

Somerset Levels and Moors Local Development Strategy – 2014 – 2020

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On behalf of the Levels and Moors
Executive



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INTRODUCTION

During 2009 – 2013 the Somerset Levels and Moors Local Action Group successfully delivered a grants programme worth more than £1m to 46 projects across the Levels and Moors, supporting small businesses, creating jobs and improving the sustainable tourism offer.

In the winter of 2013/14 the Somerset Levels and Moors saw some of the worst flooding in living memory. Within the area over 150 properties were flooded and 11,000 hectares of agricultural land were under water for a prolonged period of time. Over 200 homes in several communities were cut off, some for more than two months. The response from public sector bodies was swift and is on-going. There has also been a tremendous response from the local communities and businesses themselves, pulling together to provide resources and support networks for those directly and indirectly affected.

Now the Levels and Moors has an opportunity to use the LEADER principles and resources to support the development of resilient local communities and businesses to ensure any future major incidents do not impact as severely on its economies and communities as they did in the winter of 2013.

This Local Development Strategy has been drawn up alongside other key strategies for the area, complementing other strategic strands of work to improve the environment and economies of the Levels and Moors. This local LEADER framework of support for businesses, rural services and tourism facilities will underpin the strategic work taking place and stimulate recovery and growth at a local level.

The Somerset Levels and Moors LAG Local Development Strategy has been agreed by the following:

	Name	Signature	Date
LAG Chair			
Accountable Body			

1.0 THE LOCAL ACTION GROUP PARTNERSHIP

The Local Action Group is made up of a number of key organisations operating within the Levels and Moors and is focused on the sustainable growth of the businesses and communities in the area. Membership of the Wider Local Action Group is open to all those who live and/or work on the Levels and Moors.

The Executive Group membership will continue to be made up of a balance of sector based representatives:

- Public Sector – all Councils represented from the area
- Business / private sector representation – providing balanced representation of all the identified Levels and Moors key sectors
- Environmental organisations
- Voluntary sector
- Community Representatives

There will be a recruitment of new members on to the Executive to ensure that we have representatives from each of the key sectors that will be prioritised. This new membership base will be recruited alongside the existing members who will provide a strong foundation from which to govern a new programme. The Executive will always seek to maintain a balance between public/private/third sector representatives.

The Executive Chair and Deputy will be nominated and voted onto the Group by other members of the Executive. For the sake of continuity the position of Chair and Deputy will be for the full programme period.

1.1 Structure and Decision Making Process

The Somerset Levels and Moors LAG has well-established, transparent and non-discriminatory decision-making processes. There are 4 'tiers' of structure to the decision making process, with different accountability at each level. These are described below:

The Accountable Body contracts with Defra for delivery of the Programme, holds itself responsible for its successful conclusion, and undertakes to ensure that financial propriety is observed in its management and administration throughout. All management and administration claims will be checked and approved by the Accountable Body before submission to Defra. The Accountable body will provide the HR and Finance function for the staff team. The Accountable body role will also extend to ensuring adherence to the key and ancillary controls to ensure a separation of duties is maintained throughout the processes.

Levels & Moors Local Action Group (Wider LAG) is the wider network of interested individuals and organisations that help to deliver messages about LEADER across the Levels and Moors and help to shape potential programme activity. If vacancies occur on the Executive group, invitations to join are drawn from the Wider Local Action Group. The Wider Local Action Group also approves the Delivery Plan at annual meetings.

The Levels and Moors Local Action Group Executive aids swift progression of approaches for funding and makes executive decisions on such matters on behalf of the LMLAG, including, but not restricted to, the making of decisions in respect of applications for funding. Meetings of the Executive will normally be held every other month – however this is flexible according to the investment decision level. The Executive group will have 12 – 14 members.

The Levels & Moors Local Action Group Staff Team is responsible for the administration of the Programme on behalf of the Executive and the Wider LAG. The staff team are responsible for advising the LMLAG and the Executive Group on the correct procedures to follow, and for following those procedures where they undertake them themselves. The staff team are also responsible for preparing regular updates and providing the secretariat function for all meetings. The staff team will ensure there are no conflicts of interest from the Executive Members in terms of reviewing and approving project applications.

The Levels & Moors Local Action Group Appraisers are a group of independent representatives from various sectors who undertake appraisals for the Executive on a voluntary basis. Appraisers may sometimes be shared with other Local Action Groups. The Appraisers make recommendations on all applications to the Executive.

1.2 Local Action Group staff, numbers and job descriptions

Resourcing the Local Action Group appropriately will be essential to ensure quality projects are brought forward, financial risk is reduced by meeting financial projections, and outputs are achieved. However, the Executive also wishes to see the majority of funding reach the communities of the Levels and Moors. The following staffing has been agreed in order to achieve all of these objectives. All Programme Staff will be employed under the terms and conditions of the Accountable Body.

The Programme Manager will be employed for the start of the new programme on January 1st 2015. The Programme Officer will be recruited during the first quarter.

Programme Manager (full time)

The Programme Manager will be responsible for ensuring the delivery of a successful programme. Key duties of the Manager will include:

- Bringing forward projects to the Programme, ensuring a good fit with the priorities and outcomes of the Programme and that these are not better funded under other programmes
- Providing a secretariat function for the Executive Group, providing regular Programme updates at quarterly (or more frequent if business dictates) meetings.
- Recruiting, training and liaising with a pool of project appraisers to ensure adherence to a clear and consistent process
- Represent the Programme at LEP/regional/national events as well as engaging in local networks where these will bring benefits to the Levels and Moors Local Action Group
- Ensure the financial and output profiles are adhered to as per agreed Defra targets
- Other activities that will ensure the success of the Programme

Programme Officer (part time)

The Programme Officer will assist the Programme Manager in delivering a successful programme, and their individual duties will include:

- Preparing and processing project claim forms, and the management and administration claims to Defra
- Maintaining the financial records for the programme – including any Defra reporting requirements through CAP-D
- Assisting the Programme Manager with ensuring that the Programme financial profile is maintained in line with Defra agreed targets
- Monitoring outputs for projects, ensuring contract requirements are met
- Assisting the Programme Manager with publicity and awareness raising of the Programme
- Updating the Programme website and maintaining social media feeds

It has been agreed to employ a full time Programme Officer and to share this resource between the Levels and Moors Local Action Group and the neighbouring Western Somerset 2020 Local Action Group. This approach operated in the previous programme and proved to be successful.

The Programme Manager will be employed for the start of the new programme on January 1st 2015. The Programme Officer will be recruited during the first quarter of the programme. Both members of staff will be retained until the end of the programme.

1.3 Equal opportunities statement (the public sector equality duty)

The Local Action Group aims to create a culture that respects and values each other's differences, that promotes dignity, equality and diversity, and that encourages individuals to develop and achieve their true potential. This approach is in line with the Public Bodies equal opportunities duty and Somerset County Council's operating guidelines.

The LAG aims to remove any barriers, bias or discrimination that prevent individuals or groups from realising their potential and contributing fully to the Somerset Levels and Moors LEADER Programme as well as to develop a culture that positively values diversity.

The LAG is committed wherever practicable, to achieving and maintaining a membership and programme of activity that broadly reflects the local community which it seeks to represent. Every possible step will be taken to ensure that individuals are treated fairly in all aspects of their involvement with the Local Action Group.

A Programme equal opportunities policy/statement will be issued to every Executive Member and Programme Staff as part of the operating manual. Where applicant groups cannot supply an equal opportunities statement or policy as part of their application the Programme Manager will work with them to adopt a suitable statement/policy for their organisation as part of the condition of grant.

1.4 Involvement of the Community and Consultation

There has been a phased approach to the consultation for this Local Development Strategy to ensure as many different sections of the community were involved as possible. The stages of consultation are described below:

Stakeholder consultation

The first stage of consultation undertaken was with Stakeholder organisations across the Levels and Moors. This was carried out to create a baseline position for the next Strategy and to begin to develop some key priority areas in line with the LEADER programme priorities and the LEP's Strategic Economic Plan.

