



Northern Lincolnshire LEADER Programme 2014-2020 Local Development Strategy



**Creating a sustainable and prosperous future for rural
Northern Lincolnshire**



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Foreword

The Local Development Strategy for Northern Lincolnshire seeks to build upon the success of the previous programme and provides a strategy for economic growth across rural Northern Lincolnshire. It has been developed with extensive community and stakeholder engagement and as such, it is fully reflective of the needs of our local rural communities and focuses on key economic activities which will support sustainable economic development throughout the programme period and beyond.

Working together, the Local Action Group (LAG) and North Lincolnshire Council, as the Accountable Body, are confident that they have the knowledge, skills and expertise to deliver a successful and efficient LEADER Programme which will form an important part of the funding and investment opportunities available across the area. Both the Humber LEP and the Greater Lincolnshire LEP are fully supportive of the Northern Lincolnshire Strategy and recognise the role of the LEADER programme in the delivery of their key priorities.

We look forward to commencing delivery in 2015.



Paula Grant.
Chair, Northern Lincolnshire Local Action Group



Councillor Liz Redfern
Leader, North Lincolnshire Council

Section 1: The Local Action Group Partnership

1.1. Local Action Group Membership

Reflecting the success of the previous Northern Lincolnshire LEADER Programme, but also recognising the new structure and focus of the LEADER Programme from 2015, the membership of the Northern Lincolnshire Local Action Group (LAG) retains the knowledge and experience of existing members whilst including new members who represent, or will represent after recruitment, important new sectors such as economic development, business support and forestry. In doing so, the LAG is fully representative of all sectors of the local community and is able to benefit from key areas of expertise in order to properly fulfil its main objective to manage and set the strategic direction of the Northern Lincolnshire LEADER Programme.

The table below illustrates the current Northern Lincolnshire LAG Membership by organisation and sector. This represents a sector split of Public 33.3%, Private 33.3% and Community 33.3% and a gender balance of 47:53 female to male ratio with some named representatives still to be confirmed.

Organisation	Sector Representing	Number of Representatives
Voluntary Action North East Lincolnshire	Community	1
Voluntary Action North Lincolnshire	Community	1
National Farmers Union	Private	1
North Lincolnshire Council	Public	3
North East Lincolnshire Council	Public	2
Greater Lincolnshire LEP	Private	1
Humber LEP	Private	1
University of Hull	Public	1
Humber Nature Partnership	Public	1
Community Representatives	Community	5
Local Business Representatives	Private	3
Federation of Small Businesses	Private	1

Table 1: LAG Membership

Throughout the development of the Local Development Strategy (LDS), Local Enterprise Partnership (LEP) officers have been acting as advisory members of the Northern Lincolnshire LAG. Going forward, it is expected that the Lincolnshire Forum for Agriculture and Horticulture, specialist advisors to the Local Sub-Committee on rural development funding, will be the link between Greater Lincolnshire Growth Programme funds and LEADER funding. The Forum is keen to have representation from the LAG to attend relevant meetings, also attended by Defra, to ensure funding streams are integrated and co-ordinated effectively. The Chair of the Forum (or a nominated representative), who is also a Greater Lincolnshire LEP (GLLEP) board member, will have an open invitation to attend LAG meetings. The LAG representative can help identify where it might be appropriate for Forum members to be involved in specific LAG meetings but they will not be full members or endorse local schemes. The Forum will then be able to provide a full overview of how funds are being managed to the GLLEPs Local Sub-Committee.

A request for the nomination of a permanent Humber LEP representative has been submitted to the Board for consideration on the 5th September 2014.

For the existing LAG, the strong focus on economic growth and job creation within the new Programme represents an exciting opportunity, but also provides some challenges. As a result of this, the LAG recognises the need to grow and develop new skills, and is actively recruiting new members who will help to achieve this. Discussions are already underway with a number of key organisations able to provide this specialist support. Potential new LAG members in this regard include:

- Business support specialists
- Local rural business owners
- Local woodland owners and woodland management specialists
- Rural network and support organisations

In order to ensure that the necessary balance of sector/special interest representation on the LAG is maintained, membership will be reviewed on an annual basis at the AGM and also following any resignation/restructuring of LAG membership. If required, new members will be proposed and elected onto the LAG by LAG members. If an individual/organisation requests representation at the LAG outside of these processes, an assessment will be made regarding the need and appropriateness of this potential representation and also its impact on the membership balance. In those instances where this assessment is positive, election by the LAG will take place as above.

1.2. Structure and Decision Making Process

LAG Structure - As outlined above, the LAG Board will oversee the strategic delivery of the LDS and will be responsible for overseeing the management of the programme both in terms of finance and performance. The LAG has adopted formal Terms of Reference that demonstrate how it will operate in a non-discriminatory and transparent manner. These set out functions and operational procedures including electing new members, quorum for decision making and project selection. LAG meetings will take place quarterly, with additional meetings as required and will be timed to ensure that as many members as possible are able to attend. A Chair and Vice-Chair will be elected by the LAG on an annual basis at the AGM. As part of the LAGs drive for transparency and inclusiveness, the AGM will provide the opportunity for public scrutiny of the LAG, its governance and management processes and its performance. The following functions will be performed at the AGM:

- Election of officers (Chair and Vice-Chair)
- Review of LAG membership and election of new members
- Review of Decision Making Panel membership and election of new members
- Presentation of Annual Report
- Presentation of Annual Finance Report

In order to manage and deliver activity related to specific priorities or themes, LAG Steering Groups will be set up where it is deemed necessary. These Steering Groups might be responsible for the delivery of a specific project, or for a programme of activity which looks at more specific strategic issues such as the LAGs relationship with LEP structures and the CLLD process. They will report to the LAG Board on a quarterly basis but will have the autonomy to make decisions and take action where necessary and appropriate. Membership of these Steering Groups will be taken from the LAG but may invite other representatives to attend in an advisory capacity where necessary.

Decision Panel - A Decision Making Panel (DMP) will meet separately on a quarterly basis, prior to the LAG, to consider and take all decisions relating to project grant applications and will report these decisions to the LAG Board for ratification and endorsement. Membership of the DMP will be elected by the LAG via a democratic process and membership will be reviewed on an annual basis to ensure the necessary sector and geographical representation. DMP members will be elected on the basis of their knowledge, skills and experience to ensure that the group is able to competently consider project applications across the range of LEADER priorities. Provision will be made for decisions to be taken through written procedures in instances where an urgent decision is required or if a scheduled meeting is unable to go ahead for any reason.

Both LAG and DMP meetings will follow a formal agenda to ensure that all meetings are conducted consistently and that all decisions are properly recorded. Declarations of Interest will be a standard agenda item for both meetings and members who declare an interest on a specific item will not be allowed to vote on that particular issue to avoid any conflict of interest.

Figure 1 below illustrates the full LAG partnership structure and its relationship to the Accountable Body, North Lincolnshire Council.

