

WESTERN SOMERSET LEADER 2020

LOCAL DEVELOPMENT STRATEGY 2015 - 2020

Supporting Economic Growth and Resilience in Western Somerset

Prepared by
Anne-Marie Spalding
Programme Manager
On behalf of the
Western Somerset LEADER Group



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The Western Somerset LEADER Local Development Strategy has been agreed by the following:

	Name	Signature	Date
LAG Chair	Peter Greig		
Accountable Body	Jamshid Ahmadi		

EXECUTIVE SUMMARY

The Western Somerset LEADER 2020 Local Development Strategy has been developed during the Transition Year, in conjunction with our local communities, to build and capitalise on the opportunities for growth resulting from the previous Local Action Programme.

The focus of the programme will be on economic growth and sustainability, protecting and enhancing our environment and building on our local distinctiveness.

CONTEXT

Evidence shows that the rural economy of Western Somerset is at huge risk from the **rising cost of living, a low wage structure, diminishing local services, an ageing population and the departure of young people from the area.** The Western Somerset area of Somerset is **sparsely populated, has poor transport links and in its most rural areas is reliant on fewer sectors than other parts of the South West. The towns and villages are relatively economically inactive with mainly inadequate links to the rural hinterland.**

Consequently, this strategy focuses on providing the opportunities and infrastructure for a sustainable economy and sustainable communities.

Several employment sectors are more strongly represented in the Western Somerset area than across Somerset or the LEP. In particular the **Agriculture, Forestry and Fishing** sector employs **5.2%** of the workforce locally compared to 2.5% at both County and LEP levels. **Accommodation and Food Services** have a strong presence employing **10.1%** of the workforce – an understandable pattern given the importance of Tourism to the area.

The Area

The Western Somerset LEADER area covers a unique, rugged and varied landscape – from the borders of Devon in Exmoor National Park, along a Jurassic coastline, across the Quantock Hills to one of the UK's largest, new wetland reserves on the Steart Peninsula. To the south of the area is the lively market town of Wiveliscombe, serving its surrounding parishes

This diverse area is home to the Exmoor pony (Britain's oldest native breed), the tallest Redwoods in England and the Whortleberry! It encompasses picturesque medieval villages and settlements, nationally important historic properties, a Butlins holiday village, in addition to the planned Hinkley Point C nuclear plant.

The Local Action Group

Western Somerset Local Action for Rural Communities was awarded £2.25m for the 2007-2013 programme and successfully delivered 105 projects across the area, supporting business and job creation, rural services and improvement/expansion of the tourism offer.

To maximise the impact of any future funding, discussions have taken place with local Stakeholders to identify priorities and potential activities that will support jobs and growth and complement other strands of activity and funding. The Western Somerset Local Action group brings 5 years of experience of LEADER delivery which can be utilised to effectively deliver a new programme. Furthermore, we have used this transition year to develop a strong pipeline of potential activities, ensuring that projects can be brought forward to synchronise with the start of the new programme in 2015.

1. The Local Action Group Partnership

1.1 Membership

The Western Somerset Local Action Group (LAG) was formed in 2007, from local stakeholders and agencies, to take forward a bid for LEADER funds under the Rural Development Programme for England (RDPE) 2007-2013. It was the first time that the area had received LEADER funding, providing an appreciated opportunity to support businesses, form valuable networks and engage communities in tackling local issues.

The LAG brings together a broad range of local interests, through a wide and inclusive membership, targeted engagement activities and a community led local development approach to its strategy, which embodies the principles of LEADER.

1.2 Structure and decision making process

The structure and decision making process has different levels of engagement and responsibility:

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.

Western Somerset Wider Local Action Group (LAG) includes members of the local community, agencies, businesses, volunteer sector and parish councils. They bring together a strong base of local knowledge and experience, covering a wide range of sectors. This group meets to discuss the progress of the programme and to highlight key local issues. This group is open to all. Working groups may be developed from this membership to focus on specific strands of work.

There are over 250 members on the Wider LAG who receive regular updates, details of consultations, meetings and project successes. The Wider LAG meets at least twice a year and can provide expertise on specific issues, if required.

Western Somerset Executive Committee - the Wider LAG is represented by an Executive Committee comprising 14-16 representatives from private, public and community sector groups. A Transition Executive Committee has been in place since April 2014 to form a robust Local Development Strategy (LDS) for the 2015-2020 period. The membership of this Committee is under review to reflect the new sectors and dimensions of the Local Development Strategy. The gender balance and members of specific target groups (eg the farming community) will also be reviewed on a regular basis. Members of this committee are recruited from the Local Action Group (LAG) and voted onto the committee. Where there is a specific gap, discussions will take place with stakeholders in the particular sector to identify suitable representation and involvement.

The Interim Executive Committee has a dynamic membership which currently covers interests in the following areas:

- | | |
|-------------------------------------|-------------------|
| • Climate change and sustainability | • Environment |
| • Business | • Farming |
| • Community | • Youth issues |
| • Voluntary Sector | • Woodland/Forest |
| • Community Transport | • Culture |
| • Public Sector | • Tourism |
| • Creative Industries | |

The new Executive Committee will be selected from members of the Wider LAG and the Chair and Deputy Chair will be voted in by this group. The Committee will include representatives from the three District Councils (Taunton Deane, Sedgemoor, West Somerset), Exmoor National Park, Quantocks AONB and the Accountable Body (Somerset County Council) to represent the public sector. Other members will be appointed from the public, private and voluntary sectors to ensure the correct balance of community led interests. Representation will reflect the geography of the area and its population profile. The Committee Members will be appointed for the life of the programme; should a member wish to stand down then a suitable replacement from that sector would be selected.

The Committee will meet every 8 weeks to consider projects appraisals and use their decision making privileges. All decisions will be recorded in notes of the meeting, listing any declarations of interest and ensuring the correct voting procedures.

Decisions made at meetings will be recorded with details of the organisation applying and project title, overall project cost and grant level/intervention rate. This will be signed off by the Chairman and then submitted to Defra for final sign off.

Local Action Group Appraisers - a group of independent representatives will undertake appraisals of the projects, on a voluntary basis, for the Executive. This function may sometimes be shared with other Local Action Groups. The Appraisers will make recommendations on all applications to the Executive together with conditions of offer, which may or may not be upheld.

Programme Staff - are responsible for the administration of the Programme on behalf of the Executive and the Wider LAG. The staff team are responsible for advising the LAG and the Executive Group on correct procedures and to ensure that these procedures are followed. The staff team are also responsible for preparing regular project and budget updates and the secretariat function for all meetings.

1.3 Local Action Group Staff

Staff will be appointed under the terms and conditions set by the Accountable Body using their HR Policy guidelines. The Programme Manager will be recruited to be in post ready for commencement of the programme on 1 January 2015, the Programme Officer will be appointed in the first quarter of 2015.

Programme Manager (Full Time)

(To be employed by the Accountable Body)

- The Programme Manager will have the appropriate competencies, skills and resources to generate and manage development processes on a local level. The postholder will also require excellent communication and organisational skills.
- The Programme Manager will also have experience in the administrative management of local projects, community development and financial management.
- The Programme Manager will encourage participation and help to develop ideas into projects eligible for funding. This will ensure that the projects developed and brought forward will have a greater impact and contribute to the area's economy in terms of growth and job creation.

Programme Officer (Part-time)

(To be employed by the Accountable Body and shared with Levels & Moors LAG to reduce the costs of the 'back office' function)

- To assist the Programme Manager, on a day to day basis, including regular contact with projects, the Executive Committee and the wider LAG and regular monitoring of projects to ensure compliance with the National Operating Manual.
- To process Project Claims, ensuring compliance and evidencing throughout.
- To prepare the Quarterly Programme Claim for submission to the RPA

- To assist in maintaining the Defra database to ensure that all projects, claims and outputs are input regularly and accurately. Assist the Programme Manager to ensure the financial profile is maintained in line with Defra agreed targets
- To assist with publicity and development of awareness of the programme.

Achieving Value for Money

The neighbouring Somerset Levels & Moors LAG is also in the process of creating a Local Development Strategy. As Somerset County Council has expressed willingness to be the Accountable Body for both aspirant Local Action Groups, it will be possible to realise economies of scale, as in the previous programme. Indeed, as we have shared resources effectively in the past, there is an agreement between the LAGs to share administrative support, publicity and promotion and other back office functions such as human resources, payroll, finance and legal services.

The staff structure has been designed to make effective use of the 18% M&A to deliver the programme.

1.4 Equal Opportunities Statement

The Western Somerset Local Action Group fully supports the principle of equal opportunities in employment and its working practices. In line with the Equality Act 2010, the LAG aims to encourage, value and manage diversity. It recognises that talent and potential are distributed across the population and that diversity adds value.

The LAG aims to remove any barriers, bias or discrimination that prevent individuals or groups from realising their potential and contributing fully to the Western Somerset LEADER Programme and to develop a culture that positively values diversity. Equal opportunities will be embedded across the Local Development Strategy.