This consultation took the form of 1:1 meetings between the Programme Manager and Stakeholder colleagues. In total, 25 consultation meetings took place with a wide range of consultees including representatives from the following sectors:

- Wildlife/Environment
- Heritage/Culture
- Creative Industries
- Small Business
- Farming
- Local Authorities
- Tourism
- Voluntary Sector
- Flood Resilience
- Forestry
- Young People's services

A desk based review of the strategies of stakeholder organisations - such as local authorities, the Local Enterprise Partnership, the Local Nature Partnership and third sector organisations – was undertaken to identify existing agreed local priorities that align with the LEADER priorities. This work resulted in an initial set of proposed outcomes for the Levels and Moors which were then presented to the wider community for comment/endorsement.

Shadow Executive Group

The Shadow Executive Group for the Levels and Moors helped to shape the proposed priorities and outcomes for the Local Development Strategy through their input at a working session. The Local Development Strategy document has been shared with the Executive at various points in its development to ensure complete agreement is achieved.

Local Communities

The outcomes and priorities for the emerging Local Development Strategy were shared with the local communities on the Levels and Moors. A consultation document was sent out electronically to more than 300 individuals and organisations, both private and voluntary from across the Levels and Moors. This has also been widely publicised through partner organisations sharing it with their client/user groups.

3 local community consultation events were held to shape some project activity for the new Programme. These were well attended by a cross section of representatives from all sectors and produced a list of potential projects that will now be worked up to full applications ready for opening of the Programme in January 2015.

The consultation document was also published on the Levels and Moors website. This resulted in a number of written responses, all of which agreed with the outcomes.

Other Local Action Groups

In a move to more cooperative working with surrounding Local Action Groups, a network has been formed for the Heart of the South West LEP based groups. This meets on a regular basis and has been looking at areas of potential joint-working across the contiguous zone. This work will continue once the Programmes have opened to ensure the full potential of impact in the rural communities is met.

1.5 Training Requirements

There will be informal training requirements for this new LEADER programme to ensure that all those with an involvement in governing it understand the associated EU regulations.

Programme Staff: Programme Staff will need to be well informed on the EU regulations and Defra National Guidance associated with LEADER and this will be achieved by reading and understanding Defra Guidance Notes as they are published and adapting these for the Local Delivery Strategy. There may also be some formal training provided by Defra for the new CAP D database when this goes live.

Executive Group: The Executive Group will need to be fully briefed on the new LEADER Programme regulations to assist them in good, transparent management of the Levels and Moors Programme. Programme Staff will provide an 'induction' at the start of the Programme for all Executive Members – existing and new. This will include a full briefing on the operating manual and the code of conduct expected from an Executive Member.

Any amendments or new guidance will be provided to the Executive Group as it is known. The operating manual processes will be refreshed as part of the annual business delivery plan to ensure all members are clear on their role and the remit of the Programme.

Appraisers: A pool of voluntary appraisers will be recruited onto the Programme to assist with the decision-making process. It will be important that the appraisers have a very clear understanding of the LEADER Programme requirements and the local priorities of the Programme. The Programme Staff will provide a training session for all newly recruited appraisers. This will be followed up by regular refresher sessions to ensure that the appraisers can carry out their assessments of projects with full knowledge and understanding of the context with which they are being appraised.

Accountable Body: Somerset County Council will retain the Accountable Body status for the Somerset Levels and Moors Local Action Group. However, it will be appropriate to provide a refresher to colleagues, particularly in the finance/audit/legal teams, on the regulations regarding financial management and state aid requirements of the LEADER Programme. Using the Operating Manual, Programme Staff will provide these refresher sessions for all necessary Accountable Body staff.

Local Action Group: Once the Programme is opened, a Wider Local Action Group meeting will be held where the audience will receive a full presentation on the parameters of this Programme and what is expected to be achieved by 2020, including their involvement in its success.

Project Operators: Successful project operators will be given training in the requirements of the Communications and Publicity policy and will be monitored to ensure compliance with publicity guidelines.

1.6 Monitoring and Evaluation

Evaluation will be an essential part of the delivery mechanism for the overall Programme and to inform the Annual Business Delivery Plan. There will be different levels of monitoring and evaluation carried out as detailed below:

Overall Programme

The Programme staff and Executive will monitor the overall progress of the programme through the annual business delivery plan process, where measurable targets will be set each year and reviewed at the end to measure success. A programme monitoring framework will be developed at the start of the programme to provide a baseline from which to measure progress.

An evaluation will be carried out at the end of the programme to demonstrate the value of investment into the area against business growth and employment rates by 2020. An end of programme event will share the evaluation results with the wider LAG and interested groups.

Projects

Operators of projects or activity will be requested to submit quarterly reports to clearly demonstrate cumulative achievements and progress according to the original application and project plan.

A final report from projects will give a summary of outputs achieved together with any unexpected outcomes that have come about as a result of the investment.

2.0 THE LOCAL ACTION GROUP AREA

The Somerset Levels and Moors are situated in the county of Somerset. Much of the area is low-lying and is characterised by a high proportion of agricultural land. The Levels and Moors are made up of rural communities and market towns.

2.1 Rural Population Covered

The total population within the Levels and Moors is 149,367, of which 101,788 or 68% is classed as rural (based on Defra's definition of OA's). The remaining 47,579 are based in the relatively small hub towns of Street, Burnham-on-Sea and Highbridge and Wells. These hub towns provide services and employment opportunities for the more rural areas of the Levels and Moors. As such they are important to the Levels and Moors' growth and have therefore been included in our Local Action area. The area covers 98,760 hectares of land – which represents 28% of land in Somerset.

There are a total of 95 parishes within the Levels and Moors, covering 4 District Council areas:

District	Rural Population	Urban Population*	Total Population
Sedgemoor	42,567	23,325	65,892
Mendip	17,300	24,254	41,554
South Somerset	34,067	0	34,067
Taunton Deane	7,854	0	7,854
TOTAL	101,788	47,579	149,367

*Urban population relates to the 'hub towns' which are now eligible for LEADER funding and have been included in our Levels and Moors Local Action Group area.

3.0 THE STRATEGY

Place

The Somerset Levels & Moors is a descriptive name for the area of lowland wetlands in Somerset adjoining the coastal region and covering the Rivers Axe, Brue, Tone and Parrett catchment areas. It is an area highly susceptible to flooding and the effects of climate change and is also an internationally recognised wetland area.

The Levels & Moors is in balance with the land-based farming industry, which characterises the area. It is a relatively untapped resource of creativity, natural produce, business diversity and is in harmony with nature, supported by a strongly bonded community spirit and a genuine love of the area by its residents. Sensitively maintained by the farming economy, much of the area is designated under the Ramsar Convention as an internationally important wetland and the EU Birds Directive of 1979 as a Special Protection Area for Birds. At its core are a number of key SSSI's inland and along the coastal area as well as Shapwick Heath National Nature Reserve and the wider Somerset Levels NNR, along with a large number of other local nature reserves.

The nature of the landscape and the tendency towards seasonal flooding has shaped the development of communities and businesses throughout the area and, as such, has created a community united by similar conditions and experiences. There are a number of market towns that provide primary markets for the rural areas including, Burnham-on-Sea & Highbridge, Axbridge, Cheddar, Wedmore, Glastonbury, Street, Wells, Somerton, Martock, Langport, North Petherton and South Petherton. These market towns also act as

hubs for cultural activity, employment and tourism, and as gateways to the Levels & Moors' rural areas. There is a clear relationship between the towns and their rural surrounds as they are inter-dependent for employment, business markets for local goods and services, tourism and access to main facilities.

In Somerset the business community is quite fragmented geographically and have different levels of connectivity – 80% of the road networks are categorised as C roads, or unclassified. On the Levels and Moors these transport systems can be further affected by extreme weather events. The flooding in 2012 and 2014 saw major disruption to transport. Some communities were cut off for weeks at a time. There was also major disruption to the road network with several of the A roads blocked, causing diversions and delay to peoples' travel and consequent costs to business; initial estimates of impacts are in the region of £100m. The 20 year Flood Action Plan will address major infrastructural issues, however LEADER can provide support in terms of business resilience and rural community services to support the communities on the Levels and Moors in case of future incidents. The on-going roll out of community broadband will also bring connectivity to areas that are not serviced with good transport links.