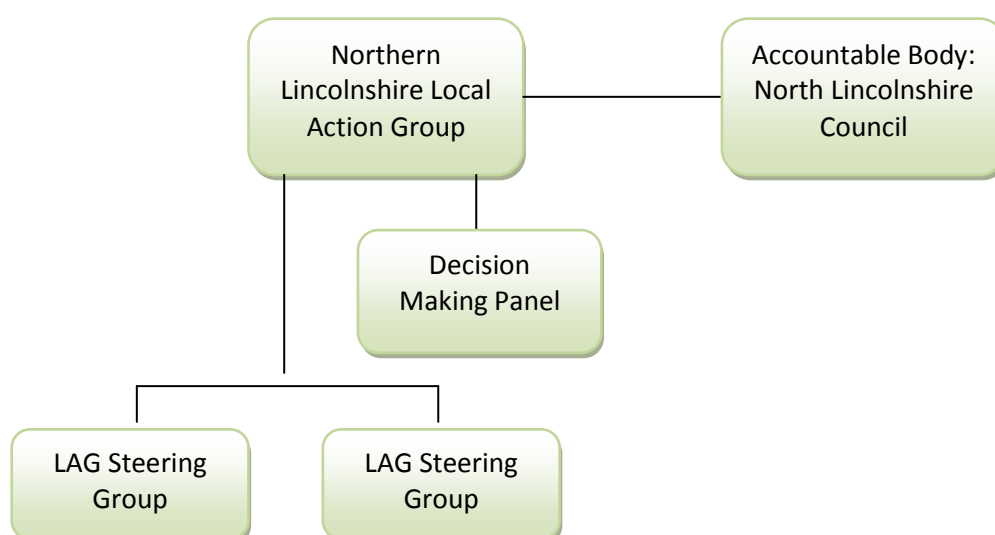


Fig 1: Partnership Structure

1.3. Local Action Group Staff

The proposed structure for delivering the RDPE LEADER Programme in Northern Lincolnshire makes provision for both a **LAG Coordinator** and a part-time **LAG Support Officer**.

The LAG Coordinator's role will be split between five key areas of activity.

- To facilitate and support the LAG in its strategic decision making including providing the secretariat for the group
- To develop and manage the LEADER Programme ensuring compliance with regulatory and audit requirements, and delivery against budget and outputs
- To liaise with Defra, the LAG, Accountable Body and other stakeholders regarding all aspects of the LEADER Programme
- To undertake project assessment and contracting procedures and manage the delivery of LAG procured projects

- To produce management information and reports for Defra, the LAG, the Accountable Body and other partners when required

The LAG Support Officer will have three areas of work

- To undertake project monitoring and evaluation
- To provide administrative and financial support for the Programme including processing project claims and making claims to the RPA on behalf of the accountable body
- To oversee the delivery of the Marketing and Communications Plan for the Northern Lincolnshire LEADER Programme

Both officers will have the capacity to undertake project animation and appraisal activity in order to maintain transparency and impartiality in the decision making process.

Full job descriptions for both positions are available on request. A report will be submitted to North Lincolnshire Council's Cabinet Team to seek approval for the establishment of these posts, when the outcome of this submission is known.

Both the LAG Coordinator and LAG Support Officer will be employed by North Lincolnshire Council, but on the understanding that they will undertake duties on behalf of the LAG partnership. Both posts will be required to travel throughout the LAG geographical area and be a visible and accessible resource to projects across all Northern Lincolnshire rural communities. North Lincolnshire Council will provide accommodation, consumables and line management for the posts as well as finance and audit support to ensure the necessary separation of duties is achieved. This additional support will be provided as an in-kind contribution and no financial reimbursement will be taken from the M&A budget to undertake this activity.

1.4. Equal Opportunities

The LAG has agreed to operate and abide by North Lincolnshire Council's Diversity Policy, which ensures compliance with the public sector equality duty. The policy outlines the principle that all people are valued and respected regardless of personal difference and sets out a Code of Conduct in relation to this and a mechanism for dealing with diversity complaints. The LAG will implement equal opportunities across all of its activities.

The Diversity Policy will be included in the LAG Member Induction Pack and the LAG Coordinator will ensure that each member understands the policy and how it applies to all areas of LAG business, including: marketing and communications, meetings and events, general LAG business and LEADER project funding. Any breach of the policy, or complaint relating to equal opportunities will be investigated by the Council in accordance with the diversity complaints procedure and the results will be provided to the LAG Co-ordinator and LAG Chair for consideration.

1.5. Community and Stakeholder Consultation and Involvement

The Northern Lincolnshire LAG is committed to developing a LEADER Programme that meets the needs of the local community and is transparent and bottom-up in its delivery. As such, the Northern Lincolnshire Local Development Strategy has been developed with extensive community and stakeholder engagement to ensure wider ownership and endorsement. Due to the nature of the LEADER Programme 2014-2020 and the range of priorities being considered, it was decided to move away from holding large consultation events and undertake more targeted consultation activity, better able to capture the range of diverse views and interests being presented. This has been undertaken through:

- An online survey available through the Northern Lincolnshire LAG website
- Direct correspondence with businesses and organisations to encourage participation in the consultation process
- The publication of press releases and articles in local community press and on websites
- Individual stakeholder and agency consultation
- Joint agency consultation in conjunction with the Greater Lincolnshire LAGs in order to avoid duplication of activity and ensure a consistent approach. This enabled coordinated consultation with 16 key strategic stakeholders.

Once the findings from this initial consultation had been collated and used to create a draft set of local priorities under the 6 key national themes, a final workshop event was organised to consolidate the findings and ensure that the identified local priorities fully addressed the issues of Northern Lincolnshire's Rural Communities. The following individuals and organisations were involved in the development of the Local Development Strategy:

- | | |
|---------------------------------------|-------------------------------------------------------------|
| • LAG Members | • Lincolnshire Forum for Agriculture and Horticulture |
| • North Lincolnshire Council | • Parish Councils |
| • North East Lincolnshire Council | • Previous project applicants |
| • Humber LEP | • Voluntary Action North East Lincolnshire |
| • Greater Lincolnshire LEP | • Voluntary Action North Lincolnshire |
| • Bishop Burton College | • Humber Nature Partnership |
| • North Lincolnshire Business Network | • Greater Lincolnshire Local Nature Partnership |
| • Federation of Small Businesses | • Natural England |
| • E-Factor business support | • Lincolnshire Wildlife Trust |
| • NFU | • Lincolnshire Heritage Trust |
| • Woldmarsh Farmers Network | • Neighbouring LAGs |
| • Forestry Commission | • Isle of Axholme and Landscape Chase Landscape Partnership |
| • Environment Agency | |
| • Lincolnshire County Council | |
| • The University of Hull | |

A number of these organisations have submitted letters of support for the Northern Lincolnshire LAG and the priorities identified within this Local Development Strategy. Community involvement will continue into the implementation and delivery of the LDS. The LAG Coordinator will be a highly visible and accessible resource to the rural communities of Northern Lincolnshire and details of how to get in touch with the LEADER Team will be widely publicised through the marketing and communications activity undertaken throughout the Programme. The Local Development Strategy will be shared with members of the community on request, and once approved, will be available for download on the Northern Lincolnshire LAG website, together with all other relevant information, documents and publications.