At management and operational level, recruitment processes will have due regard to equal opportunities in the appointment of staff, attraction of LAG members, election of the Executive Committee and selection of appraisers.

Every effort will be made to provide information in an appropriate accessible format, on request, such as other languages and/or alternative media. All application processes will be fully accessible. The application materials will set out expectations in terms of equal opportunities including the need to demonstrate adherence to the policy across the whole programme. All applicants will be requested to demonstrate the ways in which they have considered and will respond to the equality needs of the area and beneficiaries.

1.5 Involvement of the Community and Consultation Activity Undertaken

A wider LAG meeting was held on 4 April 2014 to commence the consultation process on the new Western Somerset Local Development Strategy. The invitation to attend was issued to over 200 organisations, with over 55 attendees at the event held in Monksilver. In addition, an online questionnaire was mailed to over 250 members of the local community and was also publicised through local networks and the Western Somerset Local Action website.

Furthermore, one to one consultations on local priorities took place with key strategic partners - Exmoor National Park, Taunton Deane Borough Council, Sedgemoor District Council and West Somerset Council, Quantocks AONB and the following stakeholder groups:

Stakeholders/Consultees

Somerset Rural Youth Project	Exmoor Tourism Association
Job Centre Plus	Wiveliscombe Area Partnership

Somerset Wildlife Trust	Bridgwater College – Land Studies
National Trust (Tourism/Heritage)	Federation of Small Businesses
Community Council for Somerset	Minehead Development Trust (Voluntary)
Somerset Tourism Association	Steam Coast Trail (Toursim)
Crown Estates (Woodland/Farming)	Hestercombe Garden Trust (Business)
National Farmers Union (NFU)	Hinkley Tourism Action Partnership
Forestry Commission	Forum 21 (Renewable Energies)
West Somerset Railway (Tourism)	Centre for Sustainable Energy
South West Lakes Trust (Toursim)	Onion Collective (Creative Industries)
Connecting Devon & Somerset (Broadband)	Exmoor Hill Farm Project (Farming)
Dunster Deer Management Group	Local Enterprise Partnership
Natural England	Cricketer Farm (Food & Drink)
South West Farming and Wildlife Advisory Group (FWAG)	GAIN (Plymouth and South West Peninsula City Deal and Heart of the South West LEP Growth Hub)
Local Nature Partnership (Environment)	In the Mix (Youth)

The above groups were selected to represent public, private and voluntary sectors. They were able to offer economic, environmental and social perspectives with specific expertise on insights into the barriers and opportunities for growth in key sectors.

Desk based research was also undertaken using the strategies and evidence bases of stakeholder organisations such as local authorities, Exmoor National Park, the Local Enterprise Partnership, the Local Nature Partnership and third sector organisations, to determine existing agreed local priorities that fit within the LEADER priorities. This work, alongside the SWOT analysis which had the input of the wider LAG, was used to draw up the initial set of proposed outcomes for Western Somerset. These were then presented to the wider community for comment and endorsement.

Other Local Action Groups

Regular meetings have been held with the Heart of the South West Local Enterprise Partnership (HotSW LEP) and other Local Action Groups within the LEP area to ensure alignment to the LEP objectives and strategies and a collaborative approach to LEADER in the area.

1.6 Training Requirements

The Executive Committee - will be required to undertake training in project criteria and selection, as well as protocols such as Declarations of Interest, Equalities, Sustainability and State Aid issues. Whilst training will be ongoing, it will be particularly important at the start of the Programme to ensure that everyone has a strong grasp of the new priorities and procedures.

Staff - will need to be well versed on EU regulations associated with LEADER and eligibility criteria. 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.

Appraisers – will require training to ensure a consistent approach to the appraisal process. They will need to have a good understanding of LEADER eligibility informed by European regulation and Defra requirements. As in the previous programme, the LAG will build a 'bank' of appraisers with the necessary expertise to assist with this process. For example, the Forestry Commission has offered support with relevant applications.

Projects - Application, publicity and claims training for projects will be provided by the LAG staff to ensure compliance with the necessary Defra and European requirements. At the start of the programme a Wider LAG meeting will be held to inform the communities of the parameters of the programme and application process.

Ongoing Training – training requirements will be reviewed over the course of the programme and support will be adapted to respond to any identified changes or additional needs.

2. THE WESTERN SOMERSET LAG AREA

The Western Somerset area includes 80 parishes with one hub town – Minehead (population 11,981 – which represents 20% of the Western Somerset population). There are 5 parishes within the area which are split between rural and urban – these are Norton Fitzwarren, Staplegrove, West Monkton, Cheddon Fitzpaine (on the edge of Taunton) and Wembdon (on the edge of Bridgwater).

The area includes the whole administrative district of West Somerset, including Exmoor National Park (up to the County Boundary), Quantock Hills AONB, the market town of Wiveliscombe and its recognised hinterland of 10 parishes; the parishes that form the Sedgemoor Quantock Cluster and several parishes within the Taunton Deane area that were previously excluded.

The coherence of this geographical area is predominantly based on its high landscape quality coupled with the extreme issues and needs faced by a sparsely populated, deeply rural area that is economically under achieving.

2.1 RURAL POPULATION COVERED - PEOPLE

According to the 2011 Census, 59,887 people live in Western Somerset, 11.3% of Somerset's total population. The population of the area has increased by 1.9% since 2001, compared to 6.4% for Somerset as a whole. The Western Somerset area now encompasses 80 parishes, an increase of 5 on the previous LEADER programme. As the area is 'land locked' by other LAGs it has not been possible to expand further than this. The average population density of Western Somerset is only 0.6 people per hectare, compared with 1.5 for the county of Somerset.

There are 25,873 households in the Western Somerset area.

KEY FACTS

- Western Somerset is a largely rural area with a low population density (0.6 people per hectare).
- The area has an older age profile than Somerset County, with 56% of people aged 45 or over – more than a quarter are aged 54 or over.
- The area is less ethnically diverse than Somerset County
- 12.3% of Western Somerset residents provide unpaid care for another person.
- Western Somerset has a high proportion of households with no adult in employment (39.8%).
- 21% of Western Somerset residents have a health condition which limits their daily activities.

3. THE STRATEGY

3.1 SWOT ANALYSIS OF THE LOCAL AREA

A SWOT analysis was prepared following a desk review and consultation with local stakeholders as well as the wider Local Action Group (LAG). The local strengths, weaknesses, opportunities and threats were gathered through consideration of the local evidence base, one to one interviews, workshops, online questionnaires and also local drop-in sessions.

The following Western Somerset SWOT analysis identifies strengths, weaknesses, opportunities and threats against the key growth themes set out in the Heart of the South West LEP's Strategic Economic Plan – place, business and people. Some of the Western Somerset findings, although gathered from a local perspective, mirror the over-arching HotSW SWOT in the Strategic Economic Plan (see table below). LEADER funding will help to promote and address some of these areas at a local level, complementing the strategic work of the LEP.

Western Somerset SWOT Analysis

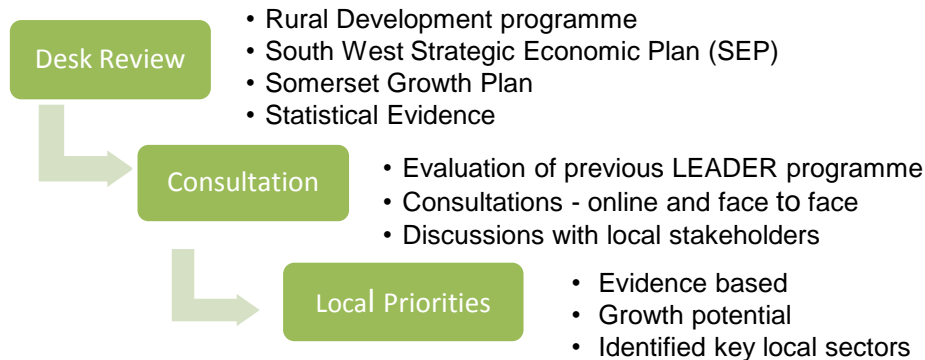
	Strengths	Weaknesses
Business	<ul style="list-style-type: none"> • Pilot area of Defra Rural Growth Network (HotSW LEP) • Hinkley Point Nuclear Build Construction and Supply Chains (HotSW LEP) • Higher percentage of employment in Agriculture, forestry and fishing than the rest of Somerset and the UK • Creative micro businesses • Employment opportunities through Tourism • Local food and drink • Different land management practices - food, timber etc 	<ul style="list-style-type: none"> • Low proportion of employment in growth sectors (HotSW LEP) • Rising and significant youth unemployment (HotSW LEP) • Insular and less likely to export (HotSW LEP) • Scale and size of farms • Poor return on agricultural produce • Over reliance on seasonal economy • Above average percentage of business 'deaths'
People	<ul style="list-style-type: none"> • Strong voluntary and community sector (HotSW LEP) • Vibrant self-employed community • Low overall unemployment • High level of qualified staff • Good partnership working • Creative communities • Exmoor National Park – tourists and community 	<ul style="list-style-type: none"> • Low wage economy leading to in-work poverty (HotSW LEP) • Low aspiration amongst young people • Fuel poverty • Cost of housing • Disparate communities • Rural isolation
Place	<ul style="list-style-type: none"> • Natural Environment to attract visitors and investment (HotSW LEP) • Over 12,000 hectares of woodland • Unique landscape – National Park and AONB • Rights of way network – walking, cycling and riding 	<ul style="list-style-type: none"> • Peripherality and impact on productivity (HotSW LEP) • Rural challenge of access to services, employment and education (HotSW LEP) • Areas of unmanaged woodland • Hinkley Point Nuclear Build – pressure on infrastructure

