HEART OF WESSEX
Local Action Group

"At the heart of the rural economy"

Local Development Strategy 2015 – 2020

LEADER

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1   Executive Summary

The Heart of Wessex Local Action Group (HoW LAG) area incorporates the high quality environment of south Wiltshire, south Somerset, and parts of Mendip. It includes the small towns of Wilton, Tisbury, Mere, Wincanton, Bruton, Castle Cary, and Crewkerne. It also includes the larger town of Frome.

The LAG area is of a scale that offers sufficient human, financial and economic resources to deliver a successful programme. It has a socio-economic connection that works on east/west lines of communication, centred on the functional economic zone of the A303 corridor and it retains important traditions of farming, forestry, food production and tourism activities. The area is especially rich in cultural and heritage assets including a range of visitor attractions, stunning landscape, important archaeological sites, abundant wildlife, miles of footpaths and tracks, architectural gems and a vibrant creative community.

The area is characterised by large numbers of micro-businesses compared to the national average and good business survival rates. Predicted growth in population will tend to be in the older age population rather than working age population – exacerbating the ageing demographic. The inclusion of young people in the labour market is therefore a key priority. Much of the area suffers from poor access to services including local public transport.

The Local Development Strategy (LDS) has been developed through extensive community engagement and consultation undertaken across the target area. This has been underpinned by an Economic Baseline Survey carried out in June 2014 and by an online Rural Business Survey. This research has identified the common themes and priorities and has resulted in a range of activities which the LAG believes will have a significant economic impact as well as providing new opportunities for individuals, groups and communities. The LAG will foster the competitiveness of the businesses and wellbeing of the communities, whilst helping to safeguard the beautiful landscapes and natural resources of the area.

The Overall Aim of HoW LAG is:

"To act as a catalyst for supporting the development of vibrant, independent and interconnected rural communities based upon strong economic growth."

The Strategic Objectives (SO) of the HoW LAG bring together the national LEADER priorities, the identified local and sector needs, along with the key findings of an Economic Baseline Survey of the LAG area. Three SOs have been identified:

- Generating a diverse and sustainable rural economy and support for entrepreneurial activities (targeting micro and small businesses, farming and farm diversification, forestry and woodland and rural tourism enterprises)
- Realising the benefits from the high quality natural environment, culture and heritage
- Sustaining community facilities and services

The LDS demonstrates clear links and alignment between national and local priorities alongside local needs. The LAG is working to develop complementary plans to the Local Enterprise Partnerships (LEPs) offer by providing small scale grass roots and community led grant interventions, tailored to meet the needs of the locality. The implementation of this strategy, provides the LAG with an opportunity to stimulate economic growth at a local level and make wide ranging and sustainable changes within the LEADER area.

One defining and most welcome feature that will be a major contributor to future success is the strong and very positive working relationships which have already been forged between the founding partners. This partnership will be further strengthened throughout the programme. This was highlighted as a significant development area from the previous Sowing SEEDS (2007–2013) Programme from which this LAG has evolved.

2   The Local Action Group Partnership

2.1   Membership

The LAG firmly believes that the successful "bottom up" LEADER approach must be maintained and strengthened. Feedback from stakeholder workshops held towards the end of the last programme, which included a large number of LAG members and project applicants, highlighted the importance of the LAG Forum in the decision making process. It was felt that local people have the local knowledge and experience needed to determine the best interests of the LAG area. For many this was the only reason for being involved in the programme.

The LAG will build upon the experience and understanding developed through the management of the Sowing SEEDS Programme. As the Heart of Wessex LAG evolves, welcomes new members and matures, these benefits will be strengthened and will ensure the successful implementation of the LDS.

During the programme the HoW LAG will be made up from 4 main stakeholder groups with different accountability at each level: the LAG Forum, of which the LAG Executive is derived, the Programme Management Team (PMT) and the Accountable Body (AB), these will be supported by the Managing Agent (MA) and the Sector Groups (SG) as outlined below.

A summary of the groups and their responsibilities is shown below:

Table 1 - LAG Groups and Responsibilities

Group	Who is included?	What are their responsibilities?
LAG Forum (likely 100-200 members)	Open to anyone living, working or who has an interest in the area	Attend open meetings (every 8 weeks) to endorse project applicants (for main applications – stage 1) and to approve project applicants for fast track projects (<=£10k) Elect the LAG Executive (annually, usually in May) Monitor the implementation of the strategy and approve the annual Delivery Plan Champion the LEADER approach to a wider audience and encourage project applications Shape potential programme activity Keep in touch via email, web site, social media and net meetings
LAG Executive (15 in total)	Drawn from key stakeholders, partners and sector based representation. Majority representation from community	Attend meetings every 8 weeks. (Scheduled to occur 1 week after the LAG forum) Approve Main Applications (Stage 2) Make executive decisions on behalf of the LAG Forum Agree and implement non-discriminatory and transparent selection procedure and objective criteria for the selection of projects Monitor the implementation of the strategy Keep in touch via email, web site, social media, net meetings Become a LAG Champion role to provide advice and guidance to the PMT and where appropriate to project applicants
Programme Management Team (1 full time, 2 part time)	Programme Manager, and admin/technical staff employed to manage the projects and the LEADER process as required	Day to day management and administration of the LAG programme Provide initial evaluation of eligibility for all projects Provide project development support Provide secretariat function to the LAG Forum and LAG Executive Provide advice on procedures and information required by the LAG Executive

Group	Who is included?	What are their responsibilities?
		Prepare regular programme updates Provide all liaison activities between the LAG Executive, the AB and Defra Ensure all reporting and monitoring requirements are met
Accountable Body	Wiltshire Council	Contracts with Defra on behalf of the LAG Responsible for financial probity of the programme allocation including the management and administration (M&A) Complete comprehensive Technical Review prior to a project being endorsed Process and authorise M&A claim forms and payments before submission to the Rural Payments Agency (RPA) Maintain records and manage assets
Managing Agent	Wincanton Community Venture	To employ, provide the finance function and HR support for the PMT
Sector Groups	Drawn from the community, those with particular knowledge of relevant sectors / topics	Offer specialist technical advice to the LAG Executive/PMT and specialist support, advice and mentoring to project applicants where appropriate Support the delivery of the Communication Plan through their own contacts and networks and review success (for example number and quality of bids) Recommend strategic changes to the programme where necessary Share knowledge and understanding of good practice from elsewhere Provide independent technical project appraisals

2.2   Structure and Decision Making Process

Current Structure: Throughout the early part of 2014, The HoW LAG has been led by the Steering Group (SG), formed to guide the development of a robust LDS. Membership of this group is dynamic and recruitment is on-going, by the end of 2014 this group will have evolved to form an interim LAG Executive.

Table 2 - Current Steering Group Membership

Organisation (if applicable)	Representative
  Cranborne Chase AONB South Somerset District Council Wiltshire Council Frome Town Council Wincanton Community Venture National Farmers Union	**Michael Mounde (Chair)** **Mike Lewis** **Anne Carney** **Helen Rutter** **Julian Head** **Peter Wheelhouse** **Sue Place** **Andrea Witcombe**

The LAG Forum: LAG membership is open to anyone living, working or with an interest in sustaining and increasing the strength of the rural economy and maintaining social vitality while protecting the unique cultural and natural assets of the area. Members of the LAG Forum will be able to attend open meetings (every 8 weeks) to endorse main applications (stage 1) and to approve fast track applications. The LAG will hear updates from the PMT and LAG Executive, be able to promote the programme and celebrate its successes. Members of the LAG Forum may come forward for election to the LAG Executive.

In order to help make the LAG meetings as effective and efficient as possible the LAG proposes to run "net meetings" alongside each physical LAG meeting. This live-streaming facility will allow those who are unable to attend in person, the opportunity to hear the presentations from project applications via the web or by tele-conference. The LAG appreciates that the linear nature of the LAG area will mean that LAG Forum members will not be able to attend every meeting. It is therefore the intention to use satellite venues, which will show the meeting via a web link. It is expected that members who join this way will have the opportunity to be fully involved in the meeting. The LAG is currently researching the viability of this option and the potential for virtual participants to be able to vote on project applications.

In addition LAG Forum members will receive regular updates through e-newsletters and social media channels. The HoW LAG Forum will adhere to its Terms of Reference which will be agreed at the start of the new programme.

