



Executive Summary



Ayrshire LEADER Programme Evaluation (2008-13)

EVALUATION OF THE AYRSHIRE LEADER PROGRAMME

EXECUTIVE SUMMARY

PURPOSE (SECTION 1)

This *evaluation* of the Ayrshire LEADER programme has a number of elements that are set out in full in Section 1 of the main report. In summary they embrace the following:

Effectiveness: what has been achieved (set against the National Performance Framework, the development strategy, and against projects' own objectives and expectations); cost effectiveness; the added value that has been created; sustainability; innovation; and the contribution to a changing rural Ayrshire.

Management: assessment of application and claims processes; actions of stakeholders (LAGs, partners); the programme cycle; potential for further development; matched funder activities; project clustering; gaps and duplication.

Projects and programmes: capacity building; quality of life; community capacity and dependence on project staff.

APPROACH (SECTION 1)

Documentary and policy reviews allowed initial impact and systems assessments. Treasury and EU evaluation frameworks were then deployed to examine earlier research, programme developments, what would have happened anyway (the counter-factual), programme design, partnership robustness and wider social benefits. These allowed recommendations and key learning outcomes to be established. These methods were supplemented by in depth consultations with LEADER staff. Applicants were surveyed electronically and by telephone and 20 stakeholders were interviewed. A workshop for staff and stakeholders was conducted and a Social Return on Investment (SORI) analysis was undertaken to evaluate wider benefits.

BACKGROUND TO THE AYRSHIRE LEADER PROGRAMME (SECTION 2)

LEADER is a European programme to communicate an integrated, locally determined, innovative and holistic bottom up approach to rural development that will promote the sustainable development of Scotland's rural communities. It is part of the Scotland Rural Development Programme (SRDP) (2007 – 2013) within the second Pillar of CAP. Local Action Groups (LAGs) are responsible for implementation, overseen by a Programme Monitoring Committee (PMC) nationally. Under this Pillar the main focus of the Ayrshire programme is Axis 3: *the quality of life in rural areas and diversification of the rural economy*. The geographical area for the Programme comprises the whole of mainland Ayrshire, excluding the main urban centres. This area has a sparse settlement pattern and significant upland areas with very low population densities.

The main themes *proposed* for the LEADER programme in Ayrshire were:

Rural Community Capacity: to identify local opportunities and to develop and manage projects to address these.

New Markets and Products: to support business diversification by agricultural and land-based industries and by adding more value locally to primary produce.

Conservation of the Rural Environment: natural, cultural and heritage projects that are driven by the community and have wide community benefit.

Progressive Rural Economy: innovative actions to strengthen the economy other than primary industries. This might involve co-operative investments and/or extending participation in enterprise.

Revitalising Rural Communities: a broadly based theme with the capacity to include aspects of the other themes.

These themes derived from research and data analysis which identified Strengths, Weaknesses and Opportunities. *Strengths* were connected to environmental quality, cultural and industrial heritage and access to markets. *Weaknesses* related to a focus on rural development being new in Ayrshire, with existing activity and initiatives focused on urban and coastal areas. *Opportunities* were identified as the area's environmental, cultural and heritage assets. A LEADER programme, it was felt, could be integrated with the Community Planning Process and develop cooperative working.

From the five themes proposed, two were selected for development: Rural Community Capacity (72 intended projects and 30% of the financial allocation) and Revitalising Rural Communities (260 intended projects and 70% of the financial allocation). Full details of these two themes are set out in section 2 of the main report.

Overall, the project (the Local Development Strategy and Business Plan) was developed within EU LEADER guidance, consistent with the SRDP. It sought to consider: (a) community capacity, (b) new ways of working between private, public and voluntary sector bodies, (c) how to manage spend when/if demand on the Programme might be high, (d) how LEADER could link and add value to other activities and initiatives – through formal cooperation of the LEADER Partnership and in the work of other organisations such as Community Planning Partnerships (CPPs).