	<ul style="list-style-type: none"> • Priority wildlife habitats and species • Heritage properties/local history/West Somerset Railway • Jurassic coastline 	<ul style="list-style-type: none"> • Flooding • Limited number of renewable energy projects • Limited investment • Low value tourism
	Opportunities	Threats
Business	<ul style="list-style-type: none"> • Digital infrastructure to connect with markets (HotSW LEP) • Smart Specialisation (Agri-tech) (HotSW LEP) • Increasingly important timber and wood resources • Active Deer Management Groups – supply chain • Supply of local produce • Local branding • Sectoral work hubs, eg Food and Drink • New tourism offers 	<ul style="list-style-type: none"> • Rising Energy and Transport Costs(HotSW LEP) • Insufficient access to finance (HotSW LEP) • Business ‘deaths’ are higher than business ‘births’(HotSW LEP) • Only 10% of business in Western Somerset employ more than 10 people • Limited Mobile and Broadband access • Small size of local market • Loss of young people • Lack of rural investment • Insufficient Space and support for start-ups/homeworkers
People	<ul style="list-style-type: none"> • Partnership, collaborative working and social inclusion (HotSW LEP) • Harnessing skills, expertise and time of early retired • Encouragement of local working and networking • Good volunteering ethic – potential for young volunteers 	<ul style="list-style-type: none"> • Continued public sector cuts impact on social inclusion delivery (HotSW LEP) • Loss of young people/Ageing population creating skills shortages (HotSW LEP) • Few young people entering agricultural sector –not seen as a viable career.
Place	<ul style="list-style-type: none"> • Hinkley Point Nuclear Building (HotSW LEP) • Broadband roll-out (HotSW LEP) • Renewable energy (HotSW LEP) • Sustainable local resources • Proximity to urban settlements –access to day visitors • Jurassic and Triassic Coastline and ‘hidden gems’ • Active and Green Tourism 	<ul style="list-style-type: none"> • Pressure on key infrastructure resulting from Hinkley Nuclear Build (HotSW LEP) • Climate change (HotSW LEP) • Lack of skills in sustainable land management • Unmanaged woodlands • Flooding issues

Through the SWOT analysis and local consultation, the local LEADER priorities for Western Somerset were identified. These have been aligned to the LEP Priorities later in the document.

3.2 Local Priorities

The process followed to identify the key areas of opportunity for economic growth was:



As a result of this process the local priorities, aligned with LEADER policy priorities, for Western Somerset emerged as:

- Forestry and Farming
- Creative Industries
- Young People
- Natural Environment
- Food and Drink
- Tourism
- Heritage

There are also cross-cutting priorities of **Innovation**, **Business Support** and **Rural Services**.

WESTERN SOMERSET - PEOPLE

Key Facts – Employment and Skills

- 67.5% of Western Somerset residents aged 16-74 are economically active, a lower proportion than across Somerset County.
- Western Somerset has a higher level of self-employment (25.6%) than Somerset and the LEP area.
- The agriculture, forestry and fishing, and accommodation and food services sectors have a strong employment presence in Western Somerset.
- West Somerset has the highest level of homeworking nationally - 25.7% of workers compared to 14.6% across Somerset County and 17.1% in the South West.
- A high proportion of Western Somerset residents work in skilled trades (16.6%).
- Western Somerset has a high proportion of retired residents (20.9%).
- Unemployment in Western Somerset is low (2.6%) but of those out of work almost a third are aged 50-74.
- Western Somerset has a well-qualified workforce at its disposal, with 27.8% of people aged 16+ qualified to Level 4 and above.

Economic activity rates are low in the Western Somerset area compared to Somerset as a whole. In 2011, 67.5% of Western Somerset residents were engaged in some form of economic activity; 3.3% lower than Somerset County. This includes employed people, full-time students and also those classed as unemployed who are actively seeking work. Unemployment in Western Somerset is lower than the Somerset rate (2.6% compared to 3%).

The majority of people in employment in Western Somerset are in full-time work (50.8%) but this is lower than the Somerset and LEP proportions (56.8% and 55.8% respectively). Western Somerset has substantially higher levels of **self-employment (25.6%)** compared to the County and LEP averages. This indicates more entrepreneurial activity in the Western Somerset area and is often reflective of an area with numerous small businesses and sole traders. The percentage of Western Somerset residents working part-time is lower than the County and LEP levels, at 23.6%.

According to the Census, 1,104 people in Western Somerset were unemployed in 2011. Of these, 30.3% were aged 50 or over, a substantially higher proportion than across Somerset and the LEP area (23.3% and 22.4% respectively). At the other end of the age spectrum, 27.6% of Western Somerset's unemployed residents are aged 16-24, a lower proportion than the County and LEP levels. However, the unemployment rate for the 16-24 year old age group is more than double the overall unemployment rate for Western Somerset; 5.5% compared to 2.6%.

32.5% of Western Somerset residents are economically inactive, a slightly higher proportion than across Somerset as a whole (29.2%). The majority of economically inactive residents are retired (20.9%), which is consistent with the older population profile of the Western Somerset area.

In employment terms, the largest employment sector in Western Somerset is wholesale and retail and motor vehicle repair, which represents 15.8% of the workforce however this is a low concentration. The human health and social work and accommodation and food services sectors employ 13.8% and 10.1% of the Western Somerset population respectively.

The majority of long distance commuters (30km+) work in public administration, education and health. This proportion is highest in Western Somerset (36.6%) but is also substantial for the LEP area (35%) and Somerset as a whole (32.8%).

West Somerset has the highest percentage of homeworkers in Somerset at 25.7%. Currently access to broadband limits these companies in competing effectively in national and international markets, however improvements are emerging through the Connecting Devon and Somerset programme.

The **average earnings** are around **£23,500** (although the data for West Somerset is not available due to its small size), the national average is £27,017. In 2013 the **median house price** was **£175,000**, 7.2 times the median wage.

An estimated 21,521 households in Somerset are in fuel poverty according to latest (2012) estimates released by the Department for Energy and Climate Change. The proportion of fuel poor households in Western Somerset ranges from 8.7% in Sedgemoor to 11.6% of households in West Somerset. This offers the potential to capitalise on renewable energy opportunities and support mitigation of climate change.

Western Somerset has a well-qualified pool of labour at its disposal. 27.8% 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. Western Somerset also has a slightly lower proportion of residents with no qualifications at all; 21.9% compared to 22.4% for Somerset. This could indicate an opportunity for up-skilling sections of the population as an additional route to growth.

Young People/Harnessing Skills and Knowledge

The Western Somerset area has an older age profile than Somerset County, retention of young people is a major issue in the area. Department of Education figures for young people that are not in education, employment or training (**NEET**) aged 16-18 at 5% for Somerset. The unemployment rate in 16-24 year olds is high - there is a lack of aspiration within this age group, a dependence on seasonal employment and reduced opportunities of finding permanent employment.

The proposed Hinkley Point Nuclear build, has the potential to provide new job opportunities which could retain young people although the level and timescale is yet to be determined. However local construction companies are already reporting a shortage of skilled workers.

Business

Key Facts – Business and Productivity

- There are 2,020 businesses in Western Somerset, providing a total of 17,245 jobs.
- Compared to Somerset County, Western Somerset has a high concentration of businesses in the Agriculture, Forestry and Fishing, Electricity, Gas and Water, and Accommodation and Food Services Sectors, closely followed by Arts, Entertainment, Recreation & Other Services
- 81% of businesses in Western Somerset employ fewer than 5 people.
- Business start-ups and survival rates vary across the Western Somerset area but are lowest in West Somerset district. (45% at 4 years)
- Productivity is highest in West Somerset district and exceeds the level for Somerset County.
- There are 3.4 businesses per 100 population

Business Support and Innovation (Policy Priority – Support for Micro-Enterprises/Small Business and Farm Diversification)

Enterprise and entrepreneurship are valuable commodities for successful economies. This is particularly the case in challenging economic times. Not only do new businesses create employment for their founders, they also create jobs for others and generate beneficial economic multiplier effects. Western Somerset already displays above average levels of entrepreneurship. Social and leisure trends are also providing new opportunities including high value home working (such web design, digital media services and architectural design). Sustainable tourism is an area of further opportunity helping to generate future employment for local people.