In addition, a number of stakeholder strategies and action plans have been used throughout the development of the LDS in order to provide a robust evidence base and ensure alignment with wider priorities. These strategies include:

- Humber LEP Strategic Economic Plan (SEP) and EU Structural Investment Fund (ESIF) Strategy
- GLLEP Strategic Economic Plan (SEP) and EU Structural Investment Fund (ESIF) Strategy
- Greater Lincolnshire Destination Management Plan
- Rural Strategy for Yorkshire and the Humber
- Forestry Commission Roots to Prosperity

Section 3 below illustrates how the Northern Lincolnshire LDS complements these, and other economic interventions in the area

1.6. Training Requirements

A skills assessment was undertaken with existing and potential LAG members to identify the skills and experience required to deliver a successful LEADER Programme across the range of national priorities. Members identified the following skills and experience as being either missing, or in need of development within the current LAG membership:

- Business planning, particularly in relation to being able to assess robust business plans and highlight any areas of concern in business funding applications
- Wider EU structural fund opportunities and EU funding compliance requirements e.g. state aid
- Full and in depth knowledge of LEP structures and governance mechanisms and how these will impact on the work of the LAG and the implementation of LEADER
- Knowledge of external agencies that exist across the range of sectors and how these can complement the LAG in terms of LEADER, and wider rural development delivery in Northern Lincolnshire.
- Engagement methods, especially in terms of the farming and forestry sector and micro enterprises. There is an understanding that these types of businesses are often hard to engage in funding programmes such as LEADER and further knowledge on how best to achieve this would be useful

A full training programme will be developed to ensure that relevant training is provided to existing and new LAG Members throughout the funding period.

Section 2: The Local Action Group Area

2.1. Map of the area

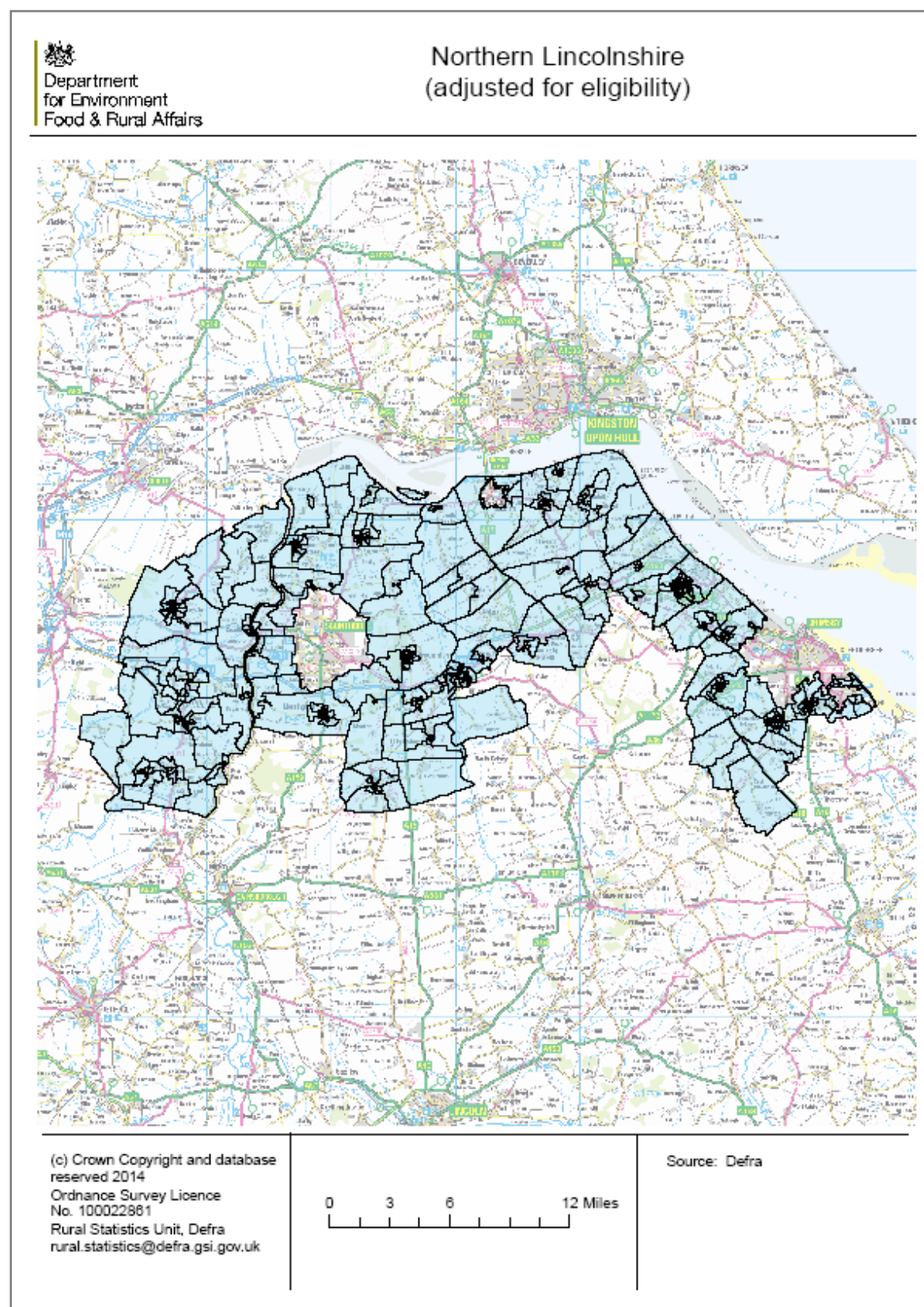


Fig 2: Map of LAG AREA

2.2. Geographic Area and Population

2.2.1. Overview of Area

The Northern Lincolnshire LAG area straddles the two Local Authorities of North and North East Lincolnshire Councils, and coverage includes all of the rural communities in both areas. The area stretches from the banks of the river Humber in the North down to the Lincolnshire Wolds in the south, and from the Isle of Axholme in the West, to the North Sea in the East. The Hub Town of Immingham acts as an important service centre for the surrounding rural hinterland and supports residents and businesses alike. The population of the LAG area is 119,479¹.

2.2.2. Local distinctiveness

Northern Lincolnshire has some unique characteristics, in terms of both the natural and cultural environment, which provide an excellent platform on which to deliver a successful LEADER Programme. The Humber Estuary provides an important habitat for a variety of wildlife and plays a key role in the area's economy. The Estuary is internationally recognised as a nature reserve and is designated a RAMSAR site, a special conversation area and contains a significant number of national and local nature reserves and Sites of Special Scientific Interest (SSSIs). The Wolds ward in North East Lincolnshire contains part of the Lincolnshire Wolds, designated as an Area of Outstanding Natural Beauty (AONB) due to its distinctive character and natural beauty.

The area is also rich in rural heritage and traditions. The Isle of Axholme for example was formerly marsh-land that was drained by Cornelius Vermuyden, an Engineer, who came over from Holland in 1626. The Isle today is still reliant on numerous pumping stations to maintain the water levels and is also home to many traditions that have survived for hundreds of years. One such tradition, attracting international interest, is the ancient game of the Haxey Hood. The Haxey Hood originates from the 14th Century, when the local landowners wife, Lady De Mowbray, lost her hood whilst riding on her horse between Westwoodside and Haxey. Other history and traditions belonging to the uniqueness of the area include the Pilgrim Fathers, who set sail from Immingham 400 years ago to travel to Holland to flee imprisonment. The local farming and country practices of the area need to be recorded to ensure the cultural and heritage history of Northern Lincolnshire is conserved and promoted for the benefit of residents and businesses alike.

