for Employers and Employees SO1	Coleg Cambria	East Wales	1	1
Skills for Employers and Employees SO 2	Coleg Cambria	East Wales	1	1
Welsh Financial Services Graduate Programme	Welsh Contact Centre Forum Ltd	East Wales	1	1
Cynnydd	Powys County Council	East Wales	1	0
Achieve through Work Experience	Higher Education Funding Council for Wales	East Wales	1	1
Workways Plus Powys	Powys County Council	East Wales	1	1
Apprenticeships	Welsh Government	East Wales	1	1
Traineeships	Welsh Government	East Wales	1	0
Active Inclusion	Wales Council for Voluntary Action	East Wales	1	1
Active Inclusion Youth	Wales Council for Voluntary Action	East Wales	1	1
Agile Nation 2	Chwarae Teg	East Wales	1	1
TRAC 11-24	Denbighshire County Council	East Wales	1	1
Apprenticeships Skills Enhancement	Welsh Government	East Wales	1	1
Skills at Work	Newport City Council	East Wales	1	0
North Wales Business Academy	Grwp Llandrillo-Menai	East Wales	1	1

Annex 1

Operation Title	Lead Beneficiary	Programme	Forecast	Achievement to-date
Growing Spaces - Learning to Grow	Growing Space	East Wales	1	1
Upskilling for Industry	University of Wales Trinity Saint David	East Wales	1	0
METAL 2	Swansea University	East Wales	1	1
Welsh BioInnovation	Aberystwyth University	East Wales	1	1
KESS 2	Bangor University	East Wales	1	1

Annex 2 CCT Case Level Indicators

Sustainable Development	ERDF Nov'22	ESF Nov'22
Develop an Eco-code	24	32
Local supply chain development	47	17
Integration of green Infrastructure	10	1
Integration of blue infrastructure	4	0
Support for bio-diversity activity on a site funded through Structural Fund's	8	1
Development of an organisational travel plan and sustainable transport initiatives	46	18
Resource efficiency measures	48	48
Site environmental management plans	15	0
BREEAM excellent where applicable	4	0
Attainment of CEQUALL for construction activity	3	0
Use of Sustainable Urban Drainage Systems (SUDs) where applicable	8	0
BREEAM Very Good	1	0

Equal Opportunities	ERDF Nov'22	ESF Nov'22
Positive action measures - women	33	31
Positive action measure – Black, Asian and minority ethnic people	11	15
Positive action measure - young people	11	19
Positive action measure - older people	9	13
Positive action measure - disabled people	9	37
Positive action measure - other	5	21
Occupational Segregation activity	0	46
Equal Pay activity	2	7
Female participation in STEM	39	27
Activity promoting the Welsh Language	8	10
Activity supporting speakers of the Welsh Language	44	67
Disability Access Group engagement	5	6
Childcare provision	1	19
Other care provision	1	5

CCT General Cross Cutting Themes	ERDF Nov'22	ESF Nov'22
Stakeholder engagement good practice activity	20	9
Developing / engaging CCT champions	83	91
Integration of social clauses	25	11
CCT toolkit, base line mechanism, App development	4	1
CCT training package developed.	0	1
CCT staff training programme introduced.	6	13
Activity supporting CCT indicators (in Priorities / Objectives where the indicators aren't present)	3	10

Tackling Poverty	ERDF Nov'22	ESF Nov'22
Community skill building activity	19	8
Mentoring / advocacy activity	11	66
Peer support activity	1	16
Volunteering schemes	12	32
Organisations paying the living wage	14	5


Annex 3 illustrates a collection of recent WEFO Tweets highlighting a contribution to the CCT



Welsh European Funding Office
@wefowales

EU-funded @CFWWrexham and their community cohesion team providing pre-employment training around cultural differences in the community and workplace to prepare Syrian refugees in Wrexham for life in the UK.

#FightRacism #AntiRacismDay #EUfundsCymru



Cymunedau am Waith
Communities for Work

1:30 PM · Mar 21, 2022 · Hootsuite Inc.

1 Retweet 4 Likes

Welsh European Funding Office
@wefowales

EU funds are supporting projects to improve energy efficiency in low-income homes, small-scale renewable energy initiatives, and supporting the development of a leading marine energy industry in Wales

#InvestInOurPlanet #EarthDay2022 #EUfundsCymru



10:00 AM · Apr 22, 2022 · Hootsuite Inc.