This strength should be capitalised on, through provision of an appropriate infrastructure and opportunities for development and acquisition of entrepreneurial skills. Broadly, there is a need to ensure that there is a strong business support and mentoring offer in the district that caters for the needs of both prospective start-ups and newly formed enterprises. Training cannot be supported through LEADER funding but it is hoped that this will be brought forward through the LEP.

A further important action is to ensure effective engagement of existing businesses and provide support in respect of accessing new markets (such as those relating to the green economy) and funding streams. The small scale of many businesses in the district means that it is often not feasible for these firms to undertake exploratory research individually into potential new markets. Strategic leadership of groups of firms may be more appropriate to ensure that businesses are not excluded from potentially valuable market opportunities, such as the Hinkley Point Supply Chain.

The local evidence suggests that a Small Business Grants Programme will be important in the Western Somerset area - as businesses are mainly micro-enterprises, in general they tend to require seed funding to enable expansion. This will also address a gap in provision as the LEP are offering larger business grants which means this is an area where LEADER can add value and promote wider business growth.

Forestry (Policy Priority - Forestry)

The GVA for Somerset for Agriculture, Forestry and Fishing is higher than the national average at £232m GVA, which represents 2.7% total GVA.

The Somerset Local Nature Partnership has identified the area's extensive woodlands, though threatened by climate change, as an opportunity to achieve greater resilience against climate change. The appreciation of the contribution of woodland is vital and it has been identified that new ways to plant, manage and use woodlands is key to their sustainable future.

There are four main types of woodland found within the LAG area - Ash-hazel woodlands, western sessile oak woodlands, coniferous plantation and small farm woodlands. The sessile oak woodlands are designated a **Special Area of Conservation at European Level**, they are also protected as a **Site of Special Scientific Interest** making them a valuable resource. These ancient woodlands were coppiced for centuries prior to the 20th century for charcoal making and tanning.

Great Wood (on the Quantocks) was originally a Royal hunting forest. Oak trees were used for ship building in the 1800s. In the 1900s the Forestry Commission planted conifer trees to reduce our reliance on imports. One of the key aims is to promote the local use and local processing of this area's product, in construction, in furniture making and as wood fuel. These increased uses will create jobs and new businesses, as well as add value to a natural resource.

The forests and woodlands of Exmoor and the Quantocks also offer new opportunities for 'Active Tourism' which has not yet been fully developed. This would create a new tourism offer for both day and overnight stay visitors which in turn will create new jobs and businesses.

There are three active deer management groups within the area and discussions are underway around the potential opportunity to grow the market for venison by increasing the consistency of supply of local produce and create a branded product, whilst conserving and protecting this natural resource.

Farming (Policy Priority – Farming and Farm Diversification)

Exmoor and the Quantocks are both Upland areas. Our upland environment has been formed through centuries of people's interaction with nature. The uplands are a national asset, prized by people as places of inspiration and enjoyment, as well as a source of vital benefits such as food and clean water. They are a working landscape for farmers and others who derive a living from the land.

Natural England has set out their vision to 2060, 'Vital Uplands', which will set the direction for work across the uplands, nationally and locally. It will inform and shape delivery of agri-environment schemes.

Over the coming years, society will face important choices about how we best use and manage our uplands. In recent decades, upland land use, and associated policies and investment, has focused on food production from livestock and moorland management for game shooting. Modifying the management of the environment can help to deliver more of these services, and improve their quality as well.

The Exmoor Hill Farm Project (funded through RDPE) has been running since 2009 and has built strong relationships with the farming community which can be utilised to develop collaborative and innovative projects.

The Exmoor Hill Farm Project was set up as a direct result of an identified need for specific assistance to support livestock farming in the three South West upland areas of Bodmin Moor, Dartmoor and **Exmoor**. These areas rely on agriculture to contribute to and maintain their high

quality environment, but have been experiencing a range of challenges to the viability of their livestock businesses.

During the 1980s some farms in Western Somerset diversified to supplement the income due to poor market conditions. Consultations have suggested that many of those farming during that period have now retired and the farms have returned to core activities, however as market conditions are again challenging, diversification into tourism will be revisited to provide necessary additional income.

Food and Drink (Policy Priorities – Support Micro Enterprises and Tourism)

The promotion and use of local food produced in the area is a key driver for the local economy. The New Economics Foundation has estimated that every pound spent on local food can have a multiplier effect, making it worth £2.50 to the local economy. It is a vital resource and there is potential for growth of this sector.

Food is vital for our wellbeing, and we now understand more about the vast importance of the uplands for other critical services and benefits such as water supply and quality, soil carbon stores, and outdoor recreation and learning.

Supply Chains- There has been an increase in Western Somerset in farm diversification into new products, which in turn has led to a growth in farmers markets and availability of local produce. With a new focus on food miles and a growing consumer awareness of food production and sourcing, there is an opportunity for LEADER to support the development of this sector.

The Somerset Chamber of Commerce has been working with local companies to create a food and drink manufacturers group – Somerset Larder – focussing on the related and significant Hinkley Point supply chain opportunities. There is an opportunity to support Western Somerset food producers to become involved in this potential new market.

New Products - Potential new products are being identified in Western Somerset. One study is currently underway at Porlock to ascertain the viability of reintroducing the growth and harvesting of mussels and oysters. The project to date is demonstrating excellent results and if it becomes a commercial operation it will create new jobs and produce a valuable food product.

Exports - Links between Somerset producers and European counterparts have been established through the European Union funded, Fish & Chips Project (<http://www.projectfishandchips.eu/>). The business co-operation work developed through this project can be developed further through LEADER funding to encourage local producers to export to Europe.

Tourism – Business (Policy Priority)

The Tourism sector is a major part of the local economy in Western Somerset. It provides **29% of employment** and over **£75m of annual spend** in the area.

There is a significant opportunity for LEADER to assist in the further development of the tourism market in Western Somerset which would encourage growth, new business and job creation. Potential markets require further development both in terms of the offer and collaborative marketing, in particular:

- Providers have noted a shorter ‘window of opportunity’ for traditional family holidays, which also has an effect on the seasonal employment opportunities. There is a need to develop the shoulder season/ off peak offer and visitor audience. Visit Britain has reported that there has been an expenditure increase driven by short breaks (1-3 nights), up 7%, whilst longer holidays saw a decrease in spend. Projects are already in development around Active and Adventure tourism which LEADER could assist to bring to fruition.

- The Quantock Hills currently accommodates up to half a million visitors each year, but these are mainly people who live in sight of them. The Coleridge Way has now been extended to provide a 51 mile route from Nether Stowey in the Quantock Hills AONB to Lynmouth in Exmoor National Park, offering new visitor opportunities along its route which need to be collaboratively developed and supported.
- By increasing the number of day visitors from regional urban centres, the area would benefit from new business and revenue generation (the value of 3+ hour day visits in Great Britain has increased by 7% from March-May 2014 compared to the same period the year before).
- Domestic tourism or the 'staycation' is the main component of heritage-based tourism expenditure; of the annual £12.4billion spent, 60% comes from UK residents on day trips and UK holidays.
- The overseas visitor market is also largely untapped - Western Somerset currently attracts the lowest number of overseas visitor nights in Somerset, with a specific identified opportunity in self-catering accommodation.

The European Union funded COOL Tourism project is building firm foundations in terms of marketing in this area and it will be possible to help tourism providers to develop further through LEADER funding.

PLACE

Rural Services (Policy Priority)

The business community is quite fragmented geographically and have different levels of connectivity. 80% of our roads are categorised as C roads, or unclassified. Public transport is in decline and there is a heavy reliance on personal vehicles for travel. Community transport schemes service Minehead/Exmoor and Wiveliscombe/10 Parishes and there will be an opportunity to expand to assist access to new developing work opportunities.

The service centres in Western Somerset are Dunster, Minehead, Watchet, Williton and Wiveliscombe however there is still a heavy reliance on the urban conurbations of Taunton and Bridgwater for some areas of support and employment. There is scope through LEADER funding to support the expansion of rural services to help reduce rural isolation and exclusion.

The Connecting Devon & Somerset Programme is delivering the rollout of Superfast Broadband across the Somerset. LEADER funding could be used to support and encourage the opportunities that the increased access will offer, complementing the CDS programme.

Culture and Heritage (Policy Priority)

Creative Industries

Official published statistics reveal that the UK's creative industries are now worth £71.4 billion per year to the UK economy - Growth of almost 10% in 2012, outperforming all other sectors of UK industry

The creative industries sector is thriving in Somerset and is the County's fastest-growing sector, currently employing around **5,700** people (**2.6%** of the county's employment). The sector is characterised by single-site, owner-managed businesses, including web designers, artists, craftspeople, musicians, film-makers and more. In Western Somerset, The Creative Industries sector also has close links to Tourism.

Heritage

Western Somerset has a valuable social, built and rural landscape heritage, some of which is little known.

Heritage tourism is a £12.4bn a year industry in the UK. This is the annual amount spent not just at heritage attractions themselves (e.g. the cost of entrance) but also the broader amount of spending that can be reasonably said is 'motivated' by the desire to visit heritage attractions (e.g. visiting a restaurant or staying in accommodation).