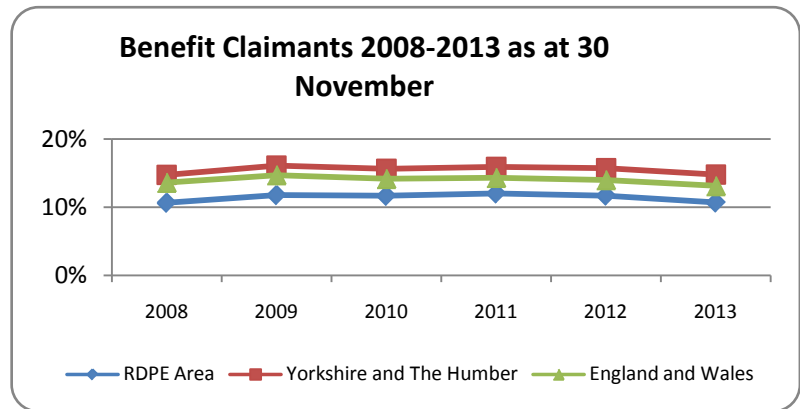
2.2.3. Key Characteristics

The LEADER LAG area has the following socio-economic characteristics:

- The area has a growing older population when compared to regional and national figures with 20.1% of the population being over 65yrs compared to 16.6% and 16.4% for Yorkshire and the Humber and England and Wales respectively.
- 97.7% of the population in the LAG area is White British, a much higher proportion than regional and national figures which stand at 85.8% and 80.5%.
- Skills levels across the area are comparable with those across Yorkshire and the Humber and figures demonstrate a marked improvement for Northern Lincolnshire between 2001 and 2011 with fewer people with no qualifications and an improving number of people with level 4 qualifications and above.

¹ As per Defra information 27.08.14

- Gross weekly earnings vary across the area with North Lincolnshire having above average earnings for the region while North East Lincolnshire has slightly below average earnings. Together with this, the figure on the right illustrates that the lower than average number of benefit claimants across the LAG area seems to indicate low levels of deprivation although pockets of high unemployment and social exclusion do exist, particularly in some of our larger towns and villages.



- Regional and national Location Quotient information shows that the Northern Lincolnshire LAG area has proportionally more people employed in the Transportation and Storage, Construction, Oil and Gas and Mining and Quarrying sectors than across Yorkshire and Humber and England and Wales. Conversely, it also illustrates that jobs in Finance and ICT are fewer in proportion than in those same geographies. This perhaps contributes to the loss of Northern Lincolnshire's graduates who often leave the area to find employment in these sectors in other areas of the country.
- Access to a range of service across the LAG area is generally quite high, although again, some areas, particularly in North Lincolnshire, do suffer relative levels of isolation particularly in relation to access to employment opportunities.

Section 3: The Strategy

3.1. SWOT analysis of the Northern Lincolnshire LEADER area

Strengths

- Rural Northern Lincolnshire benefits from good external transport links having connectivity to strategic road/rail networks, an international airport and the largest trading Estuary in the UK by tonnage. This enables rural businesses to have easy access to markets both at home and abroad.
- The area is home to often little known natural and built heritage 'hidden-gems' on which to develop a thriving tourist industry. Northern Lincolnshire has outstanding natural resources including high value nature sites of national importance, marine and wildlife habitats and areas of special designation including several SSSIs and part of the Lincolnshire Wolds.
- There are good farming networks, such as the Lincolnshire Farm for Agriculture and Horticulture, supporting a well integrated farming community and successful farm diversification initiatives of national recognition such as the Pink Pig Farm Shop in North Lincolnshire. The area also has some of the best and most productive farmland in the UK as part of the Greater Lincolnshire sub-region.
- The food sector is a particular strength of the local rural economy with established and successful farm shops and networks.
- Good business networks exist in the area and businesses are able to benefit from support and advice right across the LAG area. The North Lincolnshire Business Network for example attracts over 50 businesses to its monthly meeting and businesses in both areas can benefit from targeted business support activity.
- The area is part of two LEPs and is well placed to benefit from investments planned in both LEP regions.
- Rural Northern Lincolnshire in particular is able to benefit from the strength of the 'Lincolnshire' Brand especially in relation to farming and tourism where networks are shared across Greater Lincolnshire.
- The Northern Lincolnshire LAG has a proven track record of successful LEADER delivery and continues to have an excellent relationship with the Accountable Body, North Lincolnshire Council.

Weaknesses

- There are pockets of high social exclusion and unemployment in some of the larger towns and villages in the LEADER LAG area.
- The area's economy is predominantly based on lower to mid skilled employment and offers few opportunities for professional, scientific or technical business based careers. This means that graduates leave the area to find employment in these sectors and often do not return.
- There are inconsistent levels of broadband infrastructure across rural Northern Lincolnshire and although the area will benefit from BDUK and ERDF funding to roll out superfast broadband to rural communities, some areas will remain poorly connected. Although this is not something that LEADER can impact on directly, it is an issue which much be considered when trying to support Micro and Small Enterprise (MSE) development across the area.
- In tourism terms, the 'Northern Lincolnshire' brand is perhaps not strong enough and is often lost in the regional and sub-regional context. There is a need to develop this 'brand' through investment in tourism and collaborative marketing projects.
- The area, particularly North Lincolnshire, also lacks a range of quality tourist accommodation to support a thriving tourism industry.
- Local rural transport connectivity between local communities within Northern Lincolnshire is seen to be poor, restricting access to employment opportunities as a result. This is particularly challenging in rural areas with high levels of unemployment and deprivation.

- The commercial forestry sector within Northern Lincolnshire is very small and as such, specialist local knowledge and experience is limited.
- There is a shortage of affordable housing in rural Northern Lincolnshire. The 2009 Rural Housing Needs survey highlighted the need for over 400 new homes per year in North Lincolnshire.

Opportunities

- There are opportunities for rural businesses and land owners to benefit from the area's investment in renewable energy through the development of biomass/biofuels and the diversification of products from conservation management and complementing farm diversification, including the development of community energy initiatives. This offers the potential for new business and employment opportunities.
- The investment in key sectors by the LEPs provides opportunities for small businesses to benefit through local supply chain improvements. For example, smaller rural businesses might be able to operate 'downstream' from major activity and investment in the renewable sector as part of the product and service supply chain.
- By working in conjunction with the LEPs, and other initiatives in the area which aim to support local micro and small businesses, including farmers, LEADER has the potential to provide investment and other opportunities which can fill the gaps in this support and hence further develop productivity.
- A number of new partnerships are currently in development, which look to maximise the potential of some of Northern Lincolnshire's most valued natural heritage. These partnerships are supported by key national agencies and organisations and there is the opportunity for LEADER funding to add value to these initiatives and complement existing investment supporting communities, businesses and individuals. For example the Isle of Axholme and Hatfield Chase Landscape Partnership which is part of the wider Humberhead Levels Partnership being managed by Natural England.
- The potential benefits of Hull's designation as UK City of Culture 2017 should not be underestimated and rural Northern Lincolnshire must ensure it has the resources to benefit from the opportunities afforded.
- There is scope to develop social enterprises to address market failures in the provision of public services in key settlements.
- The Northern Lincolnshire LEADER Programme has the opportunity to develop and promote sustainability, both financial and environmental, within the rural community and economy through its incorporation of sustainable development principles throughout the programme.

Threats

- The impacts of climate change, in particular flooding, can, and have been, extremely damaging to Northern Lincolnshire's rural communities causing widespread displacement and business disruption.
- An ageing population will put pressures on services, especially in rural areas where the cost of delivering these is increased
- The voluntary and community sector is facing continued financial pressures with funding cuts and declining resources. As such, there may be fewer organisations able to undertake the project animation and support roles as has occurred in the past
- Some sectors of the rural economy, particularly farming, are facing issues of an ageing workforce and an inability to attract young people into the profession
- Perhaps as a result of poor broadband provision, some rural enterprises are slow to take up new ICT developments which could help grow their business. This is true of some smaller tourist accommodation providers who could benefit from e-booking systems but are reluctant to engage with new developments.