FINANCIAL OVERVIEW (SECTION 3)

In practice, 36% of Ayrshire LEADER funding was committed to Building Rural Community Capacity projects and 64% to Revitalising Rural Communities projects. Overall, by 26 September 2013 just over £4.25m of grant funding had been committed (more than 93% of the allocated LEADER funding) towards total project costs of £9.424m (an overall Programme grant intervention rate of 45%, although there were variations in this rate for individual projects).

The range of match funders is in appendix 3 of the main report. There were 177 of them with contributions ranging from £100 to £750,000. As a proportion, 59.6% of this came from the public sector, 33.5% from the private sector, and 6.9% in kind. The top 10 contributors provided over half of all of the matched funding. Sourcing matched funding was found to be difficult for some smaller groups and different approaches (aligning, pooling) were adopted to address this.

OPERATIONAL DELIVERY OF THE PROGRAMME (SECTION 4)

Delivery partners

The intention was for the LAG to be responsible for strategy development, community engagement, establishing financial and operational structures, monitoring, liaison and some larger application decision-making. It would meet three to four times a year. The decision-making body (*DMB*) would be a sub group of the LAG with a day to day overview of its operation and management. It would make operational decisions, decisions on grant applications, have oversight of physical and financial performance, and seek to look for innovative synergies across the programme. The intention was that this would meet about six times a year. South Ayrshire Council (*SAC*) would be the Administrative Lead and Accountable Body for the LAG, providing record keeping, preparation of financial reports and a human resources management function. SAC would manage the intended LAG Staff or LEADER Team of two. The Programme Co-ordinator would manage the programme operationally and the Programme Officer was to provide help and advice. Their intended responsibilities and interrelationships are set out in full in section 4 of the main report, together with a 'good practice' diagram of intended key lines of accountability and information sharing.

In practice, the LEADER Team duties were undertaken by four staff, the DMB was set up slightly later in the programme, meeting monthly, and the business plan review of September 2011 did see a need to clarify the roles and responsibilities of, respectively, the LAG members, the Lead Partner and the LAG staff. A LAG member handbook was produced in 2012 that clarified roles and responsibilities, updated the LAG constitution and provided advice on how to assess applications. The LAG membership was also reviewed at this time, and links between the LAG, the three local CPPs and the Local Authorities were clarified. The evaluation of the organisational structure did suggest however, that the roles of the CPPs could have been more formalised.

Timeline

It was proposed that the programme be delivered in three stages. Stage 1 (year 1) would establish systems, procedures and links with communities. Stage 2 (years 2 and 3) would focus on catalytic pilot and strategic projects to address priorities and build momentum, motivation, involvement and success. Stage 3 (years 4, 5 and 6) would be the full delivery of the programme.

In practice, the programme went through the planning and pilot stages faster than anticipated, with full delivery of the programme already in place in year 3. By the second year of operation, a high level of funding already had been allocated to projects and a significant proportion of funding was already committed in years 2 and 3 (2009 and 2010). This held for both the theme 1 (Building Rural Community Capacity) and theme 2 (Revitalising Rural Communities projects).

Application process

Three streams of application were proposed in the business plan with increasing levels of scrutiny: £1,000 - £5,000; £5,001 - £20,000; over £20,000. Clear criteria were set out against which the respective assessors would assess

applications. In practice, Stream 3 procedures were used for all applications, irrespective of the size of the grant, until 2010 when a fast track method was introduced for applications up to £20,000. The application was in two stages (initial enquiry; full application, supported by Project Coordinator). Conditional grant offers were sent to successful applicants who then received 'managing your grant' support from the Programme Officer. Another departure from the proposed application process was that from 6th December 2010, large projects were invited to present their project idea in person to the LAG.

Programme Monitoring.

Programme monitoring was proposed to include quarterly reports, an initial six month review, full annual reviews, annual consultations and an independent review after three years.

In practice, engagement in respect of monitoring between LAG and CPP activities had scope for closer integration, particularly as CPPs are increasingly at the heart of local community engagement.