The landscape of Exmoor tells the story of how people have lived in and enjoyed Exmoor over the last 8000 years. Burial mounds, standing stones, cliff top Roman forts, preserved medieval villages and incredible Victorian industrial engineering span the rugged landscape. The Quantocks is an area which encompasses a Jurassic coast and provides a distinct cultural heritage, given national protection as an AONB in 1956.

The work funded through the previous programme on the Coleridge Way and Coleridge Cottage, has helped to raise national recognition of these assets. New Heritage projects are in development and LEADER funding will offer the opportunity of support for these initiatives to capitalise on these tourism assets.

Stakeholders were of the opinion that little is known, regionally and nationally, about the rich cultural heritage of the area and that there is a need for collaborative working to ensure that the area's assets do not remain a secret. We believe that some of this work will be addressed by the LEP through an overall Tourism Strategy, but local cultural and heritage initiatives will be supported to complement this strategic work.

Environment (Policy Priorities – Farming, Forestry and Tourism)

ENVIRONMENTAL SUSTAINABILITY

The aim of the last Western Somerset LEADER Programme was the “to move towards a low carbon economy”. This was not simply an agenda driven by climate change, but recognition of the fact that the area is rich in natural assets that can be sensitively managed to bring added value to the local economy. The West Somerset Climate Change Strategy identified some of the local threats of climate change, including increased flooding and land use changes. These in turn threaten the integrity of the landscape, which provides so much economic and cultural capital for this part of Somerset. As the threats from climate change continue to increase and are a key issue for the economic growth of the area, especially for the agricultural community, environmental sustainability will be imbedded into the Local Development Strategy and the LAG's operations.

Western Somerset encompasses two areas of important upland landscape – Exmoor National Park and the Quantock Hills. Two thirds of Exmoor National Park is within Western Somerset, one third in North Devon.

The moorland, woodland, streams and farmland of Exmoor support a great diversity of wildlife, including herds of wild red deer, rich lichen communities, rare butterflies, bats and other species uncommon in southern Britain. Salmon still return from years at sea to travel up rivers, such as the Exe and Barle, to the same spawning grounds from where they hatched. Exmoor also encompasses a farmed landscape with locally distinctive breeds such as Exmoor Horn sheep; and herds of free living Exmoor ponies.

The Quantock Hills are an area of wilderness and tranquillity. From panoramic views across exposed heathland summits, deep wooded coombes, to a rocky Jurassic coastline. Physically the Quantocks offer great diversity, reflecting the relationship between the geology, slopes, and exposure of the area and the range of past and present human activities and influences.

The Western Somerset coast is a rich, under-utilised resource. By improving access to, and then marketing, parts of the coastal paths of Somerset, the area can be opened up to a new audience of tourists, nature lovers and local people. There is also a strong community benefit in bringing these resources forward both in terms of health and mental well-being. According to statistics, three quarters of adults in Somerset do not take enough exercise to benefit their health. Access to nature is a key component to addressing this.

Working with the Local Nature Partnership, and others, there is potential to ensure that the benefits of the natural environment are maximised, to increase the local economy for businesses and the overall tourism offer.

The creation of one of the UK’s largest new wetland reserve at Steart Peninsula offers a new opportunity for environmental tourism. Plus the new phase of the English Coast Path, which has just been announced by the Government, from Brean to Minehead will also offer opportunities for new visitors and tourism stays. LEADER funding will enable local businesses and collaborative initiatives to maximise and expand on these emerging business opportunities.

Parts of Somerset experienced some of the worst floods in the country, during the Winter of 2013/14 and whilst the effects in Western Somerset were not as dramatic as on the Somerset Levels, there were issues with flash floods creating localised problems and restricting access in the LAG area. Flood alleviation/ mitigation measures, especially in terms of upland management are highlighted in the **Somerset Flood Action Plan**. It is envisaged that some measures will be addressed through LEADER, working at a very local level. Exmoor National Park has already started consultation around this area of work and it is envisaged that projects will come forward from this and other studies. (<http://www.exmoor-nationalpark.gov.uk/about-us/?a=260857>)

3.3 PROGRAMMES OF ACTIVITY

Priority 1 – Support for Increasing Farm Productivity

(LEP aims - Maximising productivity and employment opportunities)

TOTAL BUDGET - £130,462 for Outcome 1.1 and 1.2

Western Somerset Outcome 1.1 - By 2020 the farming community of Western Somerset will be more efficient and sustainable

Possible actions

- Small scale renewable energy installations
- Introduction of new technologies (small scale)
- Development of collaborative working between businesses
- Resource sharing and Resource efficiency
- Innovative schemes to encourage young people into farming
- Use of redundant farm buildings

Measure	Local Outcomes
Measure 4: Investment in physical assets	<ul style="list-style-type: none"> • Increased use of innovative/new techniques • Increased and improved support to business performance with an emphasis on agri-food, tourism, manufacturing and micro-enterprise • A vibrant food and drink sector with increased use of local produce in Western Somerset. • Increased opportunities for Young People • A natural environment that is preserved and protected
Measure 6: Farm & business productivity	

Western Somerset Outcome 1.2

By 2020 communities in Western Somerset will be able to access a wide range of local produce (with direct links to farming) (LEP aim - Creating the Conditions for Growth and Maximise productivity and employment opportunities)

Possible Actions

- Initiatives to promote local food and drink
- Food tourism
- Supply chains and distribution of local food
- Marketing of local produce
- New and diversified products
- Maximise on high quality food production

Measure	Local Outcomes
Measure 4: Investment in physical assets Measure 6: Farm & business productivity	<ul style="list-style-type: none"> • Increased use of innovative/new techniques • Increased and improved support to businesses with an emphasis on agri-food, tourism, manufacturing and micro-enterprise • A vibrant food and drink sector with increased use of local produce in Western Somerset • Increased opportunities for Young People • A natural Environment that is preserved and protected • Increased tourism offer

Priority 2 – Micro and Small Enterprises and Farm Diversification
(LEP aims – To create the conditions for growth and Maximise productivity and employment opportunities)

TOTAL BUDGET - £391,386 – for Outcome 2.1 and 2.2

Western Somerset Outcome 2.1

Western Somerset will have a growing, more diverse local economy by 2020 – possible actions:

- Provision of work hubs and business support networks
- Promotion of creative industries
- Digital marketing and technology
- Added value to sustainable local resources, eg food, wood, wool
- Traditional skills development
- Bring redundant farm buildings into productive use

Measure	Local Outcomes
Measure 4: Investment in physical assets Measure 6: Farm & business productivity	<ul style="list-style-type: none"> • Increase use of innovative/new techniques • Increased and improved support to businesses with an emphasis on agriculture, tourism and micro-enterprise/small businesses • A vibrant food and drink sector with increased use of local produce in Western Somerset • Increased opportunities for Young People • A natural Environment that is preserved and protected • Increased Tourism offer

Western Somerset Outcome 2.2
Improved economic prospects and opportunities for young people and retention of knowledge and skills (LEP aims to Maximise Productivity and Employment Opportunities)

- Possible actions:
- Innovative schemes to attract and retain young people
 - Provision of work hubs and support services/networking
 - Encouragement of young entrepreneurs
 - Knowledge transfer
 - Activities which use and add value to local resources – eg wood, wool

Measure	Local Outcomes
Measure 4: Investment in physical assets Measure 6: Farm & business productivity	<ul style="list-style-type: none"> • Increased use of innovative/new techniques • Increased and improved support to business with emphasis on agriculture, tourism, and micro-enterprise/small businesses • A vibrant food and drink sector with increased use of local produce in Western Somerset • Increased opportunities for Young People • A natural Environment that is preserved and protected • Increased Tourism offer

Priority 3 – Support for Rural Tourism
 (LEP aims to capitalise on our Distinctive Assets and maximise productivity and employment opportunities)
Total Budget - £326,155

Western Somerset Outcome 3
 Western Somerset has a sustainable and diverse tourism offer

- Possible Actions
- Green Tourism/Active Tourism
 - Investment in green infrastructure
 - Local food and drink
 - Signage and interpretation
 - IT and e-booking systems plus other online opportunities

Measure	Local Outcomes
Measure 4: Investment in physical assets Measure 6: Farm & business productivity Measure 7: basic services & village renewal in rural areas	<ul style="list-style-type: none"> • Increased and improved support to businesses with an emphasis on agri-food, tourism and micro-enterprise/small business • Increased opportunities for Young People • A natural Environment that is preserved and protected • Increased Tourism offer • A vibrant food and drink sector with increased use of local produce in Western Somerset

Priority 4 – Provision of Rural Services
 (LEP aim – To Create the Conditions for Growth)
TOTAL BUDGET - £65,231

Western Somerset Outcome 4 – Improved Economic resilience and social inclusion with delivery of and access to key services

Possible actions:

- Village Shops or Pubs
- Creation of Work hubs and network support
- Community transport
- Investment in small scale, community owned renewable energies