A key issue for young people is the maintenance of services, facilities and opportunities that make it attractive to stay in rural areas. Infrastructure such as transport and broadband can play a key role in providing access to social and educational facilities and employment, but investment in initiatives led by young people can also release their enterprising capabilities. The LAG will support community led and youth led initiatives that enable young people to develop their confidence, understanding and skills to lead and contribute to the development of their rural communities.

Project applications will be particularly encouraged from young people involved in land based industries to reduce the average age in these sectors and to increase new businesses established by young people.

The LAG is committed to offer a voice to young people in the LDS delivery as they have been identified as a target group. During our consultation, there has been interest from young people to establish a **Youth LAG**. The LAG will therefore develop this innovative initiative further.

The LAG recognises that the formality of its governance may not be an attractive offer to many young people. For this reason the LAG may decide to develop governance initiatives as an alternative to, or alongside the development of a Youth LAG. For example, the LAG envisages asking youth organisations to lead the "social media" strand of its communication plan.

LAG Executive: The LAG Executive is at the heart of the decision making process. It will be responsible for overseeing the successful management of the programme, to guide the direction of the programme, ensure it is delivering successfully and to make the final decisions on project approval. It is expected that the LAG Executive will meet every 8 weeks. Individual members will be elected by the wider LAG Forum on an annual basis and it will have the authority to co-opt members if necessary. It will also have the power to commission projects in order to ensure that the best investments are made within the LAG area. The Terms of Reference for the LAG Executive sets out the group's purpose and will be approved at the start of the new programme.

The LAG Executive will consist of 15 individuals to be drawn from key stakeholders and partners with the majority representation from the community. Five positions will be made available to core partner organisations achieved from the Public Sector (Local Authorities within the LAG), Business / private sector (covering the key sectors outlined below), Voluntary Sector, Environmental organisations and Community organisations. There will be one position available for the LAG Forum Chair, and one position to specifically represent the Youth LAG. There will be a further 8 places open to members of the wider LAG Forum.

Organisations representing the land based sectors, women and young people will be encouraged to stand for election to the LAG Executive. All members of the LAG Executive will be offered the necessary capacity building and training to fully understand their role and responsibilities. Further training is likely to be required throughout the programme to further

build skills and transfer knowledge and experience from key people previously involved in the LAG or delivering similar programmes.

Sector Groups: The LAG recognises that some organisations are unlikely to commit to regular LAG Executive meetings or that it may not be appropriate for some organisations to sit on the LAG Executive, however they may wish to be consulted and be fully informed. It is proposed that Sector Groups will be established to offer specialist technical advice and make recommendations to the LAG Executive when required. Where possible a representative of each priority area listed below will be on the LAG Executive:

- Rural tourism
- Small and micro businesses
- Land based industries
- Local food and drink, and local products
- Rural services
- Culture and heritage

The LAG Forum, LAG Executive, AB and PMT all have interlinked roles and responsibilities in the overall management of the programme. The table below highlights the key responsibilities related to all aspects of the programme.

Table 3 - LAG Delivery Mechanism and Responsibility

Delivery Mechanism Elements	Main Responsibility
Development of LDS and programme priorities	Steering Group, LAG Executive and LAG Forum
Support for the development of projects	PMT
Managing and administering the application process	PMT
Independent and technical appraisal	PMT with support of AB. Appraisal carried out by independent appraisers
Financial Risk Assessment including State Aid issues	AB
Project approval	LAG Executive (LAG Forum if grant application <=£10,000)
Issuing of formal offer letter with attached conditions	Accountable Body with support of PMT
Signed acceptance of grant offer and associated conditions	Project applicant
Managing and administering the project claims process – financial and physical progress	PMT with support from the AB
Programme monitoring through detailed tracking of individual project performance	PMT with support from LAG Executive and LAG Forum
Programme review of performance against strategy	LAG Executive with support from PMT and AB

2.3   LAG Programme Staff

The LAG will be managed and administered by the PMT. The Programme Manager (PM) will be responsible for the successful delivery of the programme. The PM will be supported when appropriate by a Programme Officer (PO) and a Finance Officer (FO). There may be a requirement to engage temporary staff who will also provide additional support to the delivery of the programme. Table 4 outlines the key roles and responsibilities of each post.

Table 4 - LAG Staff Roles and Responsibilities

Role	Job Description
Programme Manager (PM) (This role will be full-time throughout the duration of the programme)	• Lead, manage and develop the implementation of the LDS while undertaking key actions to ensure the delivery of the programme objectives • Develop and implement Annual Delivery Plans in conjunction with the LAG Executive, including monitoring and reporting progress against targets, budgets, key milestones, risk assessment and anticipated project delivery, identifying deviations and proposing mitigating actions where appropriate • Take overall responsibility for ensuring efficient application, engagement, development, appraisal and project management procedures, including marketing, budgetary control, record keeping, confidentiality, liaison, monitoring and reporting • Maintain clear transparent reporting arrangements to and with the LAG Forum and LAG Executive, to the AB, and to Defra, ensuring that programme management and monitoring information is presented in accessible formats and responds to different target audience needs • Manage all programme budgets to ensure effective delivery of the programme objectives ensuring compliance with Defra's monitoring and review requirements • In conjunction with the LAG Chair and the Executive Chair oversee the preparation of all LAG Forum and Executive meetings • Build the capacity of the LAG and its members to effectively deliver the programme and embed the principles of local governance and the "bottom up" approach across the LAG area. Advise the LAG on key issues of performance and strategic direction to enable timely decisions to be made • Manage the PMT to ensure all staff work as effectively and efficiently as possible to deliver the Delivery Plan, including the timely provision of support, supervision and appraisal • Develop and deliver the communications strategy which ensures equitable access to and understanding of the opportunities the LAG presents • Act as an ambassador for the programme locally and beyond, with partners, stakeholders and the media
Programme Officer (PO) (This role is likely to be part time, about .6 FTE at the outset of the funding period, reducing to .25 FTE by the fourth year)	• Provide assistance to project enquiries and assist the development of projects and support project applicants, with guidance from the Programme Manager • Prepare monitoring reports • Establish and manage robust administrative systems • Provide administrative and clerical support to the LAG Forum and LAG Executive, including preparation of LAG minutes and LAG information packs • Organise suitable venues and catering for LAG meetings • Provide administrative support for the co-ordination of the independent appraisal team • Assist with the delivery of the PR and Communications strategy, including website development and social media
Finance Officer (FO) (This role is likely to be part time, about .25 FTE at the outset of the funding period, increasing to .50 FTE by the fourth year)	• Manage the day to day financial aspects of the M&A • Provide advice and training to successful project applicants on financial processes including claims • Assist Project Delivery Team in the preparation and submission of grant claims • Manage output monitoring record keeping, evidence and audit trails • Prepare financial monitoring reports, including meeting requirements of CAP-D • Assist PM to ensure the financial profile is maintained and in line with agreed targets • Manage the updating of financial databases • Manage M&A programme claims and ensure the timely payment of invoices

It is anticipated that staffing needs will evolve over the period of the programme, with more emphasis on development and selection of projects in the early years, and more emphasis on management and project delivery through the later years. In addition it is expected that a Finance Officer will be required throughout the programme, however these posts will be confirmed once a contract has been secured.

The PM and PO will work with project applicants to ensure that the projects presented to the LAG for a funding decision are robust and sustainable and have been properly assisted throughout the application and approval process. This will ensure that the projects presented to the LAG Forum and the LAG Executive are of high quality, meet the criteria set and will help to deliver the outcomes set out in the LDS (see Flow Chart in Section 4.2). All processes will include a clear separation of duties to ensure that effective cross checks are in place so that individual officers and LAG members are not compromised.

In addition to the positions detailed above, there will be the requirement to employ independent appraisers who will undertake appraisals and make recommendations to the LAG for every project application (This process is subject to detail contained in the National Operating Manual, due in November). There may also be need for some specialist support for IT, Marketing and Communications and possibly Programme Evaluation. These needs will be met through retaining the services of consultants with specific expertise as and when required.

The PMT will be further supported by volunteer mentors or partners where available.

2.4   Equal Opportunities Statement

The HoW LAG aims to create a culture that respects and values differences, that promotes dignity, equality and diversity, and that encourages individuals to develop and maximise their true potential. This approach is in line with the Public Sector Equality Duty and corresponds with all local authorities operating guidelines.

It aims to remove any barriers, bias or discrimination that prevent individuals or groups from realising their potential and contributing fully to the HoW LAG and to develop a culture that positively values diversity.