A review group was proposed (in the Business Plan Review) to clarify roles, review the application process and increase monitoring and evaluation. Areas for 'improvement' in this review centred on the application process, operational management and communication with community groups/councils. It was also proposed that a set of 'soft' indicators for monitoring be introduced to sit alongside quantitative data.

Publicity and Communications

A 'communications action plan' was proposed in the Business Plan for raising awareness of the Ayrshire LEADER programme in a systematic way. This lists target groups and tasks (newsletters, web sites, workshops, seminars, conferences, press releases). In addition, it was set out that LAG minutes should be publicly available as far as possible.

In practice, the website was indeed set up, providing an overview of 2008 – 2013 projects and a range of other information (for example, jobs, protocols and procedures). Minutes were available on request - publishing minutes online as far as possible, as well as annual reports, is good practice and to be recommended in the 2014-2020 programme. Early publicity events run by the LEADER team were met with very high levels of enthusiasm, and the team collated a long-list of local stakeholders and project beneficiaries throughout the programme. The resources spent on this activity should now provide a powerful starting point for communications at beginning of the new programme. In general, full information regarding the LEADER approach and operation of the LAG should be made available as widely as possible.

FUNDED PROJECTS AND THEIR OUTCOMES (SECTION 5)

At the Programme level, and using results from the e-survey (to which 34 funded organisations responded), 65% of funded organisations were community groups that existed prior to applying to LEADER, only about 10% were new groups and the remainder were limited companies or other business forms. This leaves some untapped potential for the LEADER programme to encourage further *new* community groups into action.

Funded projects have successfully covered the breadth of the LEADER area with more projects benefiting the south and east Ayrshire regions. Cumnock town, Maybole and Girvan are the main hubs for organisations. East Ayrshire (40%) has attracted the largest amount of funding, followed by South Ayrshire (23%) and North Ayrshire (20%) with 16% of funding going to Pan-Ayrshire Projects. The 112 funded projects that are completed or underway have been run by 84 different organisations. Some of the more experienced of these could help animate new community groups.

The projects and their achievements

Evidence from the e-survey shows that a wide variety of different projects have been funded. Feasibility studies, community planning, and sport and recreation are the most popular types of project. Refurbishment and environment comprise a small number of projects.

Programme data shows a good spread of these projects across the two themes (Building Rural Community Capacity – 34 completed, 42 in total (58% of target 72): Revitalising Rural Communities – 53 completed, 69 in total (26% of target 260)). These results might suggest an overemphasis on the first theme but, that said, building community capacity was at the core of the LDS and this balance reinforces this. Unsuccessful projects showed no pattern by type, and were not dissimilar in overall profile to those that were funded.

Success measured against Ayrshire LEADER Scope of Action

The strategic scope of activity was reflected in the spread of project activity for the whole Programme, suggesting that this scope was managed on an on-going basis. The central message from respondents in the e-survey is that most applicants felt they had been successful in contributing to the LEADER scope of action in most areas and no project reported that they had been very unsuccessful in addressing any one of the activity areas. The perceived successes in terms of LEADER scope for action are apparent in both the Building Community Capacity and in Revitalising Rural Communities themes.

Target Groups

The e-survey found that a third of funded projects did not target a particular group but, of the two thirds who did, young people were the most common category of beneficiaries to whom the project had made a positive difference. This is important, as young people in rural areas are often cited as being hard to engage.

According to the project e-survey, older people, women, disabled people and the unemployed were also successfully targeted, whilst only three projects in the survey reported success in targeting micro-businesses. This is important given the 'economic core' of the 2014 programme. At a programme level (assessed through programme monitoring data), targeting appears generally to have been successful in terms of the number of people engaged within each target group, although there were little data about the targeting of older people. This will become more important with an ageing Scottish population and likely increases in projects in this area into the future. Few projects targeted ethnic minorities or migrant workers suggesting that these groups might be considered for the next programme.