Measure	Local Outcomes
Measure 4: Investment in physical assets	<ul style="list-style-type: none"> • Improved local provision of services to combat rural isolation and exclusion
Measure 7: basic services & village renewal in rural areas	<ul style="list-style-type: none"> • Increased opportunities for Young People

Priority 5 – Support for Cultural and Heritage Activities
 (LEP aims to Capitalise on our Distinctive Assets and Create the conditions for Growth)
TOTAL BUDGET - £195,693

Western Somerset Outcome 5

Possible Actions

- Enhancement, restoration or upgrading of cultural and natural heritage
- Conservation of small scale built heritage
- Support for events linked to the Cultural and Heritage offer
- Tourism initiatives linked to our Cultural and Heritage offer

Measure	Local Outcomes
Measure 7: basic services & village renewal in rural areas	<ul style="list-style-type: none"> • Our heritage and high quality landscape supports integrated tourism offers and adds value to the local economy. • Increased Tourism offer

Priority 6 – Support for increasing Forestry Productivity (LEP aims to Capitalise on our Distinctive Assets and Maximise Productivity and Employment Opportunities) TOTAL BUDGET - £195,693	
Western Somerset Outcome 6	
Possible Actions - New forestry technologies - Added value for forestry products - Woodland management – development of advisory services - Deer Management – storage, marketing - Wood fuel supply chains - Tourism trails	
Measure	Local Outcomes
Measure 4: Investment in physical assets Measure 6: Farm & business productivity Measure 8: Investments in forest areas development and improvement of the viability of forests	<ul style="list-style-type: none"> • Growth in the Green economy and reduced fuel poverty, through innovation and support for local supply chains • Increased and improved support to Businesses with an emphasis on agri-food, tourism, manufacturing and micro-enterprise • Increased Tourism offer • A vibrant food and drink sector with an increased use of local produce in Western Somerset

3.4 TARGETS RESULTS AND OUTPUTS

	Number of			Number of	
Policy Priority 1 Budget: £130,426 Support for increasing farm productivity	Projects supported	5	Policy Priority 4 Budget: £65,231 Provision of Rural Services	Projects supported	3
	Businesses supported	5		Businesses supported	3
	Jobs created	2		Villages/communities supported	3
	Jobs safeguarded	2		Population supported	600
	Individuals supported	5		Jobs created	2
Policy Priority 2 Budget: £391,386 Support for micro and small enterprises and farm diversification	New products trialled	5	Policy Priority 5 Budget: £195,693 Support for Culture and Heritage Activity	Projects supported	7
	Projects supported	30		Facilities benefitting	5
	Businesses supported	30		Jobs created	3.5
	Jobs safeguarded	5		Jobs safeguarded	1
	Jobs created	16		Population benefitting	1000
	Individuals benefitting	30			
Policy Priority 3 Budget: £326,155 Support for Rural Tourism	Projects supported	10	Policy Priority 6 Budget: £195,693 Support for increasing Forestry Productivity	Projects supported	9
	Existing Tourism activities supported	4		Forests/woodlands/holdings benefitting	9
	New tourism activities supported	6		Jobs safeguarded	1
	Jobs Created	10		Jobs created	2.5

Rationale for Policy Priority 2 Outputs - a notional allocation of £200k has been made for small Business Grants (Capital). As it is unlikely that a small capital investment will create a job, the Jobs Created figure is lower than the LEADER Outputs Submission Table would suggest is otherwise achievable. The LAG consider a Small Business Grants Programme to be important in the Western Somerset area as the businesses are mainly micro-enterprises which require more seed funding than significant investment. This will also address a gap in provision as the LEP are offering larger business grants which means this is an area where LEADER can add value and promote wider business growth. In the previous programme the average grant per business was around £9,000.

Across all priorities there will be a direct contribution to the rural economy – 70% direct/30% indirect – Priority 4 and Priority 5 are likely to produce some of the indirect outputs and have been allocated only 20% of the total project budget to deliver within these boundaries.

3.5 SUSTAINABILITY APPRAISAL

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

The proposed priorities and activities for the programme have been assessed using Sustainability South West's Sustainability Principles – green environments, reducing inequalities, cutting natural resource use, supporting low carbon economies, reducing high carbon travel, supporting local living, protecting our 'life support' systems, supporting inclusion, preparing for the future (eg climate change).

All projects assisted by the Programme will have to complete an Environmental Impact Assessment as part of the application process.

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.

3.6 PROPOSED CO-OPERATION ACTIVITY

Co-operation activity with other LEADER areas is a requirement of the Programme. It is anticipated that Western Somerset LEADER will look to stimulate interest in, and take up of, the main grants programme before engaging in a co-operation project. A working group will be developed to take this activity forward and it is envisaged that activity will take place around year 3 though this could be brought forward if appropriate. Initial ideas around proposed activity are:

- Possible continuation of existing links between food and drinks producers from Somerset and Belgium (following on from the Fish & Chips Programme)
- Youth Retention – linked to the Cairngorms LEADER Programme (if successful)
- Local cooperation between Heart of the South West Local Action Groups around increasing productivity in the forestry sector – particularly around creating short supply chains

Co-operation activity with the Torridge and North Devon LEADER Group will be undertaken on projects which span the whole of Exmoor National Park.

3.7 EVIDENCE OF ALIGNMENT WITH THE LEP ACTIVITY

Below, we set out how Western Somerset LEADER will contribute to County and LEP priorities for growth, complementing existing/planned investments, thereby maximising added-value and impact.

This recognises that a number of other EU and national funding initiatives will be operating in Western Somerset in the 2015–2020 period, most notably:

- The European Structural and Investment Funds (ESIF), encompassing European Rural Development Fund (ERDF), European Structural Fund (ESF) and European Agricultural Fund for Rural Development (EAFRD) monies;
- Growth Deals between Government and the HotSW LEP; and
- The wider Rural Development Programme for England (RDPE)

	Strategic Fit	Complementarity with other Funding Programmes
Forestry and Farming	<p><u>HotSW Strategic Economic Plan (SEP):</u></p> <ul style="list-style-type: none"> • aim to ‘capitalise on our distinctive assets’ notably the ‘business’ theme priority to support Smart Specialisation, including agri-tech • aim to ‘maximise productivity and employment opportunities’, particularly the ‘business’ theme priority to ‘reach new markets’ <p><u>Somerset Growth Plan:</u></p> <ul style="list-style-type: none"> • Vision that by 2020 Somerset will have ‘a global reputation in [...] food and drink (including agri-tech)’ and ‘increased value in food and drink processing, land, mineral and water management, tourism and logistic’ 	<p>The HotSW ESIF Strategy includes strategic EAFRD investment in innovation in the agricultural sciences sector, such as knowledge exchange, collaboration and commercialisation at HotSW level. In addition, the RDPE’s Farming and Forestry Productivity Scheme (FFPS) will support innovation, training and collaboration in these sectors.</p> <p>The Western Somerset LEADER programme will maintain a close dialogue with both Defra and the HotSW LEP as details of these planned interventions are finalised and, if necessary, will further specify its eligible activities to ensure complementarity. On the basis of current information, the Western Somerset LEADER programme can add-value by:</p> <ul style="list-style-type: none"> • supporting farming and forestry innovation proposals with specific local relevance and impact; • specifically supporting local business knowledge exchange and collaboration; • supporting local supply chain initiatives serving local markets. • allowing for forestry and farming sector initiatives outside of innovation, such as supporting young people into farming or renewable energy initiatives; and • allowing for community-level initiatives (i.e. not simply individual farmers, foresters and landowners). <p>N.B See also the environment priority below</p>
Food and drink	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> • aim to ‘create the conditions for growth’ through the ‘business’ theme priority to ‘create a favourable business environment’ 	<p>The HotSW will invest EAFRD, ERDF and Growth Deal monies in a central ‘Growth Hub’ and sector-blind business support provision. In addition, ERDF and EAFRD will be deployed to support development of supply chains and markets.</p> <p>The food and drink, creative industries and tourism priorities under the Western Somerset LEADER</p>