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

2.5   Community Involvement and Consultation

Considerable work has been undertaken over a period of time to engage with local communities. Community engagement and consultation has been thorough and inclusive, supported by the Steering Group. The process has involved a vast range of private sector businesses, social enterprises, community groups and organisations from the voluntary sector, as well as statutory partners. In total, nearly 600 people have been directly engaged in the process through a range of different meetings, including:

- 10 Business and community engagement meetings
- 20 1-2-1 Stakeholder meetings
- 4 Sector specific meetings
- 3 Area Board meetings

Significant desk based research has also contributed to this LDS, using the strategies of organisations such as the LEPs, Local Authorities (LA), Local Nature Partnerships (LNPs), Cranborne Chase AONB, Destination Management Organisations (VisitWiltshire and Visit Somerset), NFU and Forestry Commission. An online Rural Business Survey recorded over 35 responses.

The relevant needs and opportunities have been collated and have led to the identification of the SOs and Programmes of Activity. The results of community engagement and consultation have been supplemented by new statistical data from an independent Economic Baseline Survey commissioned by the LAG from EMB Consulting Ltd in July 2014 to address the area as a coherent unit and provide information regarding the gaps in social/economic/environmental information.

The evidence is presented under the 6 LEADER policy priorities, and these are summarised in Section 3.6. Sections 3.7 and 3.8 highlight the HoW LAGs SOs with the activities and outcomes shown under each section. This provides the rationale for the application of the LEADER approach in the target area.

The purpose of the bid is to address the needs identified through extensive consultation and research only where they fit with the LEADER Policy Priorities (2014 – 2020).

2.6 Training Requirements

At an early stage a LAG Development Programme will be established to build the capacity of the LAG Forum and the LAG Executive to ensure the full understanding of the management and governance of the programme. Capacity building at the initial stages of the programme was highlighted as a key development area from the previous programme. An initial skills audit will be conducted for members of the LAG Executive. The LAG is keen to engage representation from across the LAG area, to identify skills and experience and to identify gaps which can be addressed either by training or bringing in the skills/experience when needed as early as possible in the programme period. Ongoing or further training may be required throughout the programme as circumstances change. Training and development activities are outlined in table 5 below.

**Table 5 - Training and Development Activities**

Group	Training Required
LAG Executive	- Team building - Overview and briefing on LEADER regulations to ensure a shared understanding of the programme and of delivery processes including outcomes, monitoring and reporting etc; - Induction training for every new member to include overview of the National Operating Manual and the code of conduct - Equalities and diversity training - Media training - Project appraisal training
LAG Forum	Developing skills, knowledge and understanding so that the LAG fully understands what is expected to be achieved by 2020
PMT	- EU regulations, including State Aid - Details of other sources of funding in order to signpost ineligible projects - Defra training including CAP-D and the National Operations Manual - Media training - Project appraisal training
Project Applicant / Project Delivery Team	- Project development - Bid writing - Presentation skills - Claims process training

The LAG will consider out of pocket expenses for under-represented groups, such as women and young people to ensure that everyone has the opportunity to participate.

3 The LAG Area

3.1 Map of the Area

Heart of Wessex LAG proposed area (31.7.14) - 2011 Census Total Population: 148,706 (Source: Nomis)
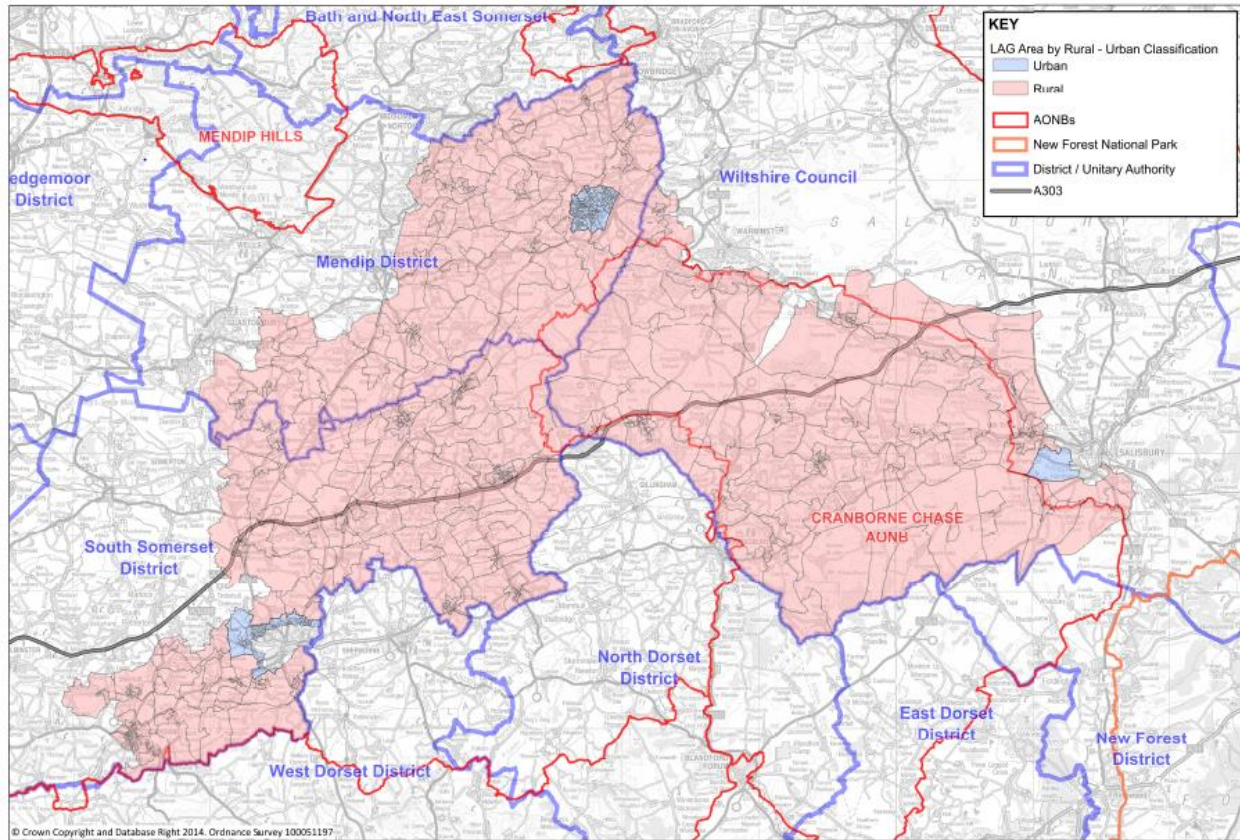
3.2 Rural Population Covered

The LAG area is made up of south Wiltshire to the east, south Somerset to the west, with a large part of Mendip, including the town of Frome and surrounding rural areas to the north. The somewhat irregular boundary to the south is defined by that of the county boundary of Dorset.

The area includes census output areas (Appendix 1 contains a full list of outputs areas) within the local authorities of Mendip District Council, South Somerset District Council and Wiltshire Council. It covers some 157,700 hectares and is predominately rural with links to a small number of urban centres including Frome in the north of the LAG area and Yeovil in the south west and Salisbury in the south east, both being on the outer perimeter of the LAG area. The urban population is 41,602 and the majority rural population is 107,104. Table 6 summarises the population for the LAG area which totals 148,706. There are 161 parishes, covering 3 Local Authority areas and 2 Local Enterprise Partnership areas within the LAG area.

Given the large rural area, density levels (persons per hectare) are low at 1.01 compared with an England average of 4.1 (Source 2011 Census, ONS). The age structure shows an older demographic. In terms of ethnicity, the LAG area is predominately 'White' (98%).

It is predicted that the population growth within the LAG area will be 7% by 2021, and will grow at a lesser rate that that of England (9%). Much of the growth will be in the older age range rather than in the working age population.

Table 6 - Population for LAG Source 2011 Census, ONS

Populations in LAG Areas				
	Mendip	**South Somerset**	**Wiltshire**	**Total**
Urban	26,203	14,906	493	41,602
Rural	23,678	53,174	30,252	107,104
Total	49,881	68,080	30,745	148,706

3.3   The Strategy

The SWOT Analysis in Table 7 below highlights the key findings from a wide range of techniques and methods employed by the LAG throughout the consultation process.

This information along with the priorities derived from the community and sector consultations (outlined in Section 3.6) informed the SOs and the desired Outcomes for the HoW LAG area. The range of indicative activities the LAG may wish to fund will help to address the identified needs and specific challenges of the area.