Outputs

In the e-survey, there was success across surveyed projects in delivering some of the key outputs in relation to employment, volunteering, tourism and business support. Almost one third of respondents reported creating additional paid jobs, and more than one third reported achieving additional volunteering. Some projects reported progression into paid employment and others increases in volunteering. However, around one third of projects felt they had delivered none of these outputs, at times because it was too early to say or too difficult to measure. With the formation of the new Programme, the LAG might derive a small set of key output indicators to help focus activities and impact, and to give particular attention to how to measure tourism impacts.

From Programme data, success against LDS targets has been mixed. The targets set at the strategy development stage, however, were provisional and incomplete, and guidance on the meaning of indicators changed during the programme, causing difficulties in monitoring. Within these caveats, there was a modest performance in terms of jobs created. Completed projects created 70 jobs; higher than the projects anticipated but significantly below the strategic target of over 200. There were, however, more communities participating than anticipated (216 against an expected 120).

A full set of output indicator results is presented on pages 52 – 55 of the main report. This derives from a systematic approach to measuring and evidencing targets. Overall, the project has made excellent progress in relation to the vast majority of projected outputs. Outputs that did not reach targets were: community facilities created; population in rural areas benefiting from improved services; jobs created (gross); number of projects financed, and heritage actions supported. Here, however, some of the targets appear unrealistically high and this might be taken on board in future planning. Sustained jobs might provide a future focus for the Ayrshire LEADER programme.

Building rural community capacity

Outputs here were pursued under the Building Rural Community Capacity theme. 92 communities participated in capacity building activities, and over 500 people received training on new skills through these projects. There were over 100 awareness/knowledge raising events. Nine projects reported new or innovative methods for improving the quality of life, and five projects actively supported public/private partnerships. The production of feasibility studies or development plans was popular: 14 different organisations delivered these as outputs.

Revitalising rural communities

83 communities received support for improved services from Revitalising Rural Communities projects. Six new community facilities were developed and 10 improved: six amenity access improvements were made and 27 new products developed. Training was a dominant output with over 2,000 training activities and over 1,000 people gaining new skills. Where jobs were created in this area, this output was interpreted to include jobs created only for the duration of the project and not jobs that were sustained beyond the end of the programme.

Were objectives met?

Setting softer data against the above measures, over half of the respondents to the e-survey were positive about having achieved all of their objectives. Others noted that their projects were still at an early stage. Three less positive responses all related to successful feasibility studies (developed under LEADER) but where the projects themselves (not part of LEADER) had not been successful. There are lessons here for LEADER legacy values as well as to the programme values themselves.

Impact under the five national priorities

Under these priorities, how has LEADER funding had a positive impact on Ayrshire? From the e-survey and telephone interviews, for 37 projects, 25 felt they had led to a wealthier and fairer Scotland, 24 to a healthier Scotland, 23 to a greener Scotland, 20 to a smarter Scotland and 15 to a safer and stronger Scotland. Of relevance to the economic and social inclusion priority of the forthcoming LEADER programme, in respect of a 'wealthier and fairer Scotland' 18 of the 25 felt that Scotland was 'fairer' and 13, 'wealthier' (some covered both).

Social benefits ('fairer') included better access to entitlements, greater social involvement, supporting the disadvantaged and social inclusion, particularly in rural areas. Economic ('wealthier') benefits included bringing more money into the area, cheaper travel, more economic opportunity, improved tourism resources, skills and training and lower energy costs. These benefits were felt to be relevant to the longer term as well as being a direct result of the project. Health benefits mainly related to increased exercise and improved lifestyle. 'Safe and strong' benefits related to better access to support services, breaking down age barriers and improved physical infrastructure. 'Smarter Scotland' benefits related to respect, inter-generational understanding, new skills and internet developments, whilst 'green benefits' related to renewable energy, environmental improvements and 'green' product use. All of these impacts sum to an improved quality of life.

Would projects have proceeded anyway?

To query additionality of the programme, two thirds of the 45 respondents claimed that without LEADER funding their projects would not have proceeded at all. Others said that the project would have been slower, smaller, of poorer quality or generally more difficult.

How did project organisers deliver their project?