People

149,367 people live on the Levels and Moors in 64,298 households. The Levels and Moors has an older age profile than Somerset County with 53.1% aged 45 or over. The Levels and Moors are less ethnically diverse than Somerset County, with 96.2% of residents stating they are white British or Irish origin. In recent years immigration from EU accession countries such as Poland has increased the proportion of people of white 'other' origin. Somerset currently has 14,707 residents from this ethnic group (2.8%), whilst the Levels and Moors only have 2,856 (1.9%).

Just fewer than 20% of Levels and Moors residents have a health condition which limits their daily activities to some extent. This is higher than the Somerset County figure at 18.8% and may be a reflection of the marginally older age profile. It is also evident that a greater proportion of Levels and Moors residents provide unpaid care for another person (11.9%). 21.1% of those providing care do so for more than 50 hours per week.

According to the 2011 census, 2,866 people on the Levels and Moors were unemployed. Of these, 26.6% were aged 50 or over, a higher proportion than across Somerset and the LEP area with 23.3% and 22.4% respectively. At the other end of the age spectrum 28% of unemployed residents on the Levels and Moors are aged 16 – 24, a lower proportion than the County or LEP levels. However, this unemployment rate is more than double the overall unemployment rate for the Levels and Moors; 5.7% compared to 2.7%.

The Levels and Moors area has a well-qualified pool of labour at its disposal. 27.3% of residents aged 16 or over are qualified to NVQ level 4 or above). This is a higher level than in Somerset and the LEP area (both 25.6%) and indicates the potential for these skills to be used to further economic growth. Conversely, the Levels and Moors also have a slightly higher proportion of residents with no qualifications at all; 22.6% compared to 22.4% for Somerset. This could indicate an opportunity for up-skilling sections of the population as an additional route to growth.

The travel to work patterns of Levels and Moors' residents differ compared to the County and LEP picture. Across the LEP area, more than half the population aged 16+ commute less than 10km to work and for Somerset the figure is 46.7%. The sparsity of the Levels and Moors means that only 38.8% travel less than 10km to work. 26.1% travel between 10km and 30km, and 9.3% travel more than 30km.

Levels of homeworking are also higher in the Levels and Moors area, with 16.7% working mainly at or from home compared to 14.6% and 14.1% for Somerset and the LEP area respectively.

The majority of people who work mainly at or from home are employed in distribution, hotels and restaurants and financial, real estate, professional and administrative activities (19.5% each in the Levels and Moors area). This is likely to be a reflection of the number of tourism and hospitality businesses on the Levels and Moors, often run and occupied by the owners, and the ability of these industries to adapt to remote working.

Business

According to the Inter-Departmental Business Register (IDBR), there are 5,260 businesses in the Somerset Levels and Moors area. These businesses provide 47,445 jobs, accounting for 23% of all those in Somerset. There are 3.5 businesses per 100 population across the Levels and Moors, slightly more than for Somerset County (3.3 per 100 population).

The Levels and Moors are characterised by a large proportion of small businesses. 76.5% of businesses in the area employ fewer than 5 people, compared to 73% and 71.6% across Somerset County and the LEP area respectively. Only 11.5% of businesses in the Levels and Moors area employ 10 or more people.

The number of business start-ups ('births') and business closures ('deaths') each year gives an indication of the health and dynamism of the local economy. Statistics on business births and deaths are only available down to district level so cannot be provided specifically for the Levels and Moors area. However, an indication can be gleaned from examining the 4 districts the Levels and Moors encompasses either wholly or partially: Mendip, Sedgemoor, South Somerset and Taunton Deane. South Somerset had the lowest business birth rate in 2012 (8.2%) whereas Taunton Deane had the highest (9.9%). In terms of survival, figures show that Sedgemoor district has the lowest long-term business survival rate for new start-ups; only 51.1% of businesses started in 2008 survived 4 years. 2008 was a difficult year for businesses because of the recession so survival rates for start-ups at that time are likely to be slightly lower. However, the relative performance of the districts is broadly consistent. Mendip fares best in terms of survival rates (54% after 4 years) and Sedgemoor lags behind.

South Somerset has the largest economic output of the 4 districts, worth £2.807bn in 2012, and in productivity terms it generates more economic output per job and per full-time equivalent (FTE) job. Sedgemoor has the smallest economy, generating £1.621bn in 2012, and it lags behind the County and LEP in terms of productivity.

Several rural business sectors are of key importance to the Levels and Moors area: land management, tourism, creative industries and food and drink.

As would be expected given the rural nature of much of the Levels and Moors area, agriculture, forestry and fishing employs more people than the County and LEP levels (2.8% compared to 2.5%). This is further backed up by the high ranking location quotient, which at 107 stands as one of the stronger sectors for the Levels and Moors.

The Levels and Moors can be a very fragile landscape from which to derive a living. The wetlands area is prone to flooding each year, but in the past 2 winters, and particularly in 2013/14, this has been extreme. It can take up to two years to recover from the loss of crops, animal feed, and, in some cases, animals and damage to properties. Land management through agricultural activities is also essential for maintaining the balance between a productive landscape and a wildlife rich landscape which links heavily to the

tourism sector for the Levels and Moors. The preservation and enhancement of the unique landscape and ecosystems is as important as the agricultural sector itself and intrinsically linked.

Tourism is an important sector within Somerset as a whole – employing 10% of the work force and contributing £1.26bn to the economy in 2012. No direct figures are available for the Levels and Moors area but, in the three Districts that make up most of the area (i.e. minus Taunton Deane), tourism accounts for a high proportion of the workforce: in Sedgemoor the proportion is higher than the County at 12%; Mendip equals the County at 10%.; and South Somerset is behind this figure at 5%. The figures also demonstrate a year on year increase in the proportion working in tourism, with figures expected to stay on this course. Within the Local Action Group boundary sits the coastal area of Burnham-on-Sea, Berrow and Brea. This area attracts a huge number of tourists each year and the local economies rely heavily on this trade. However, research suggests that these visitors rarely travel more than two miles from this base and cross-over into the wider Levels and Moors area is minimal. There is potential to grow the tourism sector by sensitively exploiting the area’s natural landscapes and cultural heritage, increase the area’s profile, tourism offer and visitor spend.

Somerset has a very active and lively Creative Industries sector. The latest employment figures (BRES 2012¹) for Somerset indicate that 5,700 people were employed in the Creative Industries which represents 2.6% of total employment in the County. On the Levels and Moors, there are a whole range of micro businesses within the creative industries sector. These businesses make up an important part of the economy for the Levels and Moors as they contribute to the tourism offer and reinforce the culture and heritage of the Levels and Moors. The businesses within this sector often start as cottage industries in peoples own homes. It is important therefore in encouraging the growth of these businesses that the right incubation or business units are available across the Levels and Moors.

The food and drink sector is one of the most economically important in Somerset, employing over 19,000 people and with an economic output of £580m². The ‘food services’ industry sector also ranks highly for the Levels and Moors, with a location quotient of 105. This food and drink sector has good links with the tourism industry on the Levels and Moors and serves an important local market through vibrant farmers markets, local village stores and farm shops. In addition, there are a number of small businesses which have created international trading links and are continuing to expand their market reach. In line with research by Ekosgen (2010) at County level, local consultation has suggested that local food and drink producers on the Levels and Moors could benefit from development of higher-value products and increased collaborative working – potentially increasing their selling potential to be included as part of the Hinkley supply chain structure.

3.1 A ‘SWOT’ analysis of the local area

Drawing on economic baseline data together with strategic documents for the area and the local consultation events, the SWOT analysis highlights the area’s key characteristics as well as its main barriers to and opportunities for growth.