3.2. LEADER Priorities and proposed local activity

Priority 1: Support for increasing farm productivity

Evidence and strategic alignment

The farming and forestry sector is an important part of the economy of Northern Lincolnshire, forming part of the Greater Lincolnshire LEP area which plays a pivotal role in relation to the food security of the UK, growing more than one-eighth of the nation's food. According to the Greater Lincolnshire LEP Strategic Economic Plan (SEP), the sub-region has 25% of England's Grade 1 agricultural land and is the nation's biggest arable and horticulture producer. The agri-food sector is seen by the LEP as one of the area's three defining and strongest sectors that offer the most competitive advantage and as such, provides strong justification for LEADER investment in the sector. The Humber LEP also identifies the food sector as a key driver of economic success with 12,500 employees across the region and a GVA of £738 million. The Humber LEP's Strategic Economic Plan (SEP) identifies a number of areas towards which LEADER activity could contribute including local supply chain support, business support in the sector and capital investment in new technologies to support skills development programmes available in this area. This would enable LEADER to integrate with existing schemes and programmes of activity to provide an innovative programme of support to the farming community in the area.

Across Northern Lincolnshire, the Agriculture, Forestry and Fishing sector employs 1600 people and supports 560 businesses (ONS)². Throughout the Northern Lincolnshire LEADER consultation process, the food sector has been consistently highlighted as a key strength of the Northern Lincolnshire economy and one which provides numerous opportunities not only for farming, but also for small businesses and the Tourism Industry (see Priority 2 below). For example, the area boasts an award winning Farmers' Market which is nationally recognised as one of the best in the country and LEADER investment could enable more farmers to benefit from this local success.

Some local challenges have been identified however, such as an ageing workforce in the sector and a lack of young people with the relevant skills looking to move into agriculture. This is perhaps, in part, responsible for the reported decline in the local agricultural industry between 2007 and 2010 according to Defra's annual review of the sector³. During this time, the total farmed area fell by 9% with particular declines reported in Fruit and Vegetable farming (-30%) and Livestock farming, specifically cattle (-30%) and sheep (-33%). By contrast however, arable farmland increased during this period by 23%. Total labour in the sector also fell by 3%.

The area has also suffered from severe weather events, particularly flooding, in recent years and farmland has often been some of the worst affected. As a result of this, the Northern Lincolnshire LEADER Programme will look to address issues relating to climate change where it is able and there is an opportunity to deliver projects which address resource management within the farming sector which can improve productivity and provide efficiency savings for farmers through the promotion of resource conservation and energy efficiency measures

Local priorities and programme of activity

Local Priorities: To stimulate growth and increase productivity in the farming sector, particularly agri-food, and to support the sustainability of the sector through support for succession planning schemes of activity. To enable better resource management within the sector for environmental and financial benefit.

² North Lincolnshire and North East Lincolnshire data observatories

³ Defra, 2014. Structure of the agricultural industry in England and the UK. Available at <https://www.gov.uk/government/statistical-data-sets/structure-of-the-agricultural-industry-in-england-and-the-uk-at-june>

Northern Lincolnshire Programme of Activity	
FP1	Supporting local farmers to take advantage of the area's successful food sector including raising awareness of the available opportunities, and extending routes to market
FP2	Support schemes which address succession planning in the sector aiding sustainability issues as highlighted above
FP3	Support projects which will enable farmers to benefit from new technologies in order to increase productivity. This priority will complement the skills agenda within the sector skills agenda being driven by the LEP
FP4	Support the creation of networks or 'grower groups' to help smaller farmers market products more effectively
FP5	Support diversification into high value crops and local produce
FP6	Support projects which focus on resource management in the farming sector where this will enhance productivity. Such projects could provide efficiency savings for farmers and contribute to local environmental sustainability

Priority 2: Support for micro and small enterprises and farm diversification

Evidence and strategic alignment

There are nearly 3500 micro and small enterprises in rural Northern Lincolnshire and they make up a higher proportion of all businesses here (82%) compared to the rural areas of both Yorkshire and the Humber (75%) and England as whole (77%). In North Lincolnshire specifically, rural areas support more micro and small enterprises than the urban areas of the Local Authority⁴. Across all businesses, businesses survival rates in rural Northern Lincolnshire appear to be in line with those experienced both regionally and nationally, and these businesses represent all sectors. Manufacturing businesses play an important part in the economy of rural North East Lincolnshire in particular making up 10% of all businesses compared to only 5% in North Lincolnshire and 6% across both Yorkshire and the Humber and England as a whole⁵. As a consequence, supporting micro and small enterprises will be a key priority for LEADER in Northern Lincolnshire where investment will complement that of the LEPs to support enterprise stimulation and job creation across all sectors of the economy.

Both the Humber and the Greater Lincolnshire LEPs outline comprehensive support packages for Small and Medium sized Enterprise (SME) support in both their SEPs and European Structural and Investment Fund (ESIF) strategies and as such, the LAG has identified a number of areas where LEADER activity can align with, but also provide added value to these strategies. LEP investment in SMEs has the potential to benefit a large number of businesses in Northern Lincolnshire but perhaps will not target the micro enterprises vital to many parts of the rural economy, especially those outside of the priority sectors of the LEPs. These very small businesses and business start-ups have the potential to bring innovation and creativity to the economy and it is vital that they are given the opportunity to thrive. By targeting and supporting these micro enterprises, LEADER could be an important part of the business support package available across Northern Lincolnshire. Service and retail businesses in particular could benefit from LEADER investment. Deemed ineligible by some other funding streams, they are essential components of the rural economy as they provide the services and facilities which are vital to the sustainability of communities across Northern Lincolnshire. It is also important however that LEADER investment in this area complements the LEP focus on certain sectors, and other available funding packages such as Regional Growth Fund (RGF), and may have a part to play in ensuring that small rural businesses

⁴ <https://www.gov.uk/government/statistical-data-sets/rural-statistics-local-level-data-sets>

⁵ <https://www.gov.uk/government/statistical-data-sets/rural-statistics-local-level-data-sets>

are able to benefit from the opportunities afforded by the huge level of investment planned for the renewable sector, or infrastructure for example.

In addition, and building upon the strength of the food sector as described above, Northern Lincolnshire boasts a number of successful agri-food diversification enterprises, such as the Pink Pig Farm and Pipers Crisps, which create jobs and investment for the local rural community. LEADER investment in small and micro enterprises will seek to build on this success and support to farm diversification activity which creates new businesses and jobs.

Local priorities and programme of activity

Local Priorities: To complement existing and planned business support packages and stimulate the growth and development of micro and small enterprises across existing and emerging sectors. To build upon successful local farm diversification projects, and encourage the development of new enterprises.