The items shown in **bold italics** are those that the LAG feels it can address in this funding period.

3.4   SWOT Analysis

Table 7 - SWOT Analysis

	Strengths	**Weaknesses**
Business and Economy		
Gross Value Added (GVA)		LAG area's GVA growth rate below national average pa 2007/12 LEPs growth rate in bottom ten for same period Labour productivity, GVA/hr worked, in 2012 Somerset (84.7) & Wiltshire (93.2) is well below UK index
Business Base	Micro-businesses (89.5%) against GB average (88.2%) – less reliance on big employers Business survival rates over 50% surviving 5+yrs, (England 44.4%) Low rate of business insolvency - 0.5-0.7 whilst England 0.7-0.9 High job density (ratio total jobs to working age population) in South Somerset	Large numbers of micro-businesses can be harder to engage with ***Low rate of business start-up across the area*** (54.2-69.6/yr per 10,000 pop whilst England av. 71.1) coupled with good business survival could mean lack of dynamism Lower than national job density rates in Mendip and Wiltshire More part time jobs (LAG 35-41% GB 33%) low wages & underemployment
Sectors	LEPs both recognise importance of agriculture/food and drink and tourism sectors in rural areas S Somerset very strong in	***Sectors – knowledge intensive sectors (high GVA) generally under represented.*** Low GVA sectors ***Sectors face particular challenges: improving productivity; quality and***

	Strengths	Weaknesses
	manufacturing, Wilts in finance/ business services & Mendip in wholesale and retail. All strong in services and public admin	*sustainable development* *Ageing population in land based sectors with limited succession*
Competitiveness (index linking: start ups/pay/GVA,NVQ level 4 + etc)		All areas declining. Of 359 areas in UK ranked by the Competitiveness Index 2013, Wiltshire were (159), Mendip (170) and South Somerset (197)
People		
Population	Growth in population 2011-2021 estimated at 7% in LAG area	Growth in older ages not working age population – exacerbating ageing demographic. Growth level predicted to be 2% below national average
Employment and Unemployment including Self Employment	LAG has favourable rates for: economically active 72% (national av. 70%) Self-employment 14% (9.8%) Unemployment 3%, (4.4%)	Economically active in Mendip is 74.8% lower than national av. 77.4% Wiltshire has slightly *higher female unemployment* than the national rate
Economic Inactivity	Lower rates of economic inactivity in S Somerset 18.4% and Wilts 19.1% than GB 22.6% The total claimant count (% of the working age pop) is well below national rates- all areas JSA Claimant count is less than half national rates in all areas	Economically inactive, higher in Mendip 25.2% mainly due to long term sick or retired Of economically inactive, over 2% higher than nationally, don't want a job in Mendip and South Somerset
Young People (NEET - Not in Education, Employment or Training)	NEET rates at 4.7 & 5.0% in Somerset & Wilts are below the England at 5.3%	*Inclusion of young people in the labour market is a key priority due to ageing profile*
Skills & Qualifications	The LAG area overall has those with Level 4+ at 29% compared with England at 27% and is better that nationally at most levels (2011 data)	This masks poor NVQ4 + in south Somerset at 26.5%, GB average of 35% (2013). No Higher Education Institution in the area. Some degree courses are offered in Yeovil
Skills Shortages and Gaps	Most areas have lesser than national rates of skills shortages and gaps	Main skills shortages and gaps: Somerset - skilled trades & elementary staff, professionals Wiltshire - skilled trades & sales/customer staff
Earnings	Higher than national earnings for FT Males resident in Mendip and Wiltshire -suggests a level of out commuting	Workplace earnings – LAG area averaging over 10% lower than national earnings for full time workers

	Strengths	Weaknesses
		Mendip area lowest for men & women
Deprivation	In overall IMD 2010 LAG area performs in top 2 quartiles	LAG area is in 37% most deprived on the key indicator for rural deprivation – barriers to housing and services
Place		
Economic Geography	Centred on functional economic market area – the A303 corridor Network of interconnected, small market towns MOD bases in s Somerset and s Wilts	LAG area is not optimal due to complexity of Dorset boundary
Housing	House prices are below national averages in some parts of s Somerset. (affordability ratio i.e. average price / median income in 2012: England 11.3, s Somerset 10.6)	Affordable housing is an issue across the LAG linked to low wages (to afford a house a ratio of <4.5 needed) The ratios for Local Authority areas 2012: England 11.3, Wilts 12, Mendip 12, s Somerset 10.6 All types of homes in Wiltshire and some types in Mendip are costlier than the national average
Transport and Communication	Generally good transport and linkages in, through and out of LAG area – centred on A303 connection to motorways and centres of major populations Bristol-Weymouth, north south rail link – connecting Yeovil to Frome Paddington and Waterloo lines give access to London & SW	Lack of A303 investment to resolve bottlenecks cause connectivity & safety concerns Some congestions and general lack of public transport in rural areas Rail links hampered by: lack of hourly service, limited accessibility to platforms; poor station links to towns/ other public transport & station facilities/ environment
Connectivity	Some areas have superfast broadband to meet the needs of business and services	*Lack of superfast broadband* in large swathes of the LAG inhibits business growth/ relocation**.** Uncertainty about roll out plans Poor mobile phone reception in some areas
Sites and Premises	Some good existing sites and premises and potential for some strategic development e.g. redundant UK Land Forces site at Wilton, A303 junction, Wincanton	*A shortage of sites and premises* to meet future requirements. Evidence points to the need for an increase in land/sites to attract inward investment and accommodate future jobs growth
Environment and Cultural Assets	Strong environmental and cultural assets, e.g. Cranborne Chase AONB, National Trust	At risk historic buildings and some derelict sites blight small market towns

	Strengths	Weaknesses
	properties, theatres and arts centres	
Agriculture		
Area under agriculture	78% of Wiltshire's area is farmed, the highest proportion in SW 72% of Somerset is managed as grassland	Pressure for high grade land to be used for other purposes
Farming types	Mixture of farming types: large arable farms, smaller livestock farms, grassland and horticultural A range of rented and farmer owned ***Numerous farms provide food products to, and require supplies from a range of local businesses*** Maintain and manage local environmental characteristics ***Support a diverse range of on-farm SME / tourism enterprises***	Mixture of farming types may make it harder for the LAG to reach all sectors ***Reduced investment into farm infrastructure and technology*** due to low commodity prices
Protected countryside	Iconic and protected countryside - Cranborne Chase AONB, NNR, SSSIs, stewardship schemes	Protected and bio diverse sites may make it difficult /costly for farmers to diversify e.g. use of local materials
Forestry		
Resource	Resource of woodlands, primarily in Wilts, could deliver economic growth and employment	70% of timber cut in SW is transported out of the region to be processed Currently 15,679 ha of woodlands are unmanaged (34.5%)
Rural Tourism		
Resource	A wide range of rural tourism sites rich potential – landscape, food, drink, sports, crafts, rights of way A303 gives easy access High quality landscape is an untapped tourism potential Festivals and rural touring Links with Destination Management Organisations (DMOs) such as VisitWiltshire	Parts of the area are not well known People drive through on the way to the SW There is a need for better quality and variety of accommodation

	Strengths	Weaknesses
	and Visit Somerset	
Heritage and Culture		
	Strong environmental and cultural assets e.g. Cranborne Chase AONB, National Trust properties	'At risk' heritage buildings and derelict sites blight small market towns and villages Loss of traditional rural skills/crafts Arts and culture organisations and individuals often feel marginalized
Community		
	Strong community spirit in many places Strong 'sense of place' Many actively retired	Lack of regular and affordable public transport Fuel poverty

	Opportunities	Threats
Political	Priority for tourism in Govt Plan for Growth & agri-tech in Strategy for Agricultural Technologies. Localism – LEPs and local planning e.g. Local Growth Funds. Dovetailing of some LEP and LAG priorities LEPs to work together on some issues e.g. A303 and support for rural areas Government funding for superfast broadband rollout in rural areas	National public policy – tightening of the public purse. Austerity measures CAP reform – increased levels of targeting and reduced budgets for agri-environment schemes
Economic	Signs of economic recovery. Local projects that could offer opportunities for the economy: • Hinkley Point C; • Hauser and Wirth Somerset; • Bath & West Showground • LEP plans for Southern Wiltshire - Army 2020, rebasing and MoD investment in and around Salisbury Plain; regeneration site at Wilton in South Wiltshire • Regeneration of Saxondale site in Frome	Remains a degree of uncertainty and potentially fluctuating economic environment Specific issues affecting certain sectors such as fluctuating demand and prices in agriculture and rising costs – especially for utilities – for food and drink and other sectors Uncertainty regarding the development of Bath & West Showground
Social	Projected rise in population in LAG areas ***Changing consumer taste and knowledge could be of benefit to specific sectors e.g. food***	Population increase is at a lower rate than nationally and will tend to be in the older age range – pressure on public services and effect on the available labour market