In the telephone interviews, about half of respondents noted unanticipated project inputs and outputs relating to payments in kind and greater successes (positive) and unexpected delays (negative). Those with no unanticipated inputs or outputs put it down to good planning. *Changes to funding strategies* were reported by two thirds of telephone respondents (adjusting underspend or overspend, shifting from one project to another or from one type of staffing to another and delayed payments or payment decisions requiring bridging loans). These issues, however, are not unusual in the LEADER context generally.

Perceptions of *good practice* were also discussed in the telephone interviews. A third of responses cited effective community consultation and engagement. Other areas included having good strategies, building motivation and tailoring

individual provision of various types to local needs. More generally, determination, good organisation, committed staff, trying new things building a volunteer base and making good use of IT all were cited. All of these can be shared with future LEADER applicants.

In respect of *innovative projects*, in the telephone survey, these ranged from the 'macro' ("*First mobile facility of its kind in Scotland*") to lower key innovations that were harder to articulate. Others were detailed and project specific. It was clear that many had understood the importance of innovation in projects. This should be sustained in future LEADER projects and care taken to ensure that the LEADER bureaucracy doesn't stifle innovation.

Social Return on Investment (SROI)

SROI is a framework for measuring and accounting for broad concepts of value; it seeks to reduce inequality and environmental degradation and improve wellbeing by incorporating social, environmental and economic costs and benefits. This was applied to four case studies which are set out in full on pages 68 – 81 of the report.

These case studies exemplify the wider benefits that the LEADER approach brings to rural communities. For example, two of the case studies (the West Kilbride Community Association and Dunlop Community Cinema) have been estimated to deliver a social return on investment of over £25 and £45 respectively for each LEADER £1. Our general experience of SROI in relation to LEADER programmes in the North of England and Scotland suggests a balanced rate of around £5 SROI for each £1 of LEADER funding. If this is extended across the Ayrshire Programme, and we have no reservations in suggesting that this is appropriate in the light of these four studies, the programme is likely to have delivered at least £20 million in terms of social return on investment.

FEEDBACK ON THE APPLICATION AND GRANT MANAGEMENT PROCESS (SECTION 6)

Awareness

The evaluation indicated that e-survey responders (26) became aware of LEADER through a range of means, the most common being previous experience, a specific event or a specific officer. All awareness means should be noted for subsequent programmes.

The application process

From the perspective of *funded projects*, over 90% of e-survey respondents possessed previous funding application experience. Compared to their previous applications, there was a full range of views about LEADER from easy to very complicated. The majority found the process more complex but found support from, and communication with, LEADER staff (which most used) to be the most valuable part of the process. Peer support also had a role to play in developing applications. The poorest part of the application process was signposting to other projects but the clarity of the application forms was found reasonable (excepting a small number of cases) and the overall process acceptable.

Presentation to the LAG

Over half of the e-survey respondents (18/32) had been asked to present their project idea directly to the LAG. Although stressful, the experience generally was positive and gave people an opportunity to be heard, with a small minority reporting negative experiences. Some found the LAG over-large and others found the decision-making process a bit *ad hoc*.

From the perspective of unsuccessful applicants

Perhaps not surprisingly, unsuccessful applicants rated the application process less favourably, particularly in relation to the rejection letter feedback and signposting to other sources of funding. Signposting might be considered more fully in future LEADER programmes. All but one respondent said they had not been encouraged to apply again after their unsuccessful application. More could be done to encourage continued enthusiasm for LEADER amongst unsuccessful applicants.

Project management and the claims process

Only a small minority of respondents said that they had no real problems with project management and the claims processes. The others found there to be a burden of paperwork and an overall sense that the "excessive" systems involved with monitoring and claiming grants had a significant negative impact on projects and organisations. In respect of *cash flow*, time lags and a lack of flexibility were the main problems, and the process was found to be more rigid than for other funding streams. Future LEADER programmes might acknowledge the importance of innovative and practical ways of supporting projects with their cash flow issues.

Would applicants apply again?