2 Retweets 6 Likes

Welsh European Funding Office
@wefowales

.@MonCFAnglesey Expanding Môn's Horizons project are training staff in BSL to support people with sensory impairments with an Access to Work grant funding the purchase of clear COVID visors to aid with lip reading.

moncf.co.uk #DeafAwarenessWeek #EUfundsCymru



10:00 AM · May 3, 2022 · Hootsuite Inc.

3 Retweets 6 Likes

Welsh European Funding Office
@wefowales

Backed by EU funds, the In-Work Support project offers those with #mentalhealth conditions support to get back into work.

Find out more here: phw.nhs.wales/services-and-t...

@Healthywork_HWW #MentalHealthAwarenessWeek #EUfundsCymru



10:00 AM · May 10, 2022 · Hootsuite Inc.

2 Retweets 8 Likes

Welsh European Funding Office
@wefowales

EU funded @beaconwales enables industry to engage with Welsh universities in collaborative R&D, to develop a sustainable high-value bio-economy in Wales.
Find out more about their work at beaconwales.org
#WorldBiodiversityDay #EUfundsCymru



11:00 AM · May 22, 2022 · Hootsuite Inc.

Welsh European Funding Office
@wefowales

EU-funded @RICE_Cymru project led by @ESRI_Swansea are engaging and supporting @GowerCollegeSwa Students with additional learning needs at their Algal demonstration unit.

rice.cymru/en/news.htm?id...

#EUFundsCymru #LDweek22 @ChartSwansea @SwanseaUni



11:30 AM · Jun 22, 2022 · Hootsuite Inc.

4 Retweets 8 Likes

Welsh European Funding Office
@wefowales

EU-funded Swansea University led @METaL_Project @SMARTAQUA2 @COATEDEngD supporting Women into Engineering and STEM areas of employment materials-academy.co.uk project-metal.co.uk smartaqua.org.uk #INWED22 #EUFundsCymru



10:00 AM · Jun 23, 2022 · Hootsuite Inc.

6 Retweets 14 Likes

Welsh European Funding Office
@wefowales

Celebrating #IYD2022 and #IntergenerationalSolidarity with @devbankwales EU-Funded Wales Business Fund, supporting young entrepreneurs and engaging with @PRIMECymru to raise awareness of opportunities for older people: developmentbank.wales/case-studies/c... #EUFundsCymru



10:00 AM · Aug 12, 2022 · Hootsuite Inc.

5 Retweets 12 Likes

Welsh European Funding Office
@wefowales

EU funded @MonCFAnglesey Expanding Môn's Horizons project is teaching staff basic work-related BSL essential skills which can help them to support deaf participants: moncf.co.uk/bsl #IWDP #EUFundsCymru



11:30 AM · Sep 20, 2022 · Hootsuite Inc.

1 Retweet 5 Likes


Welsh European Funding Office
@wefowales

Celebrating International Day of Sign Languages with @JobsenseWales supporting participants with sensory loss and providing participant videos using both sign language and subtitles. Wayne: youtube.com/watch?v=N9sCVn... Morgan & Emily: youtube.com/watch?v=GLwOak... #IDSL #EUFundsCymru



10:00 AM · Sep 23, 2022 · Hootsuite Inc.

4 Likes

 Welsh European Funding Office
@wefowales

Award-winning Staying Well at Work by @RCTCouncil are providing Menopause workshops to support SME employers and women in the workforce, all made possible with EU Funds. Find out more about the project here: rctcbc.gov.uk/EN/GetInvolved...
#worldmenopouseday #EUFundsCymru



9:30 AM · Oct 18, 2022 · Hootsuite Inc.

 Welsh European Funding Office
@wefowales

EU funded @ThresholdDAS Limitless project is providing support, safety and opportunities for women who have experience domestic abuse to turn their lives around. #IDEVAW

Find out more about the project here:
threshold-das.org.uk/services/limit...
#EUFundsCymru



Wales Rural Network Report - PMC
Rural Development Programme for Wales
26th January 2023 9.00am, Microsoft Teams

Update on the Wales Rural Network Support Unit (WRNSU)

This update covers the period from 1st January 2022 to date.

Network Support Unit Staff

- Wales Rural Network has responsibility for networking and communication across the Rural Development Programme.
- A significant change to the WRNSU work programme has taken place this year due to restructuring of the division. In addition to the effect of Brexit / Covid over the last two years we have had to amend our work programme in line with these changes.
- The WRNSU currently comprises a Head of Network (0.5 FTE) supported by one Network Manager (0.75 FTE), one Website Manager & Content Author (1 FTE) and a Finance Manager (1 FTE).
- The WRNSU's role has continued to evolve over the last 12 months. COVID-19 changed the way we work, with a greater focus on digital communications and sharing of best practice amongst stakeholders.
- The WRNSU continue to maintain strong relationships with the Local Action Groups and Policy Leads.

