

Report

Report to:	Community and Enterprise Resources Committee
Date of Meeting:	9 August 2022
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Lanarkshire LEADER Programme and Replacement
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide a summary of the evaluation of the 2014 to 2020 Lanarkshire LEADER programme
- ◆ seek approval for the delivery of the new Rural Community Led Local Development (RCLLD) programme replacing LEADER

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the outcomes of the evaluation of the LEADER 2014 to 2020 programme be noted;
- (2) that the development and delivery of the Rural Community Led Local Development programme, as set out at sections 5.4 and 5.5, be approved; and
- (3) that the delivery of a rural conference as part of the consultation and community process, as set out at section 5.7, be approved.

3. Background

- 3.1. The Council has delivered rural Community Led Local Development through LEADER funding since 2002 through 3 iterations of the programme. LEADER is EU funding, the acronym 'LEADER' derives from the French phrase "Liaison Entre Actions de Développement de l'Économie Rurale" which means, 'Links between activities for the development of rural economy'. The programmes aim was to engage the energy and resources of people and local organisations as development actors rather than beneficiaries, empowering them to contribute to the future development of their rural areas by forming area based Local Action Group (LAG) partnerships between the public, private and civil sectors.
- 3.2. For the 2014 to 2020 programme South Lanarkshire Council acted as the Lead Authority/Accountable Body, responsible for the overall management of the Lanarkshire LEADER Programme in terms of compliance and financial responsibility with a Service Level Agreement (SLA) with the Scottish Government (SG). For the first time the programme covered rural communities in North and South Lanarkshire as shown in Appendix 1, Figure 1.1, with an area of 3,298 kilometres and population of 116,741.

- 3.3. The LEADER programme ran until December 2021 with a value of £4.04m with additional funding of £60k for staff costs provided from the Scottish Government until the end of June 2022.
- 3.4. The Local Development Strategy (LDS) for the Lanarkshire LEADER programme was developed at the start of the programme period following community consultation and broad engagement's including rural conference's and was approved by the Scottish Government. This plan set out the governance arrangements, resource requirements and priorities. The programme set the following Themes and Objectives:-

Theme 1 Developing Communities

Objectives

- ◆ Developing capacity and capability of rural communities. Establishing a support framework that seeks to create a strong community sector capable of delivering a range of priority services, learning from each other and ensuring communities consider their own priorities at community level.
- ◆ To provide a support framework that assists communities take on local community owned and/or managed assets.
- ◆ Improve mobility for rural residents

Theme 2 Growing Business

Objectives

- ◆ To support younger age group engagement and employment initiatives.
- ◆ Improve vitality and viability of town centres.
- ◆ To support collaborative initiatives that aim to improve the viability of the area's agricultural sector.
- ◆ To improve rural access and customer entry to business support.

Theme 3 Heritage Culture and environment

Objectives

- ◆ To support collaborative visitor initiatives and connect to strategic interventions which protect and enhance natural and cultural heritage assets in Lanarkshire.

- 3.5. An important aspect of the LEADER ethos is the development of local partnerships for strategic direction and grant decision making through a Local Action Group (LAG). The Lanarkshire LAG developed from the previous programme had a maximum of 17 members and included representatives from the public, private and community sectors across Lanarkshire and it was a requirement of the programme that the LAG and decisions made by the LAG had a majority of non-public sector representation.
- 3.6. As part of the LEADER programme conditions of governance up to 25% of the funding could be used to fund staff costs to support delivery within the Lanarkshire programme, 21% of funding was used to fund staff resources and the programme was delivered by a small team within Community and Enterprise Resources. The team initially contained the following:-

Programme Manager	0.8 FTE
Project Officer	0.5 FTE
Administration and Claims Officer	1 FTE
Financial Management and Claims Officer	1 FTE

This resourcing developed and in April 2022 the funding supported the following positions:-

Programme Manager	1 FTE
Project Officer	0.5 FTE
Administration and Claims Officer	1 FTE

The Financial Management and Claims officer secured another position within the Economic Development Service.

4. LEADER 2014 to 2020 Evaluation

- 4.1. As part of the Service Level Agreement with the Scottish Government an evaluation of the Lanarkshire LEADER program requires to be completed, this was undertaken in 2021 and submitted to the Scottish Government in early 2022. The evaluation helps assess the impact of the business plan and strategy of the programme but also informs the priorities for the new programme announced by the Scottish Government in May 2022.
- 4.2. In summary, the evaluation concluded that the programme was successful and delivered on time and in budget, fulfilling the Government's conditions and focused on the priorities developed by the Partnership. The programme invested £3.1m through 40 projects over 6 years within the rural communities and levered in 84 pence per £1 of grant in additional funding. The programme supported 28 Social Enterprises or not for profit organisations and 11 businesses. The full evaluation and lessons learnt are attached within Appendix 1. A full list of projects is listed on page 52.
- 4.3. Overall the programme delivered a wide range of projects across the 3 Local Development Strategy (LDS) Themes (48% Developing Communities, 25.5% Heritage and Culture and 25.5% Growing business). Analysis of the projects show the largest number of projects delivered around 3 objectives Developing Community Capacity, Supporting Young People into Employment and Supporting Collaborative Initiatives (table 5.1 within the Appendix 1).
- 4.4. On interviewing grant recipients there was overall positive feedback on the grant funding and support offered by the staff there was, however, negative feedback on the LEADER programmes bureaucracy and the governments IT system (LARCS).
- 4.5. In summary, of the lessons learned that were reported to the Scottish Government, the following points were raised:-
 - ◆ local grant decision-making works
 - ◆ local decision-making panels requires multi sector cooperation and skills
 - ◆ multi-sector nature of the LAG aids knowledge sharing, including investment opportunities
 - ◆ rural Community Development needs financial resourcing
 - ◆ rural Community Development need skilled local team resources
 - ◆ rural Community Development need continuity over time
 - ◆ vulnerable communities need consistent support over time
 - ◆ communities and staff require continued training
 - ◆ engagement of hard-to-reach groups such as youth is difficult and needs new approaches

- 4.6. Recognised within the evaluation, which was key to the Lanarkshire LAG is the level of involvement and maturity and the breadth of experience and knowledge which would be a loss if not continued into future decision-making structures. While this is still true during the COVID-19 period and with less grant decisions to make a number of representatives have moved on and the LAG membership will require new members and participation to fully represent the communities and skills required to provide direction and decision making on grants.