Only just over half of e-survey respondents of funded projects (16 of 29) said that they would apply again without significant reservation. Others would apply only reluctantly (and possibly only for larger projects) and others not at all. The main reasons for this reluctance were process difficulties. This might be given consideration in future LEADER programmes.

Successful involvement in LEADER?

Most respondents felt that their LEADER project had been successful in some ways. Some reported that the funding had been the thing that had made their project come to fruition and had produced a positive community impact. Some reported that the project had increased community involvement, had led to future funding and had provided a valuable learning exercise. Many also noted positive sustainability attributes for their projects. A smaller number found their projects more challenging in terms of the LEADER *process*, and securing matched funding, despite being able to record positive outcomes.

Overall Remarks

Ayrshire LEADER funding is perceived to have had a positive impact across a wide range of projects and communities. There has been a strategic approach, innovation, and the development of good practice. The processes have been challenging but LEADER staff have been supportive.

FEEDBACK ON THE STRENGTH AND VALUE OF PARTNERSHIP WORKING (SECTION 7)

A scorecard approach for stakeholders was used to examine the strengths and weaknesses of the LEADER programme. Broadly, strengths were rated highly across all themes. In particular, the LAG's strategic approach seems to be perceived an area of strength whereas understanding and responding to communities' needs as well as performance and outcome monitoring were seen as slightly weaker areas. Seven themes of strength and weakness are reviewed below.

Strategic approach: strengths here relate to the linking of outcomes with local and national priorities and the leverage of other funds. LAG priorities are felt to be clear (but not necessarily very specific) although there was a range of views about whether the LAG is fully meeting community needs.

Partnership working: this is seen as very good, with good commitment and mutual understanding. Most felt that partners had a shared vision. Ownership and accountability scored less highly and there were mixed views about whether objectives and targets were clear enough.

Partnership working in practice: most felt that the applicant presentation and interview process was worthwhile and helpful in identifying the best projects. Reviewing partnership working was felt to be unsystematic and not really acted upon. Communication and reporting and their transparency were felt to be acceptable but there was felt to be room for improvement. Over half of respondents felt that systems and procedures for sharing essential information were in place but could be better used.

Community engagement: involving communities and understanding and responding to their needs: nearly all partners agreed that the LAG has a good understanding of most of the issues faced by communities, though some felt that understanding the needs of different groups was a bit patchy. Active community participation in the preparation of bids was felt to be more variable but most said that strategies accompanying bids were clearly driven by the identified needs of the community.

Community engagement: supporting community engagement: whilst it was felt that the LAG usually provides high quality, easily understood information about its plans and activities, three respondents said that this was variable in quality. Measuring the impact of community involvement generally was felt to be good, though there was disagreement over how widely this was reported.

Performance and outcome monitoring: most stakeholders felt that systems for measuring impact were either in active development or not yet fully developed, indicating an area which requires more work. In terms of baseline data on hard to reach groups and priorities, most members said that there is a solid set of baseline data or high quality baseline data, but nobody indicated that the LAG has "baseline data for all our hard to reach groups and priority areas".

Assessing progress: some felt that reviewing and reporting on progress was not at all transparent but others felt that it was. This range of responses suggests a need for the LAG further to consider this aspect of its work. Most felt that the review process was regular. There was disagreement in responses over whether a monitoring framework to measure impact was systematic and whether it had yet been put in place. Most commonly, however, it was felt that the framework did allow the LAG to measure the difference made by LEADER.

STAKEHOLDER VIEWS (SECTION 8)

Stakeholder views can help the LAG to see how it can make an already good programme even better. Stakeholders were sure that the LEADER programme had made a difference, there was a good geographical spread of projects but 'cold spots' usefully could be identified. Things had happened that wouldn't have otherwise.

It was felt that the intensive and bureaucratic application and claims processes were softened by the support from the LEADER team. Stakeholders also felt that the project appraisal process was onerous, and the presentation of projects to the LAG could be daunting. While achievement of outputs was very good, impact measurement could very usefully be incorporated into the future programme. There also was a concern that the new Programme would be steered in a direction of 'fewer, larger' projects.