Wales Rural Network Events & Participation

Wales delivered its end of term event on 9 & 10 June 2022 – [Celebrating Rural Wales](#).

The two-day event included –

Event Overview

- 360 Delegates over 2 days
- 30 Showcased Projects
- 6 themed Panel Discussions

Event Video - [Celebrating Rural Wales Event Video](#)

Promotional Items

- Event Brochure - [RDP Event Booklet.pdf](#)
- Case Study Brochure - [Case Studies Interactive Booklet.pdf](#)

Selection of Event Photographs







Selection of Video Case Studies from the event

- [Innovation – Organic Asparagus](#)
- [Food & Tourism – Wales on Rails](#)
- [Woodland and Forestry - Blaencennen Farm](#)
- [Sustainable Management of Natural Resources – Wrexham Biodiversity](#)
- [Food & Tourism - Plas Weunydd](#)
- [Innovative Communities - Glantawe Outdoor Education Academy](#)
- [Innovative Communities - Valley Steps](#)

Taste of Wales Evening Networking Reception

Aims and Objectives

This event supported the Wales Rural Network to deliver on its aims to:

- Share best practice
- Collate and disseminate case studies
- Promote the Rural Development Programme and its' success stories
- Reiterate the importance of a funding programme designed to assist rural businesses, enterprises, infrastructure, communities and people

Event Video – [Taste of Wales Evening - Video](#)

Canape and drinks reception – Welsh food and drink reception with products to eat and drink against a backdrop showcase display of Welsh products interspersed with key facts and outcomes from the range of RDP projects that have assisted Welsh food and drink companies.

Product Sampling Stations including welcome drinks reception. A summer themed mocktail and cocktail for the delegates on arrival.



Food Producer Marketplace – where the producers are the stars and delegates can meet beneficiaries of the Rural Development Programme projects.

Products will be available for sampling and sale.

- Circa. 300 Attendees
- 30 Ingredients from RDP funded projects used in menu
- 28 Projects showcased
- 129 RDP Funded Food & Drink Companies featured

Networking Invitation – [Taste of Wales Reception Invitation](#)

UK National Rural Network (England, Scotland, Northern Ireland and Wales)

Wales participated in UK NRN teleconference meetings between the four UK NRNs up until April 2021 when other regions' Programmes came to an end. These meetings provided an excellent opportunity to discuss RDP stakeholder issues and agree consistent responses to issues affecting the UK as a whole.

WRN continues to work with colleagues from Scotland around sharing of best practice.

WRN representatives also attended a Rural Futures meeting in Dublin on 17 November.

ENRD Activities

Restrictions have now been put in place by UK Government to cancel some EU activities between the UK and EU due to Brexit. Attending ENRD activities has fallen into this category.

WRN were invited to attend the Launch of EU CAP Network hosted by the new CAP Network and their stakeholders which took place in Brussels on the 6th October 2022.

Members were invited to participate in workshops that covered various themes, Implementation, Innovation, Evaluation and Communication. The outcome will be publicised on the CAP website in due course.

WRN Steering Group

Five meetings have been held during 2022. A regular update of the WRNSU work is given to members at each of the meetings.

The WRNSU team provide updates on their ongoing work with stakeholder engagement and events timetable.

WRN worked closely with the Steering Group to shape the content and help promote the Celebrating Rural Wales event. Further details can be seen here [Celebrating Rural Wales - 9 & 10 June 2022](#).

WRN Website / IT Development

Website

The WRN purpose-built network site has enabled the WRNSU to continue to improve methods, practices and processes for external communication. The site can be found on the Business Wales Platform : [Wales Rural Network Website](#)

The WRNSU became the first Network to develop two interactive maps, visually promoting all funding awarded to date with live links to all relevant project pages [RDP Projects](#). The unit continues to work to improve the website with external Local Action Groups having publishing responsibilities for LEADER project examples. The web pages are linked to our social media channels supporting external communication via other channels.

- There are over 1700 projects (including LEADER) published on the interactive Project pages, numerous now contain links to live web pages. WRN added 118 projects in the period January – November 2022.
- At least 2 pieces of information are added to the website on a daily basis.
- There have been 102,476 website hits from Jan – 30th November 2022. In addition, there was a Welsh Local Authorities election between 14 April and 5 May 2022, which meant we weren't able to post as much content on social media. In addition to this, all social media and website activities were paused between 8 – 20 September after the passing of her Majesty. Resulting in less traffic going to the Website. There was also an error with Google analytics meaning we didn't get any figures for May 2022.
- The homepage includes 'tiles' or 'cards' linking us to other Government websites and pages within our website and is updated every couple of months.
- We continue to work with developers to improve the flow of the website. The website now has an updated look and we've created new sections for our case studies and added a new section called A Celebration of RDP Past & Present.