	STRENGTHS	WEAKNESSES
Place	<ul style="list-style-type: none"> • Important landscape and wildlife rich area - 15 Sites of Specific Scientific 	<ul style="list-style-type: none"> • Low median earnings for full time-workers (£25,000 in Somerset

¹ Source: Business Register and Employment Survey 2012, NOMIS

² Source: Somerset Food & Drink Sector report July 2013, C-A Hiscock, SCC

	<p>Interest, Special Protection Areas (SPA) and Ramsar sites.</p> <ul style="list-style-type: none"> Coastal area that also has wildlife rich interest 	<p>compared to £27,017 for the UK)</p> <ul style="list-style-type: none"> High house prices for Somerset – median house prices are 7.2 times the median wage – most notable in Mendip at 7.8 times Limited connectivity (transport and digital) and challenges of access to services, employment and education
People	<ul style="list-style-type: none"> Good level of highly qualified labour pool with 27.3% having a level 4 qualification or above. There is a good level of entrepreneurialism on the Levels and Moors reflected in a high level of self-employment at 21.8% of the employed population – higher than Somerset (18.8%) and the LEP (19.2%) 	<ul style="list-style-type: none"> Relatively high number of working age population with no qualifications at all – 22.6% which is marginally higher than Somerset or the LEP area. A high level of youth unemployment (16 – 24 year olds) standing at 5.7% compared to the overall level of unemployment of 2.7% for the area.
Business	<ul style="list-style-type: none"> There are 5,260 businesses in the area, providing a total of 47,445 jobs in a variety of sectors. Key inter-linked sectoral strengths of land management, tourism, creative industries and food and drink 	<ul style="list-style-type: none"> Key business sectors face productivity challenges and are susceptible to abnormal seasonal weather events which destabilise local economies
	OPPORTUNITIES	THREATS
Place	<ul style="list-style-type: none"> Sensitively exploiting the natural environment to increase the tourism spend and numbers creating a knock on affect for the business supply chains servicing the tourism sector. Capitalising on renewable energy resources to support economic diversification, reduce carbon emissions and tackle fuel poverty 	<ul style="list-style-type: none"> Climate change and other impacts on weather patterns creating extreme events that leads to flooding outside of the normal expected levels for prolonged periods of time.
People	<ul style="list-style-type: none"> A dynamic labour force, many of whom are highly skilled and a high proportion of entrepreneurs setting up small businesses across the Levels and Moors. 	<ul style="list-style-type: none"> Aging population – 53.1% of residents are aged 45 or over, compared to 49.4% for the rest of Somerset – and lower levels of young people (9.4% for 16 – 24).
Business	<ul style="list-style-type: none"> 76.5% of businesses in the Levels and Moors employ fewer than 5 people – potential to grow these businesses with investment. 	<ul style="list-style-type: none"> Shrink in the number of small businesses on the Levels and Moors area – 5,260 compared to 6,777 in 2008.

3.2 Evidence of alignment with LEP activity

The Heart of the South West Local Enterprise Partnership (HotSW LEP) has set out its vision and framework for growth in the LEP area in its Strategic Economic Plan (SEP). The LEP has already secured significant resources to support delivery of its growth priorities through the European Structural and Investment Funds (ESIF), the Growth Deal and the Plymouth and SW Peninsula City Deal.

In order to maximise the added value and impact of LEADER, it will be important that our activities both:

- align with and further the LEP's identified priorities for growth; and
- complement the LEP's existing and planned investment.

To achieve this, the Somerset Levels and Moors LAG have actively engaged with the HotSW LEP in defining its Local Development Strategy. This has notably included participation in the HotSW LAGs Group.

The following table sets out the resulting strategic fit. Please note that this table refers to the identified Levels and Moors outcomes and potential activities which are further detailed in sections 3.3 to 3.5 below.

HotSW SEP Priority	HotSW Investment in Somerset	LEADER Priorities	Complementarity of LEADER Investment
Infrastructure for growth	<p><u>ERDF</u></p> <ul style="list-style-type: none"> Digital Infrastructure <p><u>EAFRD</u></p> <ul style="list-style-type: none"> Superfast infrastructure in rural areas Eco-system services for economic resilience <p><u>Growth Deal</u></p> <ul style="list-style-type: none"> Major transport schemes Investment to increase the capacity of Somerset's rivers 4G mobile infrastructure 	<p><u>LEADER Policy Priority 4: Provision of Rural Services</u></p> <ul style="list-style-type: none"> Levels and Moors Outcome 4.2: Rural Towns and Villages developing core services for their communities to be healthy and prosperous <p><u>LEADER Policy Priority 2: Support for micro and small enterprises and farm diversification</u></p> <ul style="list-style-type: none"> Levels and Moors Outcome 2.1: A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors 	<p>The Levels and Moors Programme will strategically complement and add value to HotSW investment in major transport and digital infrastructure as well as ecosystem services by supporting:</p> <ul style="list-style-type: none"> community transport solutions; wi-fi provision for community/business level access to services or training opportunities; and business resilience to flooding / climate change
Infrastructure and facilities to create more and better employment:	<p><u>ERDF</u></p> <ul style="list-style-type: none"> Enterprise / incubation space <p><u>Growth Deal</u></p> <p>Loan funding to accelerate the delivery of homes at Southfield Farm in Frome and Brue Farm in Highbridge</p>	<p><u>LEADER Policy Priority 2: Support for micro and small enterprises and farm diversification</u></p> <p>Levels and Moors Outcome 2.2: Support business start-up and growth on the Levels and Moors to create a thriving place to live, work and visit</p>	<p>The Levels and Moors Programme will complement HotSW investment in strategic business infrastructure by specifically addressing local rural business accommodation needs and focussing on small-scale flexible workspace / hubs. In addition, the Programme will make small grants available to businesses to make capital investments that support growth.</p>
The infrastructure and facilities needed to support higher value growth	<p><u>ERDF</u></p> <ul style="list-style-type: none"> Specialist infrastructure linked to Smart Specialisation (nuclear and aerospace in Somerset) <p><u>EAFRD</u></p>	<p><u>LEADER Policy Priority 2: Support for micro and small enterprises and farm diversification</u></p> <ul style="list-style-type: none"> Levels and Moors Outcome 2.1: A diverse and resilient business base that works in harmony with the natural 	<p>HotSW investment in rural tourism assets and infrastructure will support activities with a strategic benefit across a significant geography (larger than the Levels and Moors) and will not fund individual businesses. The Levels and</p>

HotSW SEP Priority	HotSW Investment in Somerset	LEADER Priorities	Complementarity of LEADER Investment
	<ul style="list-style-type: none"> Investment in rural tourism assets and infrastructure <p><u>Growth Deal</u> Low carbon energy innovation and collaboration centre to support supply Hinkley Point C chain development</p>	<p>landscape on the Levels and Moors</p> <ul style="list-style-type: none"> Levels and Moors Outcome 2.2: Support business start-up and growth on the Levels and Moors to create a thriving place to live, work and visit <p><u>LEADER Policy Priority 3: Support for Rural Tourism</u></p> <ul style="list-style-type: none"> Levels and Moors Outcome 3.2: A sector which uses new technologies and marketing techniques to reach new audiences/market places <p><u>LEADER Policy Priority 5: Support for cultural and heritage activity</u></p> <ul style="list-style-type: none"> Support the provision of a quality cultural and heritage offer on the Levels and Moors through its natural environment, built environment, people and businesses 	<p>Moors Programme will complement this HotSW investment by:</p> <ul style="list-style-type: none"> supporting proposals with strong local relevance and impact; funding individual tourism, culture and heritage businesses where their proposals meet the Programme's requirements; and allowing for tourism, culture and heritage sector initiatives outside of assets and infrastructure (such as digital marketing and tools). <p>Please also see comments above in relation to business accommodation</p>