The level of satisfaction with support from the Programme team was very high, and the approach to audit and verification was seen as very robust. To date, there has been little *monitoring and impact measurement* at the Programme level. This would be useful for the future to assess the overall impact of the programme. This also would make it more visible. Stakeholders found the *target groups* to be inclusive, with a positive impact on young people, communities and the environment. The programme has been effective and focused in addressing key themes and groups identified during the drafting of the LDS.

Several projects were identified by stakeholders as being of strategic importance. With Ayrshire being new to LEADER, there was potential to further develop rural infrastructure. Many projects too, were seen as having a positive *economic impact* in respect of employment, training and job creation. Economic effects also were noted around arts and culture, the environment, local food and the environment, and the return on investment more widely, was considered to be good.

The main challenges were felt to centre around overly bureaucratic processes and cash flow issues. These were off-putting for smaller groups. The claims process, and the levels of evidence required was regarded as particularly onerous. These issues were felt to be outside of the jurisdiction of the local Ayrshire LEADER team, however. There were mixed views from stakeholders about the sustainability of LEADER projects. Whilst a number of projects contained explicit sustainability components, as a theme this could usefully become more pervasive. The Ayrshire programme was felt to have supported a number of identifiably innovative projects in the areas of young people and of market failure. There were a number of innovations in matched funding too.

The future programme

For the future, the private sector experiences harnessed in this programme, will be useful. *Administrative process* usefully could be simplified and *cash flow problems* eased. Effective liaison with *other funders* will be valuable and understanding the impacts of Ayrshire projects on *contiguous areas* will be important. Projects making the most of the *natural environment* might be a useful priority and full integration with the *Scottish Rural Development Programme* will be valuable. This will help to focus a spotlight on rural areas which are often residualised in development policy generally.

SWOT (STRENGTHS, WEAKNESSES OPPORTUNITIES AND THREATS ANALYSIS (SECTION 9)

Drawing on all of the foregoing analyses, a SWOT analysis was produced (presented below) which will be helpful in supporting the transition planning currently underway in terms of the new LEADER programme.

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| <p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • The natural beauty and diversity of the area in terms of its landscape assets • The existing tourism and leisure offer • The cultural heritage of the area • The industrial and built heritage of the area • The area is well served with hotels and restaurants • Relative proximity to Glasgow as an internationally significant city • Good external transport connections • A determination by the rural communities to improve their lot • Considerable expansion of the renewable energy sector • A developing natural environment tourism offer • A strong and distinctive land and food based economy | <p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • East Ayrshire has low wages and relatively high levels of unemployment • North Ayrshire has low wages, low levels of economic activity and high levels of benefit claimants • South Ayrshire has higher than national levels of income but high levels of unemployment and benefit claimants • All three areas have lower levels of professional employees and lower levels of higher qualifications than the national average • Within the rural areas the transport infrastructure is poor and public transport services are declining • The rural areas still have significant health inequalities • Market failure in terms of village shops and business failures which have been exacerbated by the growth of the internet and activities such as online retailing • All three areas have relatively high level of digital exclusion and low broadband speeds • Population growth continues in area with little ancillary development of businesses • The youth offer in the area continues to be limited • All three areas have lower levels of VAT registered businesses than the national average <li style="padding-left: 40px;">A patchy picture of community capacity |
| <p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Increasing interest in local food and local produce • The growth of interest in tourism activities linked to the environment • The growth of the renewable energy market • Relative proximity to Glasgow and the Central Belt • A growing social economy market | <p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Low levels of digital inclusion • A significant dependence on tourism as the driver of economic development • A higher than national proportion of older people, many of whom are challenged in the rural areas by the lack of local services and a poor transport infrastructure • A complex partnership environment with 3 local authorities • Relatively low incomes and limited community capacity in a number of areas • Continued in-migration and the growth of second homes in the most attractive tourism locations • A relatively low stock of businesses and major employment opportunities |

CONCLUSIONS (SECTION 10)

Projects have made a real difference to rural Ayrshire through the Building Community Capacity theme by enhancing training and skills and improving quality of life. Feasibility studies and development plans helped build for the future. Benefits to communities in terms of new services, facilities, training and employment (creating new jobs for the duration of the projects and safeguarding jobs) have been delivered by the Revitalising Rural Communities theme and 27 new products have been developed. Employment might be an area of focus in subsequent LEADER programmes, and this evaluation suggests that there will be a need to refocus job outcomes on sustained employment and not only jobs created for the duration of the programme.