Northern Lincolnshire Programme of Activity	
MSE1	Support for the creation and development of micro and small enterprises in order to foster innovation and creativity in the rural economy
MSE2	Enable rural micro and small enterprise to benefit from opportunities afforded by LEP investment in developing the sub-regional economy.
MSE3	Supporting micro and small enterprises which support the continued sustainability of Northern Lincolnshire's rural communities
MSE4	Support the creation of new and diversified farming activity to create new successful enterprises

Priority 3: Support for Rural Tourism

Evidence and strategic alignment

Local consultation results suggest that investing in the local tourism industry offers perhaps one of the greatest opportunities to secure economic growth and development for our rural communities. This is echoed on a regional level by both the Greater Lincolnshire LEP and the Humber LEP which both recognise the visitor economy as a priority growth sector in their regions. Across Greater Lincolnshire, the visitor economy attracts 17.4m visitors, is worth more than £1 billion and employs around 39,000 jobs⁶. In the Humber LEP region the sector employs 25,000 and contributes £350m in GVA to the local economy⁷. Whilst both LEPs recognise the current strengths of their respective tourism industries, the Humber LEP SEP also acknowledges that the visitor economy can be better exploited, including stronger marketing of the Estuary and coast, the development of Humberside International Airport and nature tourism (working in partnership with neighbouring LEPs) and activities linked to the Hull: UK City of Culture 2017, North Lincolnshire Heritage Trail (South Humber Collection) and the Wesleyan links. There are a number of areas identified here in which LEADER investment could make a significant impact, particularly around nature tourism (see Priority 5 below) and marketing, and the LAG will ensure it works closely with the LEP to deliver an integrated approach to the visitor economy in rural Northern Lincolnshire.

Looking to Northern Lincolnshire specifically, the Greater Lincolnshire SEP indicates that total income from visitor spend is in the region of £200m with North East Lincolnshire alone attracting 4 to 5 million visitors a year. This creates approximately £100m of economic value in the local economy with around 65% of this estimated to accrue to North East Lincolnshire. Although a large proportion of this will be attributed to the resort town of Cleethorpes in North East Lincolnshire, there

⁶ Greater Lincolnshire LEP SEP

⁷ Humber LEP SEP

is much that LEADER can do to support rural tourism initiatives to ensure these communities are able to benefit from the opportunities afforded by these visitors. In line with key priorities identified in the Lincolnshire Destination Management Plan (DMP) there is an opportunity to develop attractions which expand the whole tourism offer of the area, increasing potential overnight stays, or to take advantage of the multiplier effect in the rural economy, enabling rural communities and businesses to benefit from visitor spend in retail, food and drink and leisure sectors, particularly building upon the strength of the local food sector as identified above.

In order to achieve this however, there are a number of barriers and challenges facing rural Northern Lincolnshire which must be addressed. With the exception of Cleethorpes in North East Lincolnshire, the 'brands' of North and North East Lincolnshire are perhaps not as strong as they could be, particularly in the Greater Lincolnshire sub-regional context, and this may present a barrier to increasing visitor spend and overnight stays. This is reflected in local statistics collated by Visit England which indicate that the sector in North Lincolnshire in particular has suffered from a decline in domestic overnight stays compared to increases across England as a whole. Tourism in both North and North East Lincolnshire represents a smaller share of the economy (2.13%) compared to East Yorkshire and Northern Lincolnshire combined (2.23%) and England (3.47%). Consultation and stakeholder discussions also highlighted a lack of quality tourist accommodation and a need to ensure those that do exist in our rural communities are more sustainable and better placed to contribute to the overall destination offer through the innovative use of IT for example.

Local priorities and programme of activity

Local Priorities: To enhance the tourism offer of Northern Lincolnshire's rural areas to attract visitors and create new employment opportunities. To support the sustainability of tourism businesses in the LAG area through collaboration and better use of IT.

Northern Lincolnshire Programme of Activity	
T1	Increasing the provision, and supporting the development of tourist accommodation in the area through initiatives such as: <ul style="list-style-type: none"> ○ Supporting the creation of new micro and small accommodation providers in rural areas ○ Developing the use of IT and e-booking systems within the sector ○ The potential use of a small grants schemes for very small accommodation providers
T2	Supporting and creating projects and attractions that link to, and build upon the local food and drink sector including the provision of support for food festivals and farmers markets, and for high quality restaurants and cafés
T3	Developing the Nature Tourism offer throughout Northern Lincolnshire, taking advantage of the natural assets that exist in the area and encouraging green tourism activity (see Priority 5 below for more information)
T4	Supporting the development of new attractions to increase the tourism offer and maximise the economic benefits of overnight stays in the industry
T5	Support for collaborative marketing activity across attractions and business to strengthen the North Lincolnshire brand through activities such as themed promotions, joint working and sharing expertise and approaches to business development
T6	Ensuring Northern Lincolnshire tourism businesses are able to maximise the business development opportunities around accommodation and associated joint working to benefit from their proximity to Hull in the context of its status as the City of Culture in 2017 by increasing the number of visitors and overnight stays in the area
T7	Support building renovation including farm building renovation to increase the accommodation and amenity space offer of the area. This was identified as a particular theme in the results of the consultation survey

Priority 4: Provision of rural services

Evidence and strategic alignment

Having adequate access to a range of services is an essential component of any sustainable rural community and in recent years, such services have been in decline. Villages have felt the effects of Post Office and pub closures while some public services, such as libraries, have also been reduced. Although rural Northern Lincolnshire does not face the same level of isolation felt by some other rural communities, certain areas do face significant barriers to access to key services. In some wards in the Isle of Axholme in North Lincolnshire for example, only 39.15% of residents live within 20 minutes travel to a main employment centre and just 17.93% of 16-19 year olds can access a further education institute within 30 minutes of travelling. This can have a significant impact on the availability of employment opportunities for some residents, especially those relying on public transport. Access to services may be particularly difficult for disadvantaged and hard to reach groups, and this issue is often compounded by the relative isolation of living in rural communities with poor transport connectivity as highlighted above.

Perhaps in response to these issues, consultation results highlighted that transport and travel to work schemes were those most in need of investment in the LEADER LAG area. The provision of energy services, including renewable energy, and the development of community buildings to provide rural services were also identified as particular priorities. In order to address these priorities, LEADER investment could be used to support the development of innovative schemes for local service provision such as tele health and community shops and pubs promoting new models of sustainable community service delivery.

A lack of access to rural services not only effects local residents, but can also disadvantage local businesses and hinder economic growth. Poor or non-existent broadband connectivity in rural areas is a problem experienced across the Humber LEP region and has been highlighted in the SEP as a potential barrier to growth, particularly to smaller businesses. Although this will improve considerably over the coming years through the implementation of Broadband Delivery UK in Northern Lincolnshire, some very hard to reach areas will remain without adequate access.

Local priorities and programme of activity

Local Priorities: To ensure the continued sustainability of Northern Lincolnshire's rural communities by increasing access to key services for residents and businesses. To support the development of innovative and sustainable social enterprises where market gaps exist.

Northern Lincolnshire Programme of Activity

RS1	Support transport and travel-to-work schemes in Northern Lincolnshire's most isolated rural communities
RS2	Support the development of energy schemes, including renewable energy at the level of individual community initiatives, particularly in areas of increased fuel poverty
RS3	Development of community buildings to enable the provision of key services
RS4	Support the creation of social enterprises and projects which seek to fill identified gaps in service provision, including provision which extends access to disadvantaged and hard to reach groups

Priority 5: Support for cultural and heritage activity

Evidence and strategic alignment

Building upon the activities of the previous successful Northern Lincolnshire LEADER Programme in which the conservation and enhancement of rural culture and heritage was a key theme, the LAG recognises the potential benefits of preserving, improving and promoting Northern Lincolnshire's heritage as a way of attracting more visitors to the area and building pride of place in communities, thus providing a basis for sustainable economic growth in rural areas. In line with our ambitions to develop the visitor economy of rural Northern Lincolnshire, as outlined above, providing support for cultural and heritage activity across the area will align the LDS to both the Humber LEP's and Greater Lincolnshire LEP's planned investment in this area which both identify the rich cultural and heritage offer of their localities as a key strength. The Destination Management Plan for Lincolnshire, which covers both North and North East Lincolnshire, also supports the development of green tourism as a way of achieving the county's tourism potential.