	Opportunities	**Threats**
	miles/security for agriculture and food and drink. Green tourism	Loss of local public services in downturn and austerity period
Technological	Superfast broadband – access to markets and customers. LEP's commitment to increasing access	***Limited Superfast broadband especially in remote rural areas***
Environmental	***Economic potential of natural environment and environmental goods and services*** Renewable energy e.g. hydro	Climate change – detrimental effect on people/communities, natural environment and sectors such as agriculture
Legal	Enabling provisions of Localism Act	State Aid and other EU rules and regulations

Agriculture		
Diffuse water pollution	Encourage farmers to test their own water quality and rectify any sources of on farm pollution	***Pollutants enter into water bodies*** causing environmental issues Large number of regulations
Farm technology	New technology and infrastructure improvements can improve the productivity of the holding	***New technology and infrastructure*** improvements need careful research and can be expensive
New entrants	Encourage and enable ***new entrants*** to allow for succession planning, business continuity and the development of new and innovative ideas	The average age of a farmer in England is almost 60 Financial constraints and housing issues prevents new entrants to the industry
Farm diversification	***Adding value to products***, and new markets e.g. tourism, enables farm business to be more resilient	Farm businesses have fluctuating incomes, expertise and resources to avoid failed enterprises
Education	***Interest in where our food comes from*** and speaking to farmers	Transport for schools is costly and limited
Water	New pipes, bore holes and water lagoons would help farmers to become more ***resilient to climate change/***boost farm productivity	Increasing volatile weather conditions have seen both flood and drought conditions – impacting farm productivity
Energy provision	On the farm, ***small scale energy production*** or community heating schemes	Large installations face opposition, lengthy process and may not be appropriate for the landscape

	Opportunities	Threats
Flooding	***Flood resilience*** e.g. drainage will benefit businesses long term	Flooding has a huge impact on rural businesses
Forestry		
Woodland management	Better access to advice services to improve forestry contractor capacity and aid activity	Major barrier to getting more woodland into management is limited woodland management and skills
Deer management and other pest control	Landscape management will help to ***control deer and other pests*** Scope for ***better transport, handling, processing & marketing of venison***	Increasing deer numbers threaten the long term viability of woodlands Increasing tree depredation by grey squirrel population
Woodfuel market	Investments in the ***woodfuel supply chain*** to take advantage of the expanding market	Many woodlands are small in size and owners do not appreciate their potential
Collaboration	***Work with neighbouring LAGs*** to deliver landscape scale projects and exchange ideas	Collaborations can be time consuming
Rural Tourism		
New markets	Increasing interest in ***agri-tourism*** ***Specialist groups*** such as horse riders, cyclists and disabled could be better catered for Exploit joint marketing opportunities with existing DMOs	Lack of information and advice
Collaboration with other LAGs	Work with neighbouring LAGs inter–territorial LAGs e.g. The A303 corridor. Italy on agri-tourism projects	Collaborations can be time consuming
Heritage and Culture		
	High quality landscape and built heritage have untapped tourism potential Excellent rights of way network High quality and variety of arts, crafts and local products Extend rural touring season	Need to maintain the high quality environment Rights of Way network needs joining up and maintenance in places

	Opportunities	Threats
Community		
	Projected rise in population in LAG areas	Population increase is at a lower rate than nationally and will tend to be in the older age range which will put pressure on public services and affect the available labour market
	Innovative solutions to service provision	
	Collaboration opportunities with other communities	Reduction in and access to public services
	Celebration of local culture and heritage	Imbalance in age of village populations
	Opportunities for people to work locally or at home providing better work life balance	Retention of young people
		Lack of support for volunteers
	Local jobs for young people	

3.5 Alignment with Local Enterprise Partnerships

The interfaces for the HoW LAG are with the Heart of the South West LEP (HotSW LEP) and the Swindon and Wiltshire LEP (SW LEP) with whom the LAG has and will continue to develop close working relationships. The LAG will provide small scale grass roots and community led grant interventions, tailored to meet the needs of the locality. Table 8 reviews the priorities of the HotSW and SW LEPs against the HoW LAG priorities which derive from those of LEADER.

HoW LAG, SW LEP and HotSW LEP all support a small grants scheme and Defra are considering how this process might work. The results (parameters and process) are not yet known but will be common to all partners. The advantages of such a scheme are not just that it is likely to be less onerous than the full project process, but that its small grants will enable LEADER to reach a wider range of groups and individuals. A disadvantage can be that a disproportionate effort could be required to administer the scheme.

The HoW LAG expects to run a Fast Track (FT) Application as outlined later in section 4.2. This FT scheme is aimed at projects <=£10,000. This operated very successfully in the last programme period. There is evidence that smaller grants are more appropriate to micro-businesses and start-up enterprises from the uptake of the Rural/Micro Enterprise Grant Scheme managed by the Local Enterprise Partnerships in 2013-14. The FT scheme will sit alongside the main Application programme which will also be open for businesses to apply. The LAG's grant schemes should complement the proposed LEP scheme which will offer slightly higher value business grants.

Table 8 - Complementary Priorities

Complementary Priorities			
Funding Priority	**Heart of the South West LEP priorities**	**Swindon & Wiltshire LEP priorities and ESIF intervention activities**	**Heart of Wessex LAG complementary priorities**
ERDF	SME Competitiveness Innovation Low Carbon	SME growth Innovation for sustainable growth	Appropriate at micro level
ESF	Creating conditions for	Skills for growth	Appropriate at micro

Complementary Priorities			
Funding Priority	Heart of the South West LEP priorities	Swindon & Wiltshire LEP priorities and ESIF intervention activities	Heart of Wessex LAG complementary priorities
	growth Maximising productivity and employment Capitalising on distinctive assets	Skills for inclusion	level
EAFRD	Innovation Business support Rural supply chains & markets Rural renewable energy infrastructure Rural tourism assets / infrastructure Eco-system services Digital infrastructure Digital training	Innovation for sustainable growth Competitiveness support for SMEs Food and drink support Rural Tourism Innovation for natural capital	Appropriate at micro level Support for micro enterprises and small businesses and farm diversification Support for rural tourism Support for cultural and heritage activities Provision of rural services
FFPS	Long term productivity improvements Innovation Growth Technical skills Grants: Competitive and landscape scale		
NELMS / Stewardship	Environmental improvements – biodiversity and water Grants: Competitive and targeted (71% already committed. Leaves £924m for new applications)		

LEPs may wish to use European structural funds to provide business support and specialist support to SMEs. The HoW LAG will encourage businesses to use these services to help them become investment ready, or to drive up the impact of LEADER grant aid made to support their growth capabilities.

The LAG will seek to agree with LEPs the lower / upper financial thresholds between LEADER and ESIF projects. The justification for applying such a potentially limiting control mechanism will need to be closely reviewed. Further work on developing the parameters is planned.

The LAG is aware of possible duplication with several LEP activity areas, for example business mentoring. However, the LAG will work closely with the LEPs to draw up and introduce a mechanism alongside the initial eligibility checks to ensure that any potential for duplication is avoided. Where an early-stage application appears to be capable of funding from either ESIF or LEADER funds, a decision early on will be taken and advice given to the applicant on the most advantageous route.

Endorsement letters from SW LEP and HotSW LEP can be found in Appendices 4 and 5.

3.6 Local Priorities

The local priorities for the HoW LAG have been determined following detailed consultations with the local businesses, communities and sector groups undertaken across the whole of the LAG area between January and July 2014. The LAG will provide small scale grass roots and community led grant interventions, tailored to meet the needs of the locality. Table 9 summarises the key findings from the consultation events and the priorities that are derived from them.