HotSW SEP Priority	HotSW Investment in Somerset	LEADER Priorities	Complementarity of LEADER Investment
<p>Creating a favourable business environment:</p>	<p><u>ERDF</u></p> <ul style="list-style-type: none"> • Business support system / growth hub • Business support including SME investment for growth grants, investment readiness support, supporting SMEs to develop ideas and products and start-up and leadership and management support <p><u>EAFRD</u></p> <ul style="list-style-type: none"> • Rural business support activity • Rural grant programme (grants over £10,000) • Digital support <p><u>Growth Deal</u></p> <ul style="list-style-type: none"> • Growth hub <p><u>City Deal</u></p> <ul style="list-style-type: none"> • Improved business support coordination • GAIN 'Growth Fund Plus' grant programme (£25k to £1 million) 	<p><u>LEADER Policy Priority 1: Support for increasing farm productivity</u></p> <ul style="list-style-type: none"> • Levels and Moors Outcome 1.1: An agricultural sector that can be resilient and harness new technologies to be more efficient • Levels and Moors Outcome 1.2: Diversified farming practices that can create a resilient sector <p><u>LEADER Policy Priority 2: Support for micro and small enterprises and farm diversification</u></p> <ul style="list-style-type: none"> • Levels and Moors Outcome 2.1: A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors • Levels and Moors Outcome 2.2: Support for business start-up and growth on the Levels and Moors to create a thriving place to live, work and visit <p><u>LEADER Policy Priority 3: Support for rural tourism</u></p> <ul style="list-style-type: none"> • Levels and Moors Outcome 3.2: A sector which uses new technologies and marketing techniques to reach new audiences/market places 	<p>The Somerset Levels and Moors Programme will add value to HotSW investment in business support by:</p> <ul style="list-style-type: none"> • allowing for local rural business support initiatives specifically tailored to the needs of the LAG area; • supporting local business collaboration; • supporting local supply chain initiatives serving local markets; and • operating a micro-enterprise small grant (< £10,000) Programme. <p>The HotSW Growth Hub will be alerted to business support activity through the Programme, allowing for joined-up awareness-raising and business referrals where appropriate</p>
<p>Achieving more</p>	<p><u>ERDF</u></p> <ul style="list-style-type: none"> • UKTI opt-in 	<p><u>LEADER Policy Priority 1: Support for increasing farm productivity</u></p>	<p>The Levels and Moors Programme will add-value to strategic HotSW investment</p>

HotSW SEP Priority	HotSW Investment in Somerset	LEADER Priorities	Complementarity of LEADER Investment
<p>sustainable and broadly based business growth</p>	<ul style="list-style-type: none"> • MAS opt-in • Supply chain development • Building the market in low carbon technology <p><u>EAFRD</u></p> <ul style="list-style-type: none"> • Activities to encourage rural business businesses to reach new markets (such as public sector, exporting, digital), including business support and support / capacity building for public sector partners to put in place new procurement processes • Support for rural renewable energy initiatives <p><u>City Deal</u> A new inward investment manager to promote the area with a focus on marine, energy and manufacturing businesses</p>	<ul style="list-style-type: none"> • Levels and Moors Outcome 1.3: Supply chains that connect people with their landscapes and food production <p><u>LEADER Policy Priority 2: Support for micro and small enterprises and farm diversification</u></p> <ul style="list-style-type: none"> • A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors <p><u>LEADER Policy Priority 3: Support for rural tourism</u></p> <ul style="list-style-type: none"> • Levels and Moors Outcome 3.2: A sector which uses new technologies and marketing techniques to reach new audiences/market places <p><u>LEADER Policy Priority 6: Support for increasing forestry productivity</u></p> <ul style="list-style-type: none"> • Support a sustainable wood sector on the Levels and Moors through short supply chains from across Somerset 	<p>in supply chains and access to new markets by:</p> <ul style="list-style-type: none"> • supporting local business collaboration; • supporting local supply chain initiatives serving local markets; and • allowing for business support initiatives specifically tailored to the needs of the LAG area and its key sectors <p>In addition, the Programme will complement this HotSW investment in renewable energy by:</p> <ul style="list-style-type: none"> • focussing on specific low carbon diversification opportunities for the local economy, e.g. supporting local low carbon supply chain initiatives serving local markets (including linked to the farming and forestry priority above) • funding small-scale and community-owned renewable energy initiatives linked to the rural services priority below.
<p>Supporting higher value growth</p>	<p><u>ERDF</u></p> <ul style="list-style-type: none"> • Ecosystems of support for innovation (nuclear and aerospace in Somerset) 	<p><u>LEADER Policy Priority 1: Support for increasing farm productivity</u></p> <ul style="list-style-type: none"> • Levels and Moors Outcome 1.1: An agricultural sector that can be resilient and harness new technologies to be 	<p>The Levels and Moors Programme will complement strategic HotSW investment in innovation in the agricultural sciences sector by:</p> <ul style="list-style-type: none"> • supporting small-scale farming

HotSW SEP Priority	HotSW Investment in Somerset	LEADER Priorities	Complementarity of LEADER Investment
	<u>EAFRD</u> <ul style="list-style-type: none"> Developing eco-systems of innovation support for the agri-tech / agri-food 'land based sector with a focus on collaboration, commercialisation and knowledge exchange. 	<p>more efficient</p> <ul style="list-style-type: none"> Diversified farming practices that can create a resilient sector Supply chains that connect people with their landscapes and food production 	<p>innovation proposals with specific local relevance / impact ; and</p> <ul style="list-style-type: none"> allowing for local and small-scale initiatives to support increased innovation and improved productivity in wider rural priority business sectors for the Levels and Moors (such as tourism and creative industries)
<p>Creating a responsive environment where businesses and individuals can reach their potential</p>	<u>ESF</u> <ul style="list-style-type: none"> Digital inclusion <u>Growth Deal</u> STEM skills investment at Somerset College	<p>Whilst LEADER cannot directly fund skills and training it will be important that we ensure there is a good connection between the LEP's activities in this area and the support role that LEADER activities can offer in complementing the skills offer in rural areas, including through business support and promoting improved rural access to services and economic opportunities.</p>	
<p>Increasing employment, progression and workforce skills</p>	<u>ERDF</u> <ul style="list-style-type: none"> Growth and development of social purpose businesses <u>ESF</u> <ul style="list-style-type: none"> Supporting the hardest to reach to access economic opportunities Supported approaches for young people Addressing 'in work' poverty Improving workforce skills 	<u>LEADER Policy Priority 4: Provision of rural services</u> <ul style="list-style-type: none"> Active rural services providing opportunities for mentoring and employment for local people Rural towns and villages developing core services for their communities to be healthy and prosperous 	<p>The Levels and Moors Programme will complement HotSW investment in strategic employment and skills support by promoting improved rural access to services and economic opportunities thereby supporting local people to reach their potential.</p>

HotSW SEP Priority	HotSW Investment in Somerset	LEADER Priorities	Complementarity of LEADER Investment
<p>Creating a world class workforce to support higher value growth</p>	<p><u>ESF</u></p> <ul style="list-style-type: none"> • Employer-led solutions to address technical and higher-level skills linked to Smart Specialisation opportunities • Linking students and graduates to industry and retaining higher-level skills • Start up support and leadership and management • Intermediate, technical and higher level digital skills <p><u>Growth Deal</u> Investment in Bridgwater college and Hinkley Point Training Agency to maximise the benefits of Hinkley Point</p>	<p>As above:</p> <p>Whilst LEADER cannot directly fund skills and training it will be important that we ensure there is a good connection between the LEP's activities in this area and the support role that LEADER activities can offer in complementing the skills offer in rural areas, including through business support and promoting improved rural access to services and economic opportunities.</p>	

Further Strategic links

In addition to the funding streams highlighted above that will be managed by the Local Enterprise Partnership, there will be other key investments from which the Levels and Moors could benefit. These are bulleted below:

- Wider RDPE programmes. The Somerset Levels and Moors Local Action Group will look to complement any national programmes that are delivered under RDPE – this includes the farm and forestry productivity Programme, business grants and national rural training programmes.
- Somerset Levels and Moors 20 year Flood Action Plan, agreed by Defra and now being delivered in phases. Close alliance will be made with the proposed activities from the Flood Action Plan – particularly in relation to business support/resilience, community services and tourism.
- The Broadband roll out across Somerset continues to be coordinated by the Connecting Devon and Somerset Team. LEADER funding will not be used directly towards mainstream broadband provision, but working with the LEP any identified ‘hard to reach’ areas that could have a community based solution could be funded via LEADER or EAFRD. The potential for LEADER to support community-based broadband is limited due to the limitations on resources, but an innovative community/business solution to a lack of broadband could be supported if the right matched funding package was provided by the community/business.
- Somerset Local Nature Partnership activities, which in some cases align very closely to the LEADER Policy Priorities and Somerset Levels and Moors outcomes. Not all the LNP activities are resourced and there could be some scope to implement these with LEADER funding, or complement the activities in the recently published prospectus.

3.3 Levels and Moors Priorities

Our local evidence and consultation has led to the identification of six key priorities for the Levels and Moors LEADER Programme which will support the area’s economic resilience, growth and prosperity:

- Agriculture and land management;
- Tourism;
- Creative Industries;
- Food and drink;
- Entrepreneurial culture; and
- Prosperous communities.