Although the unique heritage of the area is sometimes overlooked when set in the regional context, local residents and visitors to the area are aware that Northern Lincolnshire, and especially the rural communities of Northern Lincolnshire, have strong community identities based on a rich heritage and local traditions dating back hundreds of years, such as Brigg Horse Fair, Haxey Hood and Epworth Old Rectory, the birthplace of John Wesley the founder of Methodism. The area also has much to offer in terms of the natural environment and high value nature sites. The Lincolnshire Wolds AONB, which covers part of the Northern Lincolnshire LAG, is an ideal environment for outdoor activities and provides opportunities to build upon the tourism that already exists in the area, such as the Viking Way. Other parts of the Northern Lincolnshire landscape are recognised as being of national importance, such as the Ancholme Valley in North Lincolnshire, and as such, from part of wider national objectives. Potential LEADER investment along the Ancholme Valley for example, could contribute to a wider programme of work being undertaken to develop the area from an environmental and recreational perspective supported by the Environment Agency, National Trust and Natural England. In addition, the Isle of Axholme is part of a wider Humberhead Levels project being driven by Natural England in recognition of its importance in both landscape and heritage terms.

Many key nature conservation sites, especially those along the Humber and key waterways, such as Alkborough Flats and Far Ings Nature Reserve, also play important roles in flood management for the area. Given the recent flood events and the importance of the area in terms of its drainage for a large part of England, it is important that these sites are developed and maintained to assist wider flood alleviation measures but also to develop green tourism opportunities for the area. In doing so however, the opportunities for diversification and tourism must be balanced with the interests of agriculture, conservation and flood alleviation.

Despite this apparent wealth of heritage activity and the obvious opportunities for its development, cultural activities are perhaps harder to access for rural residents of Northern Lincolnshire. Results from the consultation survey highlighted that the provision of events and festivals was a particular priority amongst respondents, together with the development of community buildings able to host a range of high quality activities and events. As highlighted above, rural Northern Lincolnshire must ensure that it benefits from Hull's designation as City of Culture 2017 not only from a tourism perspective, but also in terms of providing coordinated cultural and heritage events that can be accessed and enjoyed by the communities across the area.

Local priorities and programme of activity

Local Priorities: To expand and develop the rich cultural and heritage offer of Northern Lincolnshire for both residents and visitors as a basis for sustainable economic growth. To build

upon and foster pride in communities and maintain the strong community identities which already exist.

Northern Lincolnshire Programme of Activity

CH1	Conservation and enhancement of Northern Lincolnshire's natural heritage and high value nature sites. E.g. The Ancholme Valley, Lincolnshire Wolds AONB, the Humber Estuary and the various SSSI's and reserves located throughout Northern Lincolnshire
CH2	Supporting existing partnerships with project development in order to add value to long term plans and maximise the benefits of investment for local communities and the economy. E.g. Isle of Axholme and Hatfield Chase Landscape Partnership and the Humber Nature Partnership
CH3	Supporting the development and conservation of vernacular buildings and local traditions and customs (in the context of events such as the Haxey Hood, Wesley Connection etc) which provide scope to develop business opportunities in the local communities of Northern Lincolnshire
CH4	Provision of events and festivals which build upon existing local heritage and culture but which also bring new experiences to rural Northern Lincolnshire
CH5	Supporting the maintenance of the built environment where intervention around heritage buildings for example, can make a significant contribution to the overall appeal/viability of key settlements

Priority 6: Increasing forestry production

Evidence and strategic alignment

While there is, at present, a limited commercial forestry sector in Northern Lincolnshire, consultation and stakeholder discussions have indicated that the forestry sector, or perhaps more appropriately the woodland sector, provides important growth and employment opportunities for our rural communities. According to recent statistics released by the Forestry Commission, the Northern Lincolnshire LEADER area has 4,569ha of woodland which makes up 4.8% of the total land area. The vast majority of this is non public forest estate woodland, often in small-scale ownership, of which 50.1% is managed and 49.9% is unmanaged.

As a result of this, the majority of woodland owners in rural Northern Lincolnshire own small areas of woodland which do not achieve their full potential in terms of productivity. This is due to a number of factors including a lack of access to appropriate equipment due to prohibitive initial capital investment costs or potential supply chain failures in terms of joining up potential woodland products to markets. It is recognised however that the forestry sector is as buoyant today as it has been in recent years, due to a resurgence in woodfuel products, and that this presents opportunities for the growth and creation of micro and small woodland enterprises which at the same time enables Northern Lincolnshire to bring more of its woodlands into active sustainable management, in line with the Government's Forestry and Woodland Policy Statement which aims to bring two thirds of woodland into management by 2018, and the Forestry Commission's priorities to protect, improve and expand forestry and woodland across England.

There is the opportunity for example, for small woodland owners to link with existing networks and partnerships such as the Isle of Axholme and Hatfield Chase Landscape Partnership to develop collaborative projects such as machinery rings, or to utilise the by-products of ongoing conservation projects to develop new wood fuel products. Small and targeted investment in equipment could also encourage more enterprises to harness the potential of farm owned woodlands by enabling them to reduce costs and pay farmers a small fee to harvest timber on their land, thus conserving and enhancing previously unmanaged woodland, while providing opportunities for businesses growth and job creation. Within this, existing voluntary and community sector management groups,

could be encouraged to develop into social enterprises in order to maximise the financial returns of their management activity and enable them to provide sustainable employment opportunities.

Local priorities and programme of activity

Local Priorities: To improve and increase the management of forest and woodland in Northern Lincolnshire in order to promote conservation and to provide growth and employment opportunities in the sector, particularly in relation to micro-enterprises and small woodland ownership.

Northern Lincolnshire Programme of Activity

F1	Supporting small landowners and micro woodland enterprises, including social enterprises, to increase woodland management and productivity.
F2	Promote the development of woodland enterprises which focus on the creation and marketing of new products for the biomass and wood fuel markets
F3	Provide infrastructure investment to enable better access to under managed forest and woodland

3.3. Potential Cooperation Activity

National Cooperation

Northern Lincolnshire and the wider county of Lincolnshire share many assets, both natural and cultural, and have a shared history which provides numerous opportunities for tourism based cooperation activity. The Wolds area of North East Lincolnshire is within an Area of Outstanding Natural Beauty which overlaps with the Lindsey Action Zone LAG, thus providing opportunities to develop projects and businesses based on outdoor leisure activities such as walking and cycling. As a result of our shared history, discussions have already taken place to develop a project based on the promotion of key historical events such as the 'Pilgrimage of Grace' in order to increase the tourism offer of the LAG areas, which could also extend North to the East Riding of Yorkshire and the Coast Wolds Wetlands and Waterways (CWWW) LAG area. There are also opportunities to develop joint approaches with the Coastal Action Zone LAG which covers the Lincolnshire Coastal area and is contiguous with the easterly parishes of this programme.