- We also created a new header section called Rural Programmes where we added two sub-headings for schemes and Programme development news.

Social Media

We continue to publish promotional tweets, re-tweets with quotes and Facebook posts regarding scheme windows and RDP activities daily. We created a new Instagram page in March, and it already has over one hundred followers. In addition to our social media portfolio, we have a new YouTube playlist within the main Welsh Government's channel. [Rhwydwaith Gwledig Cymru | Wales Rural Network - YouTube](#)

- Twitter followers increased to 1966 by end of November 2022.
- Facebook has also seen a steady increase to 584 followers in November 2022. In addition, there was a Welsh Local Authorities' election between 14 April and 5 May 2022 which meant we couldn't post as much content on social media. In addition to this, all social media and website activities were paused between 8 – 20 September after the passing of her Majesty.
- A monthly Social Media post goes out to promote a different case study every month.

Internal Permissions given to add WRN Social Media Channels, the channels went live early 2022

Instagram - <https://www.instagram.com/walesrural>

Instagram has seen a great increase in followers since it's launch, as of November 2022, we have 114 followers already.

You Tube - [Rhwydwaith Gwledig Cymru | Wales Rural Network - YouTube](#)

We have seen a steady increase in views from videos / case studies uploaded onto our playlist on the Welsh Government's YouTube channel.

WRNSU Communications & Publicity

In the period Jan - November 2022, 206 case studies were written and shared, and the WRNSU produced an interactive booklet of exemplary case studies from the Wales Rural Development Programme. [Case Studies - Interactive Booklet](#)

Details of published case studies can be found via the following links :-

- Written Case Studies - [Case Studies](#)
- Video Case Studies - [Video Case studies](#)

WRN continue to approve all press releases and provide external communication support to beneficiaries.

Newsletters

- WRNSU Newsletter - 10 editions in 2022; despite many schemes having reached their end and the EU Programme now in its final year, WRN Newsletter subscribers remain steady with over 10,600 in December 2022 across the English and Welsh versions

- 22 updates via Gwlad e-newsletter (11 English; 11 Welsh) have been provided between January - November 2022. (16,486 Subscribers across the English and Welsh versions)
- 8 programme updates have been included in the Climate Change Newsletter (formerly Natural Resources) (4 English; 4 Welsh) between January - November 2022. (11,801 Subscribers across the English and Welsh versions)
- 14 programme updates were provided to EU Funds newsletters (6 English; 6 Welsh) between January - November 2022. (13,518 Subscribers across the English and Welsh versions)
- 6 programme updates were provided to Wales' Food & Drink newsletters (3 English; 3 Welsh) between January - November 2022. (15,103 Subscribers across the English and Welsh versions)
- 2 programme updates were provided to Wales' Tourism newsletters (1 English; 1 Welsh) between January - November 2022. 4 updates (2 Welsh; 2 English) (19,219) Subscribers across the English and Welsh versions)
- For Farming newsletter, one for Spring, one for Summer and another for Winter.

All the above newsletters include a promotional link to the WRN website in each edition.

LEADER

Welsh LEADER Local Action Groups continue to play an active role in supporting their rural communities at this time of unprecedented challenge. LEADER has proven itself to be a useful socio-economic tool in economic recovery following the Covid-19 emergency.

- *networking and collaborating to ensure an informed and appropriate approach to meet local needs*

The LEADER Scheme underwent a re-evaluation process in the final quarter of 2021. Sixteen of the Eighteen Local Action groups submitted re-evaluations for their LEADER projects, in total 60 applications were received.

Total Spend for the LEADER scheme was £37.9m to the end of November 2022.

Twenty LEADER Projects came to an end during the 2021/2022 Financial Year –

- Conwy Cooperation

- Pembrokeshire – Implementation; Running Costs; Animation & Cooperation
- Neath Port Talbot – Implementation; Running Costs; Animation & Cooperation
- Torfaen – Implementation; Running Costs; Animation & Cooperation
- Swansea Co-operation
- Merthyr Tydfil – Implementation; Running Costs; Animation & Cooperation
- Monmouthshire – Animation & Cooperation

A Further 6 LEADER Projects came to an end by 30 September 2022

- Monmouthshire – Implementation & Running Costs
- Powys – Implementation; Running Costs; Animation & Cooperation