5. **Community Led Local Development Funding 2022/2023**

- 5.1. In May 2022 the Scottish Government published guidance on funding to replace LEADER. The new programme Community Led Local Development (CLLD) had confirmed funding of £11.6m in 2022/2023 with £7.6m being allocated to LAG areas based on socio economic profile and population numbers. On 8 June Lanarkshire's allocation for 2022/2023 was confirmed as £282,826 to cover 9 months between June 2022 and March 2023, this is a significant reduction in the average allocation of approximately £660,000 per annum under LEADER.

- 5.2. A primary purpose of the CLLD funding in 2022/2023 is on developing capacity and structures of the LAG for the delivery of future years funding. The Government guidance recognises the unique partnerships of public, private and third sector representatives on the LAGs and recognised that they are the best vehicle to deliver grassroots led decision making for rural communities and that it is an important element in promoting a national agenda for empowering rural communities. The governments ambition is to develop and deepen the LAG capacity and skill set over the next 2 to 5 years.

- 5.3. The Lanarkshire LAG met in May to provide direction for the development of a Rural Community Vision for Lanarkshire though 2022/23 for delivery in future years. This vision to align with the aims and purpose of the CLLD funding. The Scottish Governments guidance states Projects **must** demonstrate that they advance **inclusion, equality and diversity**, and support at least one of the overarching Scottish Government priorities from the list below:-

- ◆ Rural Poverty – especially child and fuel poverty
- ◆ Net Zero and Climate Emergency
- ◆ COVID-19 recovery
- ◆ Young Person's Guarantee, Green Skills and Fair Work
- ◆ Community wealth building
- ◆ Local democracy and governance, community empowerment
- ◆ Wellbeing Economy
- ◆ Inclusive growth (includes Community-Led Tourism)
- ◆ Rural Entrepreneurial activity

- 5.4. During 2022/2023 the Council will deliver a Lanarkshire CLLD grant programme supporting the priorities set out in point 5.3. The programme administered by South Lanarkshire Council as the Accountable Body and supported by the existing team within Planning and Economic Development. The CLLD funding allows for up to a 15% of the total allocation or a maximum of £57,142 of the allocation to be used for staff costs.

- 5.5. The reduced budget and financial allowance for staff costs will impact on the resources available to support the delivery with a revised resource for the period June 2022 to March 2023 used to cover existing staff costs being the following:-

Economic Development Officer	0.6 FTE	£25,223
Administration and Claims	1 FTE	£21,034
Total		£46,257

This remains within the CLLD guidance and represents 16.3% of the total CLLD budget and will increase the Economic Development Officer (project) resource from 0.5 to 0.6 FTE.

The Economic Development Managers post to be funded through the UK Shared Prosperity Fund (UKSPF) as set out in the report on the UKSPF.

The guidance provided by the Scottish Government indicate this is the first year of a programme of funding over future years. However, the detail, value and confirmation of funding has not been confirmed at this time. The resource requirements for 2023/2024 will be reviewed following award of funding for CLLD from the Scottish Government for that financial year.

- 5.6. Awareness raising of the CLLD programme will commence in August and the development of project proposals will be supported by the team and using the existing Council Grantvisor system with decision making made by the LAG.
- 5.7. As part of the consultation and development of a rural vision for the fund it would be proposed to undertake a Rural Conference in October 2022 raising awareness of CLLD and other funding, sharing knowledge and the success of existing projects and building on previous pre COVID-19 conferences. The funding for the conference to be drawn from the CLLD programme.
- 5.8. As part of strengthening the LAG membership new participation from the community private and public sector partners will be sought over 2022/2023. This will be undertaken maintaining the minority representation from the public sector.

6. Employee Implications

- 6.1. The existing permanent staff will be funded through the new CLLD programme and UKSPF and there will be no change to the existing establishment within Planning and Economic Development as an outcome of the CLLD funding.

7. Financial Implications

- 7.1. As accountable body the Council has the responsibility for administering and reporting on the grant programmes. The systems and teams to deliver these programmes are in place and well developed.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. One of the priorities of the CLLD programme is on net zero and Climate Emergency and the programme will be able to assist community projects in this policy area.

9. Other Implications

- 9.1. The failure to develop a CLLD vision for rural Lanarkshire would not maximise the opportunity of the fund to deliver support to Lanarkshire Communities.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

10.2. All necessary and appropriate consultations are undertaken within the Council, with partner organisations and community groups.

David Booth
Executive Director (Community and Enterprise Resources)

19 July 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Focused on people and their needs
- ◆ Fair, open and sustainable
- ◆ We will work towards a sustainable future in sustainable places
- ◆ We will work to put people first and reduce inequality
- ◆ Caring, connected, sustainable communities
- ◆ Good quality, suitable and sustainable places to live
- ◆ People live the healthiest lives possible

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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