Overall performance against outputs appears to have been generally very good, measured both against the LDS targets and against the agreed expectations of projects during the application process. More qualitative assessments show attributable improvements to the quality of life, community safety, livelihoods, the environment and young people. There is also evidence (from the SROI analysis) that there have been real social and economic improvements from the funded projects. Impact measurement suggests that some impacts have yet to be felt. Whilst this measurement has met all requirements of the Scottish Government, such measurement (both short and long term) might be more systematic in the new programme, allowing benefits to be more clearly stated.

Improvements

Ayrshire LEADER is well regarded including by Scottish Government, but improvements still can be made. Bureaucracy, for example, might be slimmed down. For smaller projects, an 'Umbrella scheme' would be one way of dealing with this. Cash flow also can be burdensome (again for smaller projects) and this also might be examined in future programmes. The Economic potential of LEADER investments might be made clearer and given a stronger focus on this in the next programme. Also, projects could be more strategic and have a stronger link to the LDS to ensure region-wide consistency. This would improve impact measurement and improve understanding of how projects are part of the LDS.

Other issues

In the projects there was a clear dependence on public sector bodies and whilst this might be inevitable it should not be allowed to displace the development of independent community capacity. Whilst geographic coverage has been good, more projects have benefitted the rural south and east Ayrshire regions. This might suggest more targeted coverage of cold spots in future Programmes. This might require continued outreach work in these areas. Transnational and cooperation projects have been limited. The LAG should consider learning and study visits to improve this, and give consideration to building more of these into the programme. While stakeholders acknowledged that there had been a number of very effective tourism projects, tourism projects were felt by some to be near capacity in terms of generating economic benefits and to generate low paid employment such that future programmes should be alive to over-dependence on these.

Overall effectiveness versus cost is difficult to quantify but the Social Return on Investment case studies show that a balanced rate of £5 per £1 invested is not unreasonable and if aggregated up to a programme level this could equate to as much as £20 million.

RECOMMENDATIONS (SECTION 11)

- The LAG should develop a robust performance management framework which it monitors more closely, once a project has been approved. The programme can demonstrate its longer-term benefits through continued monitoring and impact measurement of supported projects.
- The LAG should consider an approach to stimulate strategic projects and consider whether a more strategic approach could be applied to types of projects that are currently delivered and supported on a project by project basis.
- The LAG could feasibly be more proactive in commissioning activity directly. This would allow prioritisation and co-ordination.
- The LAG should review the administrative requirements to simplify them. Assessing smaller projects could be delegated to the Programme Co-ordinator and smaller themed sub panels could assess applications. Only larger projects (above £5000) should go to the full LAG. Potential beneficiaries should not be on the assessment panels. The LAG should review both its application and claims process and seek simplification.
- The LAG Partnership should be reviewed to reduce perceptions of exclusivity.
- Mentoring and networking between applicants and projects could be used to develop good practice.
- Projects could usefully be clustered, for example, into arts, culture and tourism; youth projects; community environmental projects; macro-economy; environmental projects, and sustainable community projects. This would allow networks and mutual support and a common local infrastructure.
- In considering the role of LEADER in a new strategy for Ayrshire, a new distinctive approach could involve developing a project grid to help LAG members in considering applications. This would allow projects to be themed, positioned against relevant strategies and assessed against the work of other delivery bodies. This will integrate the LDS more fully with the local area.
- It also will be valuable to identify best practice from other LEADER programmes across Europe which may act as drivers for change in Ayrshire. A range of these is now widely available and a number of examples are given in the full report.