Similarly, many Northern Lincolnshire tourism businesses and local food producers have aligned themselves with a Greater Lincolnshire brand e.g. "Visit Lincolnshire" and "Tastes of Lincolnshire/ Select Lincolnshire" and indeed, strategic tourism decisions in Northern Lincolnshire are undertaken as part of the Greater Lincolnshire Destination Management Organisation. As such, there is the potential here to create a network of businesses straddling administrative boundaries, or a promotional campaign that builds on the Lincolnshire brand.

As highlighted above, links also exist with the Coast Wolds Wetlands and Waterways (CWWW) LAG as part of the Humber sub-region and as such, there is the potential to develop cooperation projects which address Humber wide issues and key priorities, such as tourism, as identified by the Humber LEP.

Trans-national Cooperation

The heritage of the Isle of Axholme provides opportunities for trans-national cooperation. The wetland and peat landscape of this area has parallels with some areas of Ireland and potential cooperation activity could be used to learn more about how the land is used to maximise productivity, or the preservation of important skills. In addition, links to Holland exist due to the fact that The Isle of Axholme was formally marsh land, drained by Corneluis Vermuyden, a Dutch engineer who came over from Holland in 1626 and The Isle today is still reliant on that heritage through a complex system of drainage and pumping systems to manage water levels and flooding. Across the Isle there are also vestiges of the ancient turbary system which gave communal rights

for the cutting of peat and turves. In addition the area provides one of the few surviving and arguably most extensive patchwork of strip fields, dating back to at least medieval times and still maintaining their own traditions and customs. There is an opportunity to link sites together both nationally and across Europe to enhance and conserve the unique landscape of the area.

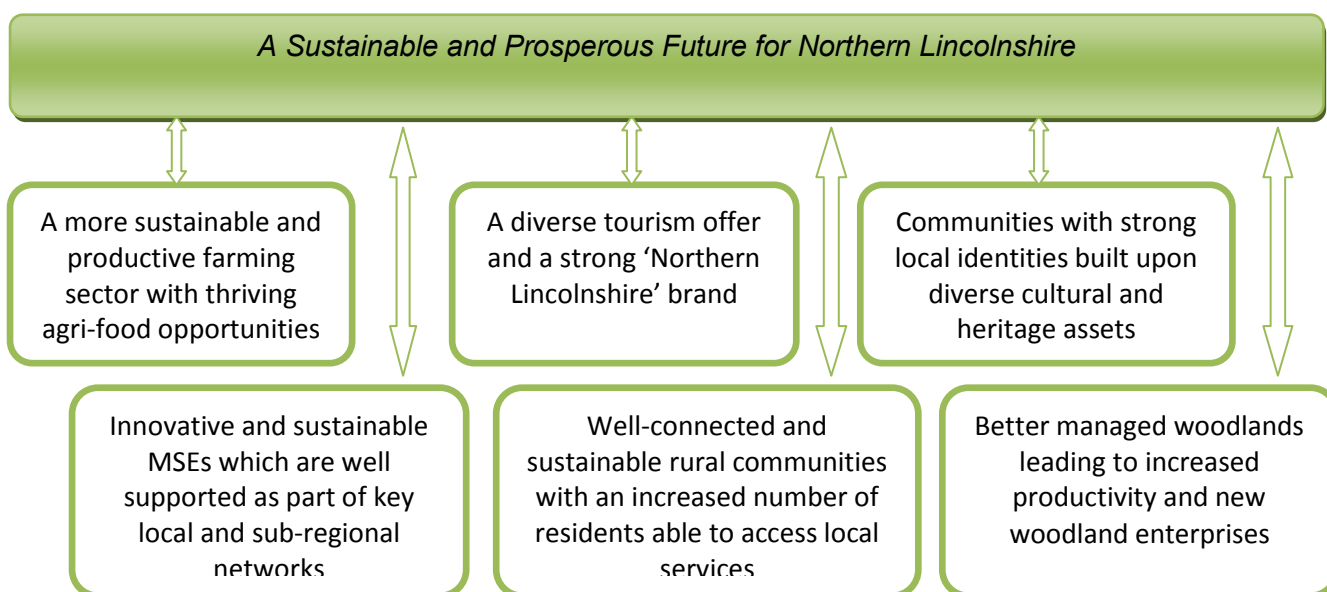
3.4. Delivery Action Plan

Task	Start	End	Resource
Recruitment of new LAG members	Sept 14	Dec 14	LEADER Team
Implement LAG training and development plan	Sept 14	Ongoing	LEADER Team/LAG
Engage animation and development organisations and begin animation	Nov 14	Ongoing	LEADER Team
Successful Bids Announced – undertake contracting activity with Defra	Nov 14	Dec 14	LEADER Team
Recruitment of LEADER Staff	Nov 14	Dec 14	Accountable Body/LAG
Review processes and procedures and update where necessary	Nov 14	Dec 14	LEADER Team/Accountable Body
Initiate communications and delivery plan	Nov 14	Ongoing	LEADER Team/LAG
Commence delivery	Jan 15	Ongoing	LEADER Team/LAG/Accountable Body

Table 2: Delivery Action Plan

3.5. Targets, Results and Outputs

The vision of the Northern Lincolnshire LAG is to '**create a sustainable and prosperous future for rural Northern Lincolnshire**'. In doing so, LEADER investment in the area will achieve the following outcomes and results.



Outputs

The outputs identified in appendix 2 are based on an assessment of the needs of the area set against national benchmarks to ensure local appropriateness and value for money. The distribution of Total Investment outputs across the priorities is based on the programmes of activity outlined above and reflects the requirement for 70% of programme funds to be invested in projects which directly impact on jobs and growth. Within Northern Lincolnshire, it is expected that the majority of this 70% will be funded under one of the first three priorities (farming, MSE support and tourism) and as such, spend has been profiled accordingly. It is recognised however that investment in rural services, heritage and forestry also has the potential to create jobs and deliver economic benefits such as the opportunities for social enterprise creation through investment in rural service provision.

The drive towards increasing farm productivity and a resulting shrinking labour market means that the potential for job creation is not as significant within Priority 1: Farm Productivity as it is within others such as Priority 2: MSE Support for example and this is reflected in Appendix 2. The Northern Lincolnshire LEADER Programme will look to measure performance within this priority in other ways such as increasing farm income and total productivity which will be assessed on an individual project basis depending on the specific nature of the investment. Potential additional jobs associated with farm diversification are reflected in Priority 2: MSE Support.

In order to avoid the duplication of LEADER and LEP activity, it is expected that the majority of LEADER investment under Priority 2: MSE support and farm diversification will be for micro and smaller enterprises where grants are more likely to lead to business growth rather than large numbers of direct job creation. This is based on North Lincolnshire Council's experience of delivering a micro grant scheme under the Regional Growth Fund. Taking into account potential intervention rates and the amount of capital that micro enterprises commonly have available to put into grant schemes such as this, it is expected that the average level of investment in this priority across Northern Lincolnshire will be less than the benchmarking figure outlined in appendix 2 resulting in a higher number of projects supported, but that the number of jobs created will be less than the figures might suggest. The outputs have been set to reflect one job created for each project funded on the presumption that some projects will create more jobs while some will create none. Growth in these instances will be measured by other indicators such as increased production or turnover.

Despite a similar level of investment, it is expected that the number of jobs created under Priority 3: Tourism will be fewer than those created through investment in MSE support due to the fact that the amount of investment required to create a single job in the tourism industry is significantly higher than in other