For each of these Levels and Moors priorities, the following table provides a summary of the supporting rationale, specific expected local outcomes from LEADER intervention and linkages to the national LEADER policy priorities.

Levels and Moors Priority	Rationale	Levels and Moors Outcomes	LEADER Policy Priority
Agriculture and Land Management	Land Management is more strongly represented on the Levels and Moors than across Somerset or the LEP and provides valuable eco-system services. However, the sector faces important resilience (including in relation to flooding) and productivity challenges. LEADER can add value by: supporting the sector to exploit new methods and technologies; diversifying farming and forestry practices to vary incomes sources; and improving local collaboration, supply chains and access to markets.	<ul style="list-style-type: none"> • An agricultural sector that is resilient and harnesses new technologies to be more efficient • Diversified farming practices that support a resilient sector • Supply chains that connect people with their landscapes and food production • A sustainable wood sector on the Levels and Moors with short supply chains from across Somerset 	<ul style="list-style-type: none"> • Support for increasing farm productivity • Support for micro and small enterprises and farm diversification • Support for increasing forestry productivity
Tourism	Tourism is an important sector in Somerset contributing to some £1.26bn through visitor spends in 2012. For the Levels and Moors 6% of the workforce is employed in the tourism industry. However, the sector has a lot of untapped potential such as reaching new markets in eco-tourism and architectural tourism to aid growth and job creation.	<ul style="list-style-type: none"> • A thriving sustainable tourism sector which uses the unique Levels and Moors landscape to good effect • A sector which uses new technologies and marketing techniques to reach new audiences/market places 	<ul style="list-style-type: none"> • Support for rural tourism
Creative Industries	The Levels and Moors benefits from significant cultural and heritage assets and an active creative industries sector. LEADER can facilitate the growth of this sector by developing the offer / products and encouraging local collaboration, supply chains and access to new markets.	<ul style="list-style-type: none"> • A quality cultural and heritage offer on the Levels and Moors, through its natural environment, built environment and people and businesses 	<ul style="list-style-type: none"> • Support for cultural and heritage activity
Food and Drink	Food and drink is a key strength of the Levels	<ul style="list-style-type: none"> • Supply chains that connect people 	<ul style="list-style-type: none"> • Support for micro and small

	and Moors. LEADER can support the sector's competitiveness and growth by encouraging development of higher-value products and improving local collaboration, supply chains and access to new markets	with their landscapes and food production <ul style="list-style-type: none"> • A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors 	enterprises and farm diversification
Entrepreneurial culture	There is a good level of entrepreneurialism on the Levels and Moors. There is an opportunity for LEADER to capitalise on this and to increase business start-ups and growth by <ul style="list-style-type: none"> • supporting improvements to the local business environment (e.g. access to finance, business support and sector-specific work hubs); and • Fostering local collaboration, supply chains and access to markets 	<ul style="list-style-type: none"> • A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors • The Levels and Moors is a thriving place to live, work and visit, with increased business start-ups and growth 	<ul style="list-style-type: none"> • Support for micro and small enterprises and farm diversification
Prosperous Communities	The Levels and Moors area faces challenges of access to services, employment and education. LEADER can play a key role in developing much-needed rural support, facilities and services	<ul style="list-style-type: none"> • Active rural services, providing opportunities for mentoring and employment for local people • Rural towns and villages deliver the necessary core services for their communities to be healthy and prosperous 	<ul style="list-style-type: none"> • Provision of rural services

3.4 Programmes of activity

Below is an indicative list of activities for the Levels and Moors which has been drawn from initial meetings with community representatives and stakeholder agencies in response to the identified needs of the area. This is just a sample of the type of projects we will be inviting to submit proposals to the Programme and we expect other projects to develop as we move into the Programme delivery phase. We are currently working with a number of organisations developing these areas of activities into project applications that will be ready to be submitted to the Programme in January.

Programme Priority Area	Levels and Moors Proposed Activities
Support for increasing Farm Productivity	Improving farm productivity through benchmarking and collaboration creating resource efficiency savings and increasing productivity
	Food tourism projects
	Increasing local supply chains and access to new markets
	Diversification projects for resilience in the event of flooding and extreme weather events
	Feasibility around less intense peat farming/carbon release reduction
Support for Micro and Small Enterprises and Farm Diversification	B2B events to enable businesses to network
	Improving the quality of the business offer on the Levels and Moors through up-skilling of the workforce
	Helping to create a network of sector specific hubs across the Levels and Moors
	Supporting businesses to create new markets and encouraging shorter supply chains across the Levels and Moors
	Supportive actions that encourage farm businesses to diversify their income base through the use of agri-tech
	Support for young people and entrepreneurialism
	Business cooperation activities
Support for Rural Tourism	Developing better coordinated promotion of attractions and service providers on the Somerset Levels and Moors
	Linking up existing cycle and walking paths to make long distance trails – with better infrastructure to accommodate more of these activities such as parking, clear routes etc.
	Introducing a range of projects/activities that raise the awareness of the less well publicised tourism features of the Levels and Moors
	Developing food/farm tourism trails
	The use of digital marketing in the tourism sector to reach new audiences and raise the profile of the Levels and Moors
Provision of Rural Services	Job opportunity clubs – especially developing a specialism for tackling youth unemployment
	Access to work schemes for rural areas – transport routes and opportunities
	Rural access to high speed broadband – wi-fi provision for community/business level access to services or training opportunities
	Encouraging local projects/service providers to work together to create local ‘strategic plans’ for the community
	Use of community facilities as information centres – such as libraries
	Supporting community-owned renewable energy schemes for the benefit of the local economy and environment

Support for Cultural and Heritage Activity	Investing in cultural facilities across the Somerset Levels and Moors
	Producing heritage trails and nature trails across the Levels and Moors
	Inter-generational work around capturing the community narrative of the Somerset Levels and Moors cultural heritage
	Support a thriving creative industry sector that builds on the culture and heritage of the Levels and Moors to create economic prosperity
Support for Increasing Forestry Productivity	Identifying local wood workers on the Levels and Moors and working with them to improve local sourcing of wood
	Working with partners across Somerset to create a short supply chain of wood growing, processing, training and product development
	Celebrating the culture of wood use on the Levels and Moors – wood turners, smokeries etc.

3.5 Targets, results and outputs

The Somerset Levels and Moors Local Action Group will deliver a range of activities in line with the 6 national policy priorities and output indicators for the Programme. To complement the National LEADER priorities and outputs, the LAG has defined specific expected outcomes for the area as a result of its investments and a small number of local outputs (shown in blue text in the table below). The table below details the outcomes and outputs that will be achieved by 2020:

Measure	Levels and Moors Outcomes	Outputs
Policy Priority 1: Support for Increasing farm productivity		
Measure 4: Investments in physical assets Measure 6: farm and business productivity	1.1: An agricultural sector that is resilient and harnesses new technologies to be more efficient	5 projects supported 5 businesses benefitting 2 jobs created 1 job safeguarded
	1.2: Diversified farming practices that support a resilient sector	5 farmers supported No. of new products trialled No. of new products trialled No. of new networks/collaborations created
	1.3: Supply chains that connect people with their landscapes and food production	No. of farm/businesses implementing resilience measures
Policy Priority 2: Support for micro and small enterprises and farm diversification		
Measure 4: Investments in physical assets Measure 6: farm and business productivity	2.1: A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors	38 projects supported 38 businesses benefitting 5 jobs safeguarded 30 jobs created
	2.2: The Levels and Moors is a thriving place to live, work and visit, with increased business start-up and growth	9 farmers supported No. of new networks/collaborations created No. of farms/businesses implementing resilience measures No. of new markets reached
Policy Priority 3: Support for rural tourism		
Measure 4: Investments in physical assets Measure 6: farm and business	3.1: A thriving sustainable tourism sector which uses the unique Levels and Moors landscape to good effect	13 projects supported 5 existing tourism activities supported