	Strategic Fit	Complementarity with other Funding Programmes
Creative Industries	<ul style="list-style-type: none"> aim to ‘maximise productivity and employment opportunities’, particularly the ‘business’ theme priority to ‘reach new markets’ <p><u>Somerset Growth Plan:</u></p> <ul style="list-style-type: none"> Vision that by 2020 Somerset will have ‘a global reputation in [...] food and drink (including agri-tech)’ and the supporting objective to ‘create a more dynamic and growth-focussed business population’ 	<p>Programme will add-value to this HotSW investment by:</p> <ul style="list-style-type: none"> specifically targeting and investing in local businesses in the food and drink, creative industries and tourism sectors; allowing for business support initiatives specifically tailored to the needs of these key sectors in Western Somerset; supporting local business collaboration (e.g. through co-operative models); and supporting local supply chain initiatives serving local markets. <p>Furthermore, the HotSW Growth Hub will be alerted to any such eventual sector support activity through the Western Somerset LEADER Programme, allowing for joined-up awareness-raising and business referrals where appropriate.</p>
Young People	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> aim to ‘create the conditions for growth’ through the ‘people’ theme priority to ‘create a responsive environment where businesses and individuals can reach their potential’ <p><u>Somerset Growth Plan:</u></p> <ul style="list-style-type: none"> Vision that by 2020 Somerset will have ‘an economy with sustained growth faster than the UK’ and ‘an aspirational workforce’ 	<p>Activity under this priority will strategically complement and add value to HotSW investment in the ‘people theme’ through ESF and the Growth Deal by promoting improved access to services and economic opportunities for young people. There is, however, no risk of duplication as LEADER cannot directly invest in skills initiatives.</p>
Tourism	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> aim to ‘capitalise on our distinctive assets’, notably the ‘place’ theme priority to ‘maximise our environmental assets’ aim to ‘maximise productivity and employment opportunities’ through the ‘business’ theme priority to ‘reach new markets’ <p><u>Somerset Growth Plan:</u></p> <ul style="list-style-type: none"> Vision that by 2020 	<p>In addition to the linkages already identified above, the HotSW’s ESIF Strategy includes EAFRD investment in rural tourism assets and infrastructure. This HotSW investment will support activities with a strategic benefit across a significant geography (larger than Western Somerset) and will not fund individual businesses.</p> <p>The Western Somerset LEADER 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 businesses where their proposals meet the Programme requirements; and allowing for tourism sector initiatives outside of assets and infrastructure (such as digital marketing and tools).

	Strategic Fit	Complementarity with other Funding Programmes
	Somerset will generate 'increased value in food and drink processing, land, mineral and water management, tourism and logistics' and the supporting objective to 'create a more dynamic and growth-focussed business population'	
Environment	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> aim to 'capitalise on our distinctive assets', notably the 'place' theme priority to 'maximise our environmental assets' aim to 'create the conditions for growth' Through the 'place' theme priority to support 'sustainable solutions for flood management' <p><u>Somerset Growth Plan:</u></p> <ul style="list-style-type: none"> Vision that by 2020 Somerset will generate 'increased value in food and drink processing, land, mineral and water management, tourism and logistics' and the supporting objective to 'create a more dynamic and growth-focussed business population' 	<p>As outlined in the tourism section above, the HotSW will invest EAFRD monies in rural tourism assets and infrastructure and this will include some support for cultural / environmental assets and products. Western Somerset LEADER interventions under the cultural and heritage and environmental priorities will complement and add-value to this HotSW investment in tourism by: Supporting proposals with strong local relevance and impact; funding individual businesses where their proposals meet the Programme requirements; and allowing for cultural, heritage and environment activities outside of tourism assets and infrastructure.</p> <p>In addition, the HotSW ESIF Strategy includes EAFRD investment in eco-system services for economic resilience (such as payment models and training/grants for farmers) and the wider RDPE will also support farmers, foresters and landowners to deliver eco-system services through the new Environmental Land Management Scheme. LEADER will add-value to this planned investment and through ongoing discussions with Defra and the LEP possible actions could be:</p> <ul style="list-style-type: none"> focussing on specific local opportunities to support flood alleviation / mitigation through upland management; and allowing for community-level initiatives (i.e. not individual farmers, foresters and landowners but a collaborative approach) <p>Finally, the HotSW will also invest EAFRD and ERDF in low carbon technologies. The Western Somerset LEADER Programme will complement this HotSW investment 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 links to the farming and forestry priority above) funding of small-scale community-owned renewable energy initiatives linked to the rural services priority below, eg investment in solar panels to benefit a community building. The FIT revenue may however prove preferable to a capital investment from LEADER.

	Strategic Fit	Complementarity with other Funding Programmes
Business Support (cross-cutting theme)	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> aim to 'create the conditions for growth' and the 'business' theme priority to 'create a favourable business environment' aim to 'maximise productivity and employment opportunities' notably the 'place' theme priority to improve 'enterprise infrastructure' and 'enterprise' theme priority to 'reach new markets' aim to 'capitalise on our distinctive assets' through the 'business' theme priority around Smart Specialisation (including Hinkley Point C and the nuclear sector) <p><u>Somerset Growth Plan</u></p> <ul style="list-style-type: none"> Vision that by 2020 Somerset will have 'an economy with sustained growth faster than the UK' and 'a global reputation in nuclear' as well as the supporting objectives to 'create a more dynamic and growth focussed business 'tackle infrastructure deficits' and maximise the opportunities from Hinkley Point C and its supply chain. 	<p>The HotSW ESIF Strategy includes ERDF investment in enterprise / incubation space and will support schemes of significant scale. The Western Somerset LEADER Programme will complement this HotSW investment by specifically addressing local rural business accommodation needs and focussing on small-scale flexible workspace ('work hubs'). This approach will build on activity through the Somerset Work Hubs Scheme (funded by the HotSW Rural Growth Network Pilot) and the lessons learnt through its evaluation.</p> <p>The HotSW will invest EAFRD, ERDF and Growth Deal monies in a central 'Growth Hub' and strategic business support provision, including business grants of over £10,000. In addition, ERDF and EAFRD will be deployed to support development of supply chains and markets. The Western Somerset LEADER Programme will add-value to this HotSW investment by:</p> <ul style="list-style-type: none"> allowing for local rural business support initiatives specifically tailored to the needs of Western Somerset; supporting local business collaboration; supporting local supply chain initiatives serving local markets; and operating a micro-enterprise small grant (> £10,000) scheme. <p>In addition, LEADER investment against this priority may include support for businesses to upgrade their ICT infrastructure and systems,(including through the small grant scheme). Projects will be brought forward by individual businesses based on evidence of need. This activity will complement and capitalise on Connecting Devon and Somerset, HotSW ESIF and Growth Deal investment in Superfast Broadband demand stimulation and training.</p> <p>The HotSW Growth Hub will be alerted to any such eventual business support activity through the Western Somerset LEADER Programme, allowing for joined-up awareness-raising and business referrals where appropriate.</p>
Rural Services (cross-cutting theme)	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> Aim to 'create the conditions for growth', notably the 'place' theme priorities around 'transport and accessibility' and 'energy infrastructure' and the 'people' theme priority to 	<p>There is no specific proposed HotSW LEP investment in rural community services. Equally, the Western Somerset LEADER Programme will not invest in broadband / mobile infrastructure, recognising both that this is not readily deliverable within LEADER resources and that the Connecting Devon and Somerset Programme (including its extension) is supporting further roll-out in the HotSW. As such, there is no risk of duplication across funding programmes.</p>

	Strategic Fit	Complementarity with other Funding Programmes
	<p>support ‘accessibility to education / employment (including transport)’.</p> <p><u>Somerset Growth Plan</u></p> <ul style="list-style-type: none"> • Vision that by 2020 Somerset will have ‘an economy with sustained growth faster than the UK’ and supporting objectives to ‘tackle infrastructure deficits’ and to ‘create a more dynamic and growth focussed business population’ 	<p>Activity under this priority will, however, strategically complement and add value to HotSW investment in:</p> <ul style="list-style-type: none"> • Strategic transport schemes through the Growth Deal by supporting community transport solutions; • Digital / mobile infrastructure and skills support through ESIF and the Growth Deal, utilising this improved connectivity and know-how to drive and support innovative rural services; and • Employment and skills support through ESF and the Growth Deal by promoting improved rural access to services and economic opportunities thereby supporting local people to reach their potential. • N.B See also comments in relation to community renewable energy projects under the environment priority above.
Innovation (cross-cutting theme)	<p><u>HotSW SEP:</u></p> <ul style="list-style-type: none"> • aim to ‘capitalise on our distinctive assets’ notably the ‘business’ theme priorities to ‘support innovation through Smart Specialisation, including agri-tech’ and to ‘build capacity for innovation’ • aim to ‘maximise productivity and employment opportunities’, particularly the ‘business’ theme priority to ‘reach new markets’ <p><u>Somerset Growth Plan:</u></p> <ul style="list-style-type: none"> • Vision that by 2020 Somerset will have ‘a global reputation in [...] food and drink (including agri-tech)’ and ‘increased value in food and drink processing, land, mineral and water management, tourism and logistic’ 	<p>In line with the Smart Specialisation agenda, the HotSW LEP will focus its innovation expenditure in Somerset on the County’s identified areas of key competitive advantage, namely nuclear, aerospace and agricultural sciences.</p> <p>The Western Somerset LEADER Programme will add value to this investment by:</p> <ul style="list-style-type: none"> • avoiding any duplication of support for the agricultural sciences sector as set out under the ‘farming and forestry’ section above; • allowing for local and small-scale initiatives to support increased innovation in wider rural priority business sectors for Western Somerset (such as tourism and creative industries); and • encouraging innovative approaches to addressing the opportunities and threats identified across our LDS.
HOTSW LAGS		Discussions will take place with other LAGs within the HOTSW where there is potential to work together to maximise added-value and impact of investment, eg

	Strategic Fit	Complementarity with other Funding Programmes
		<p>wood fuel supply chains</p> <p>In addition, processes will be reviewed, where possible, to simplify the application to more than one LAG – this will be particularly pertinent to projects on Exmoor.</p>

4. MANAGEMENT AND ADMINISTRATION

4.1 Accountable Body

Somerset County Council has confirmed, through its formal decision-making procedures, its willingness to act as the accountable body for the 2014-2020 Western Somerset LEADER programme and its ability to deliver these functions within an 18% threshold of total programme size.