Table 9 - Summary of Findings

Businesses

- Low rate of business start up
- Low skills/low wage economy. Knowledge Intensive sectors under represented
- Lack of affordable small business premises
- Poor opportunities for skills training locally, limited opportunity for higher education and career progression
- Lack of employment opportunities especially for young people
- Female unemployment, childcare is a big issue for working families especially in rural areas
- Economic potential of natural environment and environmental goods and services
- Support for small local businesses including home workers
- Difficulty accessing information on grants and funding opportunities
- Lack of funding for innovative ideas, ability to take financial risks on for example the development of new products
- Networking opportunities for some sectors is limited
- Distinctive local and artisan products – need to link up and promote supply chains, develop and test new products
- Growth in specialist industries such as horse racing and equine businesses
- Poor connectivity - broad band and mobile signal hinders growth

Agriculture

- Succession planning is critical – age of farmers and pressure on incomes can be problematic and agriculture is not seen as viable career
- Availability and uptake of business advice
- Farm diversification – adding value to products and new markets
- Agri–tourism can contribute to tourism economy but income opportunities may be lacking
- 'On farm' education
- Water quality - pollution 'run off' from agricultural land, water supplies
- Impact of disease and pests is a major issue for landowners
- New technology and infrastructure improvements
- Small scale energy production
- Flood resilience

Forestry

- Management of woodlands and coppice – many are either under- managed or do not have coherent management plans
- Access to advice service
- Demonstrating the economic viability of managing small woodlands
- Strengthening supply chain for woodfuels
- Access especially to small woodlands and difficult sites
- Damage caused by pests such as deer and grey squirrel
- Lack of larders/mobile larders for the processing of venison
- Improvements to the supply chains for woodland products
- Small contractors need support to expand
- Encourage uptake of new ideas, advice and grants e.g. demonstration site
- The retention of knowledge and skills to pass on e.g. coppicing and charcoal burning
- Shortage of hauliers in the SW

Rural Tourism
• Untapped tourism potential based on high quality landscape and local products • Better quality and variety of accommodation • Parts of the area are little known, by passed on route to SW/London • Promotion of market towns and villages e.g. creation of town/village trails • Creation and expansion of events and attractions • Developing market towns as a destination
Heritage and Culture
• Loss of traditional rural skills/crafts • Need to maintain the high quality environment • Rights of Way network needs joining up and maintenance in places before creating round routes/long distance routes for promoting to visitors • Training and employment opportunities for those working in the cultural industries • Cultural activity needs higher profile and support e.g. marketing
Communities
• Lack of regular and affordable public transport • Retention of young people in rural communities • Reduction in and access to public services • Fuel poverty • Lack of support for volunteers

3.7 Strategic Objectives of the HoW LAG

The **Overall Aim** of HoW LAG is:

"To act as a catalyst for supporting the development of vibrant, independent and interconnected rural communities based upon strong economic growth."

The Strategic Objectives (SOs) of the LAG bring together the national LEADER priorities, the findings of an independent Economic Baseline Survey of the LAG area and the local priorities into three overarching Strategic Objectives:

SO1. Generating a diverse and sustainable rural economy and support for entrepreneurial activities

- Micro and small businesses
- Farming and farm diversification
- Forestry and woodland
- Rural tourism

SO2. Realising the benefits from the high quality natural environment, culture and heritage

- Culture and heritage

SO3. Sustaining community facilities and services

- Rural communities

3.8 Programmes of Activity

In order to illustrate the types of activities these objectives could support several project ideas have been suggested by individuals, businesses, communities and community groups during the consultation period. These projects can only be indicative at this stage and their inclusion does not suggest they will be approved. The LAG recognises the importance of making funding commitments early in the programme so that spending meets an optimum profile. Resources will be put in place to achieve this.

Table 10 - Programmes of Activity

Strategic Objective 1 - Generating a diverse and sustainable rural economy and support for entrepreneurial activities	
Objectives	**Outcomes**
Small and Micro Businesses • Support for small and micro rural businesses including social enterprises and home based businesses and to set up or expand • Sector specific business support and mentoring e.g. food production, creative, environmental technology etc • Provision of start-up office space or different-sized workspaces/workshops for traditional rural businesses, holiday lets, visitor centre etc • New equipment or machinery • Innovation and Community Hubs • Women in rural business – encourage local business women to share best practice, to support & mentor each other • Encourage employability and entrepreneurship skills in young people • Advice, guidance and information to help small and micro-businesses to take on apprentices • Enterprise and Information e.g. Pollinator Education Centre, Community Craft Workshops • Development of new products/markets/adding value to • Local retailing and local products networks: to facilitate collaborative activity between businesses e.g. supply chain development • Innovative local transport solutions for people to get to/from work • Rural community broadband support: when and where gaps in the Superfast Extension Programme are known	• Increased contribution of small and micro businesses to the creation and retention of jobs and economic growth, especially involving women and young people • Increased business start-up, growth and business survival rates • Improved business competitiveness enabling wealth and job creation • Increased job opportunities for young people • The sympathetic conversion or refurbishment of existing farm building or other redundant rural buildings has helped to conserve the heritage of the area • Increased collaboration between local businesses strengthening the network, reducing the supply chain and promoting rural business • The area is well known for its high quality local products
Agriculture • Support for new farm enterprises • Advice to farmers that wish to take on apprentices • Purchase of machinery or equipment • Improving farm productivity and resource-use efficiency • Collaborative working initiative, for example machinery rings, shared capital equipment,	• Increased opportunities for succession farming and new entrants into farming • Increased number of farm diversification initiatives • Increased viability of the farming sector through low cost innovations and technologies which enhance productivity

Strategic Objective 1 - Generating a diverse and sustainable rural economy and support for entrepreneurial activities	
Objectives	**Outcomes**
marketing initiatives • Developing opportunities from the improved management of orchards, adding value to apple products • Small scale on-farm renewable energy projects • Water quality testing equipment • Development of new products/markets/adding value to e.g. food products	and lower energy and water usage and water quality • Strengthened local supply chains, increased new markets, new product innovation and development • Increased resilience to flooding and extreme weather conditions
Forestry • Collaborative opportunities between contractors, land and owners and businesses • Support contractors seeking to manage under and un-managed woodland particularly small woodlands deemed to be uneconomic • Improvements to the supply chains for woodland products including woodfuel • Purchase of small scale woodland and management equipment and machinery e.g. chipping, splitting and sawing • Support for collaborative food and woodland management initiatives e.g. deer culling and processing • Demonstration sites to encourage uptake of new ideas, advice and grants	• Increased volume of timber and timber products produced • Increased utilisation and management of under and unmanaged woodland and • orchards • Strengthened supply chains • Micro, small businesses and social enterprises which support the management of local woodland created • Economic viability of woodlands increased through the reduction in the number of deer (+ other pest species) • Increased awareness of the value of woodland management and uptake of advice • Ecosystem benefits, great carbon sequestration, new recreational opportunities
Rural tourism • Events, shows and festivals that promote the natural environment, heritage and culture of market towns and villages as tourism hubs	• Increased visitor numbers and spend • The quality of the tourism offer is

Strategic Objective 1 - Generating a diverse and sustainable rural economy and support for entrepreneurial activities	
Objectives	**Outcomes**
• Business Improvement to the tourism offer, IT, website development, e-booking systems, distinct signage, parking, collaborative PR, destination promotion and publicity • Improved facilities (by accommodation providers) to encourage more cyclists and walkers e.g. drying areas • Support new and existing tourism providers to attracting new sectors e.g. the equine or 'astro' tourism • Sustainable tourism initiatives – such as encouraging car-free cultural tourist journeys • Linking farm food, hubs and farmers markets to tourism, encouraging collaborative activity to enhance the visitor experience • Promotion of local food, drink and the craft, artisan and creative industries • Use of apps and digital market to reach new audiences • 'Made in…' brand to promote cultural tourism activity including local products, events and accommodation • Countryside Centre offering a focal point for rural information and green tourism activities • Promotion of walking/cycling routes that link market towns, villages and surrounding rural areas • Creation and promotion of round and long distance routes for walkers/cyclists/horse riders/the less able bodied	improved through increased awareness of the area and what it has to offer • The tourism sector is strengthened by the creation of networks, clusters and collaborations • New local food networks and food tourism projects created • A range of new tourism products created based on local landscape and involving local products • The visitor offer has been increased by the creation and promotion of a range of linked paths and trails, including heritage and nature trails for walkers, cyclists, horse riders and improving access for people with disabilities