productivity Measure 7: basic services and village renewal in rural areas	3.2: A sector which uses new technologies and marketing techniques to reach new audiences/market places	8 new tourism activities supported 80,000 additional visitors 3 jobs safeguarded 13 jobs created 10 businesses benefitting No. of new networks/collaborations created No. of new markets reached
Policy Priority 4: Provision of rural services		
Measure 4: Investments in physical assets Measure 7: basic services and village renewal in rural areas	4.1: Active rural services, providing opportunities for mentoring and employment for local people	3 projects supported 0 businesses benefitting 9 villages/communities benefitting
	4.2: Rural towns and villages have access to the necessary core services for their communities to be healthy and prosperous	10,000 population benefitting 0 jobs created 1 job safeguarded
Policy Priority 5: Support for cultural and heritage activity		
Measure 7: basic services and village renewal in rural areas	5.1: A quality cultural and heritage offer on the Levels and Moors, through its natural environment, built environment and people and businesses	5 projects supported 2 facilities benefitting 1 job safeguarded 3 jobs created 20,000 additional visitors No. of new networks/collaborations created
Policy Priority 6: Support for increasing forestry productivity		
Measure 4: Investments in physical assets Measure 6: farm and business productivity Measure 8: investments in forest area development and improvement of the viability of forests	6.1: A sustainable wood sector on the Levels and Moors with short supply chains from across Somerset	3 projects benefitting 2 businesses benefitting 0 jobs safeguarded 1 job created No. of new networks/collaborations created No. of new markets reached

Local outputs: targets have only been set for the national LEADER Policy Priority outputs, not the local outputs. Local outputs will be attributed on a project by project basis and will complement the national output set. It has not, therefore, been deemed necessary to set targets upfront for these. Local outputs will be recorded throughout the programme and reported in the evaluation document.

Policy Priority 2: A note to the above output calculations. The job creation calculation for this output has been based on a figure of £366,784. This is due to the fact that £200,000 has been ring fenced for a capital business small grants Programme. The small grant Programme will not contribute to the job creation output but will support the growth of small businesses through capital investments.

3.6 Sustainability Appraisal

Sustainability must be central to everything that the Somerset Levels and Moors Local Action Group does including its own operations and those of the activities in which it invests. All those involved with the Somerset Levels and Moors Local Action Group will be responsible for the positive promotion of the unique environmental quality and assets of the area to businesses, residents and visitors to ensure they are appreciated and conserved in context.

Sustainability South West's 'Sustainability Principles' have been used to positively integrate environmental sustainability into the Levels and Moors Local Development Strategy. This can be demonstrated as follows:

Levels and Moors Outcomes	Sustainability Principles
<u>Support for increasing farm productivity:</u> <ul style="list-style-type: none"> • An agricultural sector that is resilient and harnesses new technologies to be more efficient • Diversified farming practices that support a resilient sector • Supply chains that connect people with their landscapes and food production 	<ul style="list-style-type: none"> • Green environments • Cutting natural resource use • Supporting low carbon economies • Supporting local living • Protecting our 'life support' systems • Preparing for the future (e.g. Climate Change)
<u>Support for micro and small businesses and farm diversification:</u> <ul style="list-style-type: none"> • A diverse and resilient business base that works in harmony with the natural landscape on the Levels and Moors • The Levels and Moors is a thriving place to live, work and visit, with increased business start-up and growth 	<ul style="list-style-type: none"> • Reducing inequalities • Supporting local living • Supporting inclusion • Preparing for the future (e.g. Climate Change)
<u>Support for rural tourism:</u> <ul style="list-style-type: none"> • A thriving sustainable tourism sector which uses the unique Levels and Moors landscape to good effect • A sector which uses new technologies and marketing techniques to reach new audiences/market places 	<ul style="list-style-type: none"> • Green environments • Cutting natural resource use • Supporting local living • Preparing for the future (e.g. Climate Change)
<u>Provision of rural services:</u> <ul style="list-style-type: none"> • Active rural services, providing opportunities for mentoring and employment for local people • Rural towns and villages have access to the necessary core services for their communities to be healthy and prosperous 	<ul style="list-style-type: none"> • Reducing inequalities • Reducing high carbon travel • Supporting local living
<u>Support for cultural and heritage activity:</u> <ul style="list-style-type: none"> • A quality cultural and heritage offer on the Levels and Moors, through its natural environment, built environment and people and businesses 	<ul style="list-style-type: none"> • Green environments • Supporting local living • Protecting our 'life support' systems
<u>Support for increasing forestry productivity:</u> <ul style="list-style-type: none"> • A sustainable wood sector on the Levels and Moors with short supply chains from across Somerset 	<ul style="list-style-type: none"> • Green environments • Supporting low carbon economies • Supporting local living • Protecting our 'life support' systems • Preparing for the future (e.g. Climate Change)

The LAG will operate in line with the accountable body's formal energy and sustainable business travel policies as well as its green office charter.

The proposed training arrangements for the LAG include ensuring sustainability principles are understood and consistently applied to the LAG's operations.

All projects assisted by the Programme will have to complete an Environmental Impact Assessment as part of the application process. All projects will be appraised for their contribution to the protection of and enhancement of the natural environment.

3.7 Proposed co-operation activity

Each Local Action Group will be required to undertake a co-operation project in this programming period. It is anticipated that the Levels and Moors Local Action Group will look to stimulate interest in and take up of the main grants programme before initiating any co-operation activity. Therefore this activity will probably take place during year 3.

However, initial ideas about potential activity have been formed around the following:

- Possible continuation of existing links between food and drinks producers from Somerset and Belgium
- Exploring approaches to flooding and wetland management with partners – possibly in Romania or Holland
- Local cooperation between Heart of the South West Local Action Groups around increasing productivity in the forestry sector – particularly around creating short supply chains

4.0 MANAGEMENT AND ADMINISTRATION

4.1 Accountable body

Somerset County Council will continue to act as the Accountable Body for the Somerset Levels and Moors Local Action Group. The County Council has the proven administrative and financial management expertise, capacity and capability to deliver LEADER, having successfully acted as the Accountable Body for the 2 previous LEADER Programmes. The County Council delivered these accountable body services within 15% of the total former Programme size and achieved good feedback from Defra on its audit and monitoring reports, demonstrating the Authority's ability to offer strong value for money.

Somerset County Council also has a good track record of delivering wider successful European funded programmes, such as the 'Cool Tourism' and 'Inspiring Open Innovation Team' initiatives.

The County Council is committed to effective use of Management and Administration monies. As outlined in Section 1.2, the staff team arrangements have been expressly designed to offer effective and efficient support to the LAG. Further to this, with an annual operating budget in the region of £303m, the County Council operates within tightly controlled financial procedures to protect the investment and use of public monies. Value for money, sustainability and good economic returns are key priorities for the County Council in using external funding and the LEADER programme will be governed and delivered in this manner.

4.2 Project development and assessment procedures

Project Development

Through the consultation period for the development of the new Local Development Strategy, we have started to have some discussion with local community groups and businesses around potential fundable activities for the proposed new programme. We are confident from this initial response that we will have a good take up of the grants programme, but understand that some development work will need to be undertaken to bring forward good projects that meet the priorities, outputs and outcomes of the Programme.

To support the resources of the LEADER programme the use of volunteer activists will be deployed such as the Business Village Agent, Flood Recovery Officer, NFU local members, Chamber of Commerce representatives, and members of the Executive Group.

Furthermore linkages will be made with existing Heart of the South West LEP funded business support mechanisms such as the Growth, Acceleration, Investment,

Network (GAIN) and the Growth Hub for the Heart of the South West and Cornwall LEP areas.

Assessment procedures

There are several processes of assessment that are carried out on any project coming forward to the programme:

Expression of Interest:

An expression of interest form is submitted initially to the Programme Manager which outlines the project idea, the organisational governance arrangements and the funding sought and match funding achieved. This is given a technical assessment by the Programme Manager to check if the project and applicant are eligible to apply. If so a full application is then encouraged.

Full Application:

The full application is appointed an appraiser to carry out a full technical and qualitative assessment and to make recommendations to the Executive Group. A declaration of interest process will be in place to ensure that any appraiser taking on an application can appropriately signal if they have an interest in the application. The Somerset Levels and Moors Local Action Group will have a pool of volunteer appraisers who will undertake the technical appraisal of applications to the Programme. The appraisers will have expertise in the key sectors covered within the Local Development Strategy, along with a good knowledge of the needs of the local area. The team of appraisers will undertake a training session initially with the Programme Manager and then attend refresher courses throughout the life of the Programme.