Somerset County Council has the proven administrative and financial management experience, capacity and capability to deliver LEADER, having successfully acted as the accountable body for the 2007-2013 Western Somerset and Somerset Levels and Moors LEADER Programmes. These accountable body services were delivered within 15% of the total programme size, demonstrating that the threshold for the new programme is achievable for the Authority.

The Authority also has significant experience of effectively managing wider EU and public funds, e.g. through the EU-funded Cool Tourism, Inspiring Open Innovation Team and Fish and Chips projects. In all instances, external auditors have found Somerset County Council's administration and financial management of external funds to be in line with statutory requirements.

Somerset County Council has produced a schedule of activities and responsibility to ensure separation of duties and sufficient process to avoid conflicts of interest.

4.2 Project development and assessment procedures

Assessment procedures will be carried out in accordance with the National Operating Manual and any steps listed below may be altered to reflect the requirements of the Manual.

Projects that are submitted for funding are evaluated against social, economic and environmental sustainability criteria. Projects must demonstrate the benefit to the local economy (70% direct/30% indirect). Projects will also be checked for any State Aid Issues.

Expression of Interest

The Main Grant programme will require applicants to complete an Expression of Interest (EOI). This will be checked by the Programme Manager to ensure eligibility against the mandatory criteria. It is envisaged that the Capital Small Business Grants (up to £10k) will have a simplified application process

The Expression of Interest will then be taken to an Executive Committee Meeting for discussion and selection/rejection.

The decision will be discussed with the applicant highlighting any concerns, queries or relevant suggestions. If approved at the EOI stage, the applicant will be asked to complete a Full Application.

Full Application

The applicant will complete a Full Application Form and submit to the Programme Manager, together with any additional information required, eg Business Plan, Equal Opportunities Policy, etc. The Programme Manager will ensure that all the relevant information has been received and check for any State Aid issues. The Application will then be allocated to an appraiser who will assess the project against the set appraisal criteria.

Project Appraisal

All project appraisal processes will be consistent, open and transparent. The main principles that will apply to projects coming forward for LEADER funding are as follows:

- The purpose of the appraisal is to provide a rigorous and thorough assessment of a project.
- It will provide a cost benefit based assessment of whether a proposal is feasible and worthwhile (better than the alternatives), what the impact is likely to be and identifies the beneficiaries of the project.
- The appraisal will determine the contribution to the local economy direct and/or indirect.
- It should clearly communicate its conclusions and recommendations.
- All projects will be properly appraised in accordance with the programme's guidance and the results of that appraisal recorded.
- The appraisal will address all the project components listed in the project selection criteria. The extent and depth of analysis will be proportionate to the scale, complexity and risk of the project.

All projects applications will be subject to external appraisal including applications to the Small Grants fund. Appraisers are likely to come from a pool of volunteers and technical appraisers. All appraisers will receive programme training. The Accountable Body and Local Action Group will adhere to any further guidance issued by Defra.

Contract

If a project is approved at Full Application, it will be recorded in the minutes of the meeting, together with amount approved and intervention rate. The approval form will be signed by the Chair and a Defra representative.

Once final sign off has been received, the Accountable Body will issue an offer letter to contract with the Project Holder for the project delivery. This will detail milestones, project outputs and spend profile as per the Project Application together with any other relevant information, eg conditions of offer, etc.

Project selection criteria - mandatory criteria

- 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', duplicate or align better with LEP activities.
- Match funding cannot come from other European funds
- Projects cannot be funded to directly provide training and/or skills
- Any Planning Permissions should be in place before approval of a project

Criteria for prioritising eligible projects

- Strategic fit
- Closeness of fit with objectives
- Outcome contribution
- Project quality
- Value for money
- Deliverability
- Innovation
- Exit strategy
- Business Plan
- Public support
- Value added
- Environmental sustainability
- Match funding
- Contribution to the rural economy

4.3 Claims & Payments

Claims and Payments will align with the procedures set out in the National Operating Manual. Project claims will be paid quarterly in arrears, subject to receipt of satisfactory evidence of payment and defrayal within the given claim period.

The Programme's Quarterly claims to the RPA will be checked and signed off by a suitable qualified and authorised Finance Officer. Post Payment Supervisory Checks will be carried out on two projects for each claim.

All project details from Expression of Interest to Contract issue will be entered into the ROD database. Claims will also be entered into the ROD database as they are processed, together with details of any penalties, or detailed reason as to why a penalty has not been applied. Once the CAP D system comes online then the new system will be maintained as appropriate.

Monitoring and Evaluation

Monitoring reports will be produced for the Executive Committee to report on project spend and progress. This will help to focus on any areas for concern or priorities where projects are not being developed, to enable further work with partners and project development to ensure the effective delivery of the programme.

Projects will submit a quarterly progress report with their financial claims. This will detail progress towards achievement of outputs and milestones. The project will receive an annual monitoring visit or after their final claim, if sooner. Capital equipment, project files and any other relevant items and procedures will be checked for compliance. Training will be provided to ensure that project holders are aware of the LEADER processes.

4.4 Communications and Publicity

A clear communications strategy will be developed to ensure regular, clear and concise messages to encourage people to get involved, bring projects forward and celebrate successes.

Leaflets targeted towards the priority sectors will be produced and will be distributed through partner organisations, workshops, launch events, etc.

Other communication media to be used will include:

- Social media – including Twitter and Facebook – disseminate good practice and inform projects of deadlines, etc.
- Regular newsletters
- Regular press releases to local media
- Dedicated workshops to promote the programme to existing networks
- Website – the website will be overhauled and updated. Regular updates will be undertaken and links formed from/to partner websites– Members area used for papers for meetings to cut down on paper

- Posters will be produced for parish notice boards and other community spaces
- Appropriate logos will be used on all publications, in line with European and Defra guidance.

Projects

- 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.
- Case studies will be produced on an ongoing basis to inform and inspire others coming forward.

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 Western Somerset. This will include agencies such as the Local Authorities and Parish Councils, NFU, Forestry Commission, Wildlife Trust, Somerset Business Agency, Chambers of Commerce and the Community Council for Somerset amongst others.

Programme Launch

The transition year has been used to gather a strong pipeline of projects to ensure an early start to the programme.

A wider LAG event is planned for late 2014 to bring projects forward ready for application in early 2015. The aim will be to set up some exemplar projects which will help to raise the profile of the programme, disseminate good practice and encourage project ideas

The programme will officially launch in January 2015 when a series of community/business drop in information events will be held to encourage more projects to come forward and to start planning of others. Specific sectors and groups will have focus workshops to help develop individual and/or collaborative projects (eg Exmoor Farmers, Tourism networks, Business networks, etc)

Appendix 1
The Expenditure Profile

The indicative spend for Western Somerset provided by Defra is £1.591m

Policy Priority	Financial Year							Total programme
	2014/2015 Jan-Mar	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
Support for increasing farm productivity		20,000.00	35,000.00	40,000.00	20,000.00	10,000.00	5,462.00	£130,462
Support for micro and small enterprises and farm diversification		75,000.00	100,000.00	120,000.00	75,000.00	16,386.00	5,000.00	£391,386
Support for rural tourism		65,000.00	100,000.00	75,000.00	50,000.00	20,000.00	16,155.00	£326,155
Provision of rural services		15,000.00	20,000.00	20,000.00	5,000.00	5,231.00	0.00	£65,231
Support for cultural and heritage activity		45,000.00	65,000.00	50,000.00	25,000.00	5,693.00	5,000.00	£195,693
Support for increasing forestry productivity		35,000.00	55,000.00	60,000.00	30,000.00	10,000.00	5,693.00	195,693
Running Costs and Animation	11,460	45,820	45,820	45,820	45,820	45,820	45,820	£86,380
GRAND TOTAL	11,460.00	300,820.00	420,820.00	410,820.00	250,820.00	113,130.00	83,130.00	1,591,000

NB No project spend has been allocated for 2014/15 (Jan-Mar) as the Accountable Body will be unable to contract with projects until January 2015 at the earliest. The Executive Committee will meet early in 2015 to take project decisions however this will be dependent on when the application forms are available.

We are not expecting financial contributions from our Local Authority partners towards core management costs, although it is envisaged that they will support individual project activity. Based on our previous programme and discussions in the transition phase, we are confident that many of our partners will be able to offer in-kind contributions to the Programme in terms of officer support. We also expect many of our other stakeholders to offer us in-kind support in respect of specific areas of expertise and knowledge.

The LAG expects match funding to be in the order of £1.1m from public and private sources. There will be a Full commitment of funds by 2017.