Strategic Objective 2 Realising the benefits from the high quality natural environment, culture and heritage	
Objectives	Outcomes
• Events and festivals which promote culture and heritage activity • Projects that safeguard traditional rural skills and support modern craftsmen and artists • Archaeological interpretation which identifies and adds value to the areas archaeological assets through a range of innovative interpretation techniques • Collaboration between culture / heritage venues that will create new jobs, encourage tourism and promote increased participation in arts, performance and learning • The restoration and upgrading of the cultural and natural heritage of market towns, villages,	• Increased understanding, appreciation and enjoyment of the local culture and heritage • Increased number and quality of cultural facilities • A thriving creative industry sector that builds on the distinctiveness of the LAG

Strategic Objective 2 Realising the benefits from the high quality natural environment, culture and heritage	
Objectives	Outcomes
rural landscapes and high value nature sites • Quality interpretation of sites, trails, towns and villages	area • Improved offer for the visitor and the local community • Increased number and quality of cultural facilities and activities • Increased sense of well-being and community resilience

Strategic Objective 3 - Sustaining community facilities and services	
Objectives	Outcomes
• Support for projects to support young people, women and the elderly to access rural services • Community hosts: to support community members to find out more about their local cultural heritage and become community tour or walking hosts for visiting tourists. • The establishment, improvement or expansion of community led social enterprises and businesses such as community hubs which provide access to multiple services e.g. shop, post office, library, Tourist Information Point • Support for community audits which identify needs, opportunities and potential solutions • Projects which encourage co-operation between rural communities in the delivery of rural services • Support for sustainable rural transport solutions e.g. feasibility studies, IT equipment • Support and mentoring for a volunteer network • Training or exchange visits for volunteers involved in providing services for the community • Community Heating Schemes	• Improved access to essential rural services and facilities including sustainable rural transport solutions • Local needs are met through the creation of a range of new community led social enterprises and businesses such as community hubs • A stronger volunteer network with access to support and mentoring

Projects the HoW LAG cannot support
• Continuation projects or "standard practice" projects. The LAG will only support projects that are innovative and offer a new product or service • Support cannot be offered to organisation which employ more than 50 members of staff • The LAG will seek to ensure that duplication with the LEPs activities are avoided. It will work closely with the LEPs to draw up and introduce a mechanism alongside the initial eligibility checks to ensure that any potential for duplication is avoided • The LAG cannot match fund projects which are receiving support from the LEPs EAFRD funds • The LAG cannot fund projects which directly provide training and skills, but will work closely with the LEP's to support activity through a local business mentoring service for example • The LAG will not fund projects which are entirely related to broadband improvements as these are expected to be funded through the LEPs EAFRD or Local Growth deal funds
The LAG will complement the LEPs Growth Programme and national schemes such as the New Environmental Land Management Scheme (NELMS) or Farming and Forestry Productively Scheme (FFPS), and will avoid duplication of effort by maintaining strong relationships with partner organisations to ensure that potential applicants are signposted to the most relevant funding stream. In having Wiltshire Council as the Accountable Body, the LAG will benefit from its management and leadership as a key partner of SWLEP and its close role in developing and implementing the SWLEP ESIF strategy. WC also plays a lead role on SWLEP rural economy group, which will provide a strategic forum for rural development across the EAFRD spectrum.

3.8 Targets, Results and Outputs

The HoW LAG will deliver a range of activities in line with the 6 LEADER Policy Priorities, the LAGs SOs and output indicators for the programme are shown in table 12 below. The budgetary split is calculated by dividing the total project budget (currently £1,567,020) according to the percentage allocation per Policy Priority. The targets are conjecture and have been informed by the Sowing SEEDS experience where relevant. These targets complement the Defra "Outputs Submission Table" which has been submitted as a separate document with this LDS – Appendix 2. The HoW LAG acknowledges these targets demonstrate good value for money. It is expecting to run a small grants scheme to which many small and micro businesses are likely to apply. Experience shows that a large proportion of these grants will support capital investments, resulting in improved efficiencies and business growth but not necessarily job creation. Further discussion is therefore required specifically relating to the proposed targets under LEADER Policy Priority 2.

Table 12 - Targets, Results and Outputs

Measure	HoW Strategic Objective (SO)	Outputs indicators	HoW Target
Policy Priority 1: Support for Increasing Farm Productivity **(20% of budget)**		**Indicative** Budget £313,405	
Measure 4: **Investments in physical assets** Measure 6: **Farm and business productivity**	SO1: Generating a diverse and sustainable rural economy and	• No. of projects supported • No. of holdings benefitting	• 10 • 5

Measure	HoW Strategic Objective (SO)	Outputs indicators	HoW Target
	support for entrepreneurial activities	• No. of businesses benefitting • No. of individuals benefitting • No. of jobs safeguarded • No. of jobs created • No. of farmers supported	• 6 • 20 • 4 • 5 • 5
Policy Priority 2: Support for Micro and Small Enterprises and Farm Diversification (40% of Budget)		**Indicative** Budget £626,808	
Measure 4**: Investments in physical assets** Measure 6**: Farm and business productivity**	SO1: Generating a diverse and sustainable rural economy and support for entrepreneurial activities	• No. of projects supported • No. of holdings benefitting • No. of businesses benefitting • No. of individuals benefitting • No. of jobs safeguarded • No. of jobs created • No. of farmers supported	• 31 • 10 • 30 • 50 • 5 • 52 • 10
Policy Priority 3: Support for Rural Tourism (20% of Budget)		**Indicative** Budget £313,405	
Measure 4**: Investments in physical assets** Measure 6**: Farm and business productivity** Measure 7**: Basic services and village renewal in rural areas**	SO1: Generating a diverse and sustainable rural economy and support for entrepreneurial activities SO2. Realising the benefits from the high quality natural environment, culture and heritage	• No. of projects supported • No. of existing tourism activities supported • No. of new tourism activities supported • No. of additional visitors • No. of potential overnight stays • No. of jobs safeguarded • No. of jobs created • No. of businesses benefitting	• 10 • 8 • 5 • 250 • 100 • 2 • 10 • 12
Policy Priority 4: Support for Provision of Rural Services (5% of Budget)		**Indicative** Budget £78,350	
Measure 4: **Investments in physical assets** Measure 7**: Basic services and village renewal in rural areas**	SO3: Sustaining community facilities and services	• No. of projects supported • No. of businesses benefitting • No. of villages/communities benefitting • No. of population benefitting • No. of jobs created • No. of jobs safeguarded	• 3 • 40 • 3 • 1500 • 2 • 2
Policy Priority 5: Support for Cultural and Heritage Activity (5% of Budget)		**Indicative** Budget £78,350	
Measure 7**: Basic services and village renewal in rural areas**	SO2: Realising the benefits from the high quality natural environment,	• No. of projects supported • No. of businesses benefitting	• 3 • 10

Measure	HoW Strategic Objective (SO)	Outputs indicators	HoW Target
	culture and heritage SO3: Sustaining community facilities and services	• No. of jobs safeguarded • No. of jobs created	• 2 • 1
Policy Priority 6: Support for Increasing Forestry Productivity (10% of Budget)		**Indicative** Budget £156,701	
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**	SO1: Generating a diverse and sustainable rural economy and support for entrepreneurial activities SO2. Realising the benefits from the high quality natural environment, culture and heritage	• No. of projects supported • No. of businesses benefitting • No. of jobs safeguarded • No. of jobs created • No. of forests/woodlands/holdings benefitting	• 7 • 9 • 4 • 2 • 6

3.9   Sustainability Appraisal

A Sustainability Appraisal of the HoW LAG's proposed activities was carried out using Sustainability South West's Sustainability Principles see: www.sustnav.org.uk/sustainability-principles . The appraisal can be found on the HoW LAG website: www.heartofwessex.co.uk .

3.10 Proposed Cooperation Activity

Inter-Territorial Cooperation (ITC) activities will support the implementation of the LDS priorities and joint working will be developed with contiguous LEADER areas, including LAGs in Wiltshire, Devon, Somerset, Hampshire and Dorset. Joint projects will be encouraged and supported. For example, the LAG is exploring the potential for a joint tourism project along the A303 corridor and joint forestry initiatives. Locally the LAG is part of 2 networks, the Wiltshire LAGs Forum and the Heart of the South West LAGs Group. Meetings have taken place on a number of occasions to discuss key issues and opportunities; it is hoped that this will continue. The LAG will also work in cooperation with other partnerships and organisations, such as:
- NFU and Rural and Farming Networks
- Forestry Commission
- Destination Management Organisations (VisitWiltshire and Visit Somerset)
- Local Nature Partnerships (some LNP activities align very closely with the LEADER Policy Priorities and there could be scope for collaborative activity)
- Cranborne Chase AONB Partnership
- Swindon and Wiltshire Local Enterprise Partnership and the Heart of the South West Local Enterprise Partnership (See Section 3.5 for more information on the working relationship with the LEPs)

The LAG is also eager to develop Trans-National Cooperation project activity, for example around timber processing opportunities in Scandinavia, and/or grey squirrel control in north Italy.