State Aid:

As part of the appraisal process a state aid check will be undertaken by the Programme Manager and Appraiser appointed to the application. No application will be taken forward on the basis of a failed state aid check.

Assessment criteria:

All applications will be assessed against set criteria to ensure a good fit with LEADER and Local priorities as well as adherence to national and EU guidelines for grants administration. Some of the key criteria will include:

- The project is wholly located in the LEADER area
- The project contributes to at least one of the Outcomes of the Local Development Strategy
- The project activity qualifies for LEADER funding under one of the priorities
- The funding requested is within the allowable range for either the main grants or small grants programmes
- The applicant or its partners are able to cover any match funding required
- Projects must demonstrate their economic contribution to the rural economy
- The project will not have any significant negative environmental impact
- Projects will not be supported if they are a continuation, are 'business as usual', or align better with LEP activities.
- Match funding cannot come from other European funds

4.3 Claims and payments

The Levels and Moors staff team will ensure the appropriate delivery of the payments and claims for the programme on a quarterly basis (or possibly monthly for the small business grants), working closely with the Accountable Body finance team. The staff

team will be responsible for ensuring all reporting is carried out in accordance to the Defra/RPA claims team guidance, and the ROD/CAP D database will be maintained.

The Operating Manual will be adhered to when approaching the approval and payment of all grants to individual projects. This will also be complemented by the financial structure of the Accountable Body which adheres to strict financial codes of conduct for managing public funds.

There are appropriate safe facilities for the storage of financial data from individual projects and data protection criteria will be adhered to throughout the Programme's handling of such sensitive information.

Regular financial reporting to the Executive Group will be carried out and the Group will be watchful of the spend/commitment against the profile and, at the earliest opportunity, will put in place any necessary remedial actions should any slippage occur.

4.4 Communications and publicity

The Levels and Moors Local Action Group Executive will be responsible for ensuring details of the Programme are made available to all parishes within our boundary. There will be a number of methods employed to ensure this is successful, including:

Website/Social Media

Websites are increasingly used as a standard method of communication to present news and can be used objectively as a tangible resource and information guide. It is envisaged that the Levels & Moors Local Action website will provide all of these functions:

- News and notification of forth-coming events will be placed on the website at regular intervals.
- Detailed information about programme and project progress will be included along with links to pertinent sites.
- Useful documents will be available for download, including documents relevant to new and existing projects (forms, guidance etc), case studies, national guidance and advice sheets and other resources that might be of interest or use.

Social Media

The Levels and Moors Local Action Group will explore the use of social media mechanisms as a platform for publicising and communicating messages about the new programme. This will include the development of a twitter page, facebook page and other fora that are frequently used via tablets and mobile phones.

Media / Local Press

One of the key features of the LEADER Approach is the 'local' aspect. The local press has a large and established role to play in effectively notifying communities of events and activities that affect them. This medium will be actively utilised in the Levels & Moors as a means to broadcast news about projects and successes, as well as public events and the launch of specific grant funds. There are also a number of local village newsletters which can be used as a resource to reach a wider audience.

As projects start to be funded, we will ensure that the local media is invited, as well as being proactive about sending in regular press releases to maintain the level of information and interest in the Programme.

Wider LAG Meetings

Twice-yearly wider LAG meetings will take place, where an existing mailing list of over 300 contacts will continue to be expanded and used to send out invitations to Wider LAG meetings. The meetings will provide information about the Programme and its priorities and intended outcomes, together with the application process.

Partner Organisations

We recognise the value of the support the LEADER Programme harnesses from partner organisations in the area. We will use these networks to support the communications relating to the Programme to communities of interest across the Levels and Moors. This will include agencies such as the Local Authorities and Parish Councils, NFU, RSPB, Wildlife Trust, Somerset Business Agency, Community Council of Somerset amongst others.

We will also use the resources of existing actors on the ground – including the Business Village Agent who is jointly funded by Somerset County Council and the FSB, and the Flood Support Worker who is jointly funded again by the County Council and the NFU. We will also use the LEP funded resources such as the Heart of the South West Business Support Portal and the Growth and Acceleration Investment Network (GAIN) Business Engagement Service.

All Programme communication will adhere to EU and Defra communication guidelines, including use of Defra and EU logos.

Project Operators

Successful projects will be publicised on the Levels and Moors website and case studies will be used to encourage other projects to come forward. This will also give a clear indication of the type of projects that the programme will support.

Launch of the Programme

To celebrate the opening of the 2015 – 2020 Programme a series of launch events will take place. These will be sector specific – i.e. agricultural, tourism, business etc. and be held across the Levels and Moors area. The events will be run in conjunction with other local agencies working in the sectors so that potential applicants can get a full range of support from project development to organisational arrangements to aid the development of well thought through and linked in projects.

5.0 FINANCIAL PLAN

Defra has provided an indicative budget for each Local Action Group in England. The figure used for the financial profile below is £1,728,000 for the Levels and Moors. This figure could be subject to change before the Programme contract is issued, but gives an indication of our intentions towards spend under each policy priority across the 6 years of the Programme. The percentage figure in brackets is the split of the budget between the 6 policy priorities.

The Executive has split the budget between the 6 priorities according to the importance of the sectors on the Levels and Moors. The greater proportion of budget

has gone towards those priority areas that will achieve the greatest level of growth and jobs creation to improve the economic viability of the area. The Executive is confident that with this profile we will more than adhere to the requirement for 70% spend on direct economic outputs.

5.1 Use of grants, procurement or other type of financial support

Business small grants Programme

The Levels and Moors Local Action Group will run a business small capital grants Programme – of up to £10,000. This operated very successfully in the last Programme by taking businesses to the next stage of growth and development. The small grants will be open to any business on the Levels and Moors who can demonstrate that the investment will contribute to the growth agenda – through innovative schemes that develop competitive actions that lead to increased GVA output from the sector. The small grants Programme will sit alongside the main grants Programme which will also be open for businesses to apply. This will be reserved for businesses that fit within the key sectors for the Levels and Moors as identified above – land based businesses, creative industries, food and drink and tourism based enterprises. Any small business grant Programme will complement the proposed LEP scheme which will offer slightly higher value business grants.

Match Funding/In Kind Support

The Levels and Moors Local Action Group will not receive any further financial contributions towards the running of this Programme. However, local contributions from projects will be secured. We would expect the overall matched funding to be in the order of £1.4m and this will be a mixture of private sector and other sources.

Partner support will also be vital and it is recognised that a great deal of in-kind officer time is given to assist with both the governance of the Programme and project development.

5.2 Financial Profile for the Levels and Moors

The financial profile below will be complemented by a more detailed annual budget as part of the annual business delivery plan process.

	Expenditure Forecast (£)							Total programme
	Financial Year							
Policy Priority	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	
Support for increasing farm productivity (10%)	0	4,276	32,297	34,413	36,297	22,942	11,471	141,696
Support for micro and small enterprises and farm diversification (40%)	0	21,696	84,500	148,500	148,500	148,500	15,088	566,784
Support for rural tourism (30%)	0	36,156	92,500	100,441	100,441	77,497	18,053	425,088
Provision of rural services (5%)	0	848	10,000	17,500	17,500	17,500	7,500	70,848
Support for cultural and heritage activity (10%)	0	5,000	29,884	33,884	32,000	32,000	8,928	141,696
Support for increasing forestry productivity (5%)	0	14,000	14,000	14,000	14,000	7,424	7,424	70,848
Running costs and animation	12,960	51,840	51,840	51,840	51,840	51,840	38,880	311,040
Grand Total	12,960	133,816	315,021	400,578	400,578	357,703	107,344	1,728,000

Note to table: There has been no profiled project spend included for the first 3 months of the programme (2014/15). The Levels and Moors programme will have a pipeline of projects waiting to apply in January, and these are being developed now. Due to the appraisal and approval/contracting process, it is anticipated that the first projects will begin to spend from April 2015 onwards. The spend profile has been based on full commitment of the grants budget by the middle of 2017.