4 Management and Administration

4.1 Accountable Body

Wiltshire Council (WC) has agreed to be the Accountable Body. WC has considerable experience in managing a range of public funds from the EU, central government and regional agencies. It has extensive experience and a strong track record in the successful management and delivery of LEADER funds, having previously acted as AB for a number of LAGs, including Sowing SEEDS in the previous programme period.

WC will undertake the financial role necessary to ensure compliance. In addition, WC has agreed to act as Accountable Body for Plain Action, Vale Action and North Wessex Downs LAGs, which will offer opportunities for streamlining and efficiencies to be made to this function. As a statutory body, WC will operate within their financial and legal guidelines and standing orders to guarantee that financial controls and arrangements are put in place to ensure that public funds are managed correctly, and that the LAG can meet its cash flow requirements.

4.2 Project Development and Assessment Procedures

The process for project development and approval is outlined below. However, it is subject to detail contained in the National Operating Manual, due in November.

The decision making process that will be adopted is outlined in the Flow Chart below. This process was utilised successfully in the previous programme, and as such has been proved to be a robust, fair and transparent approach to decision making. An independent pool of appraisers will be used to appraise project applications.

PROJECT EVALUATION AND APPROVAL
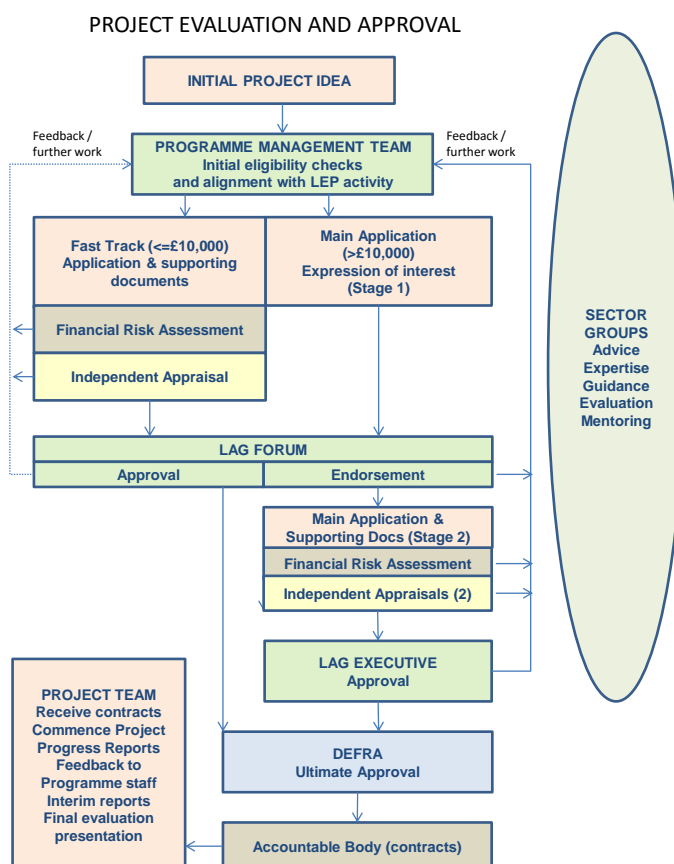
4.3 Claims and Payments

To ensure clear separation of duties the PMT will support the timely and accurate submission of project claims. Each claim will be forwarded to the AB to carry out final calculations and checks before submitting the claim to the RPA. Grant payments will be paid directly to the project beneficiary via the new CAP-D IT system and there will be no requirement for ABs to bank roll expenditure. This process is subject to detail contained in the National Operating Manual, due in November.

4.4 Communications and Publicity

The implementation of the Communication Strategy will ensure the appropriate message is delivered effectively to the target audience. The main objective of the strategy is to produce clear, concise and consistent messages which informs people about: the area covered by HoW LAG, how they can get involved with the programme and the decision making, what sort of projects that are eligible, how they can apply and where to get help to develop project ideas and navigate the claims process. There will be a number of methods employed to ensure this is successful, a summary is outlined in table 13. The strategy will be reviewed and updated each year in the Annual Delivery Plan.

Table 13 - Communication Methods

Target Audience	Method	Result
Wider Public	**Launch event** and **project development workshop sessions** to run early in the programme to ensure take up - Regular **feature articles** in media channels such as local papers, radio and TV, partner newsletters, social media, and HoW **website** - Extensive **advertising** in various local media channels (a budget has been allocated to this) - Attendance at **events**, such as Launch Event, attendance at local shows such as Cranborne Chase Woodfair, Royal Bath & West Show and Frome Show **Annual Open Day** – to showcase programme achievements	Communication of information to local people Increase of interest in the LAG and growing number of project applications
Young People	Targeted use of **social media**	Raise awareness of the LAG with young people
Rural Small and Micro Businesses	In additional to the methods listed above the following promotional activity will be employed: - Two initial **publications** will be produced. A smaller DL leaflet which invites people to put forward their ideas and a larger 8 page A4 publication which provides more detailed information. Posters will put up on community notice boards. An Annual Report and Achievements to date will also be produced **Partner organisations** will help to promote the programme thorough their communications channels **E-newsletters** – email will be a quick and effective way to communicate with people on the data base **Factsheets** – detailing how to apply for funding - Targeted use of **social media** such as twitter and facebook	Increase applications from rural businesses

The audience is diverse as we are trying to reach a number of different sectors including: business community, young people, farmers and foresters, those involved in tourism

activities, outdoor pursuits groups, culture and heritage groups and community groups. In addition to general information about the programme, it may be necessary to produce tailored communication packages for specific groups e.g. young people and other "hard to reach" groups. All communications will be produced appropriately to ensure that it is easy to read and understand.

5 Financial Plan

5.1 Expenditure for each year by measure

The Defra Financial Profile has been completed and has been submitted as a separate document with this LDS – Appendix 3.

5.2 Overall Funding Profile

Table 14 - Overall Funding Profile

	Financial Year							
	14/15	15/16	16/17	17/18	18/19	19/20	20/21	Total
RDPE Projects	0	282,064	313,404	344,744	282,064	219,383	125,362	**1,567,020**
RDPE M&A @ **18%**	14,333	57,330	57,330	57,330	57,330	57,330	42,998	**343,980**
RDPE Total	14,333	339,394	370,734	402,074	339,394	276,713	168,359	**1,911,000**
Additional funding to support M&A and Animation (TBC)								
Cash contributions to M&A	0	5,000	5,000	5,000	5,000	5,000	5,000	30,000
In kind contributions to M&A	1,500	10,000	10,000	10,000	10,000	10,000	7,500	59,000
Contributions Total	1,500	15,000	15,000	15,000	15,000	15,000	12,500	89,000
M&A TOTAL (inc RDPE)	15,833	72,330	72,330	72,330	72,330	72,330	55,498	432,980
Project match funding								
Public	0	10,000	25,000	35,000	45,000	45,000	25,000	185,000
Private	0	50,000	180,000	175,000	215,000	200,000	75,000	895,000
In-Kind	0	10,000	10,000	30,000	30,000	30,000	10,000	120,000
Match funding Total	0	70,000	215,000	240,000	290,000	275,000	110,000	1,200,000
PROJECT TOTAL (inc RDPE)	0	352,064	528,404	584,744	572,064	494,383	235,362	2,767,020
Grand Total	15,833	424,394	600,734	657,074	644,394	566,713	290,859	3,200,000

N.B. Additional funding and project match funding figures are indicative.
N.B. M&A has been projected as "flat spend", however this may change over the course of the programme.

5.3 Use of Grants, Procurement or Other Support

The HoW LAG will seek to secure financial contributions towards the running of the programme from partner organisations, however, these have not been yet confirmed. Local contributions from projects will be secured. The LAG expects the overall match funding to be in the order of £1.2m and this will be a mixture of private sector and other sources.

The Heart of Wessex LAG Local Development Strategy has been agreed by the following:

	Name	Signature	Date
LAG Chair	Michael Mounde		
Accountable Body	Alistair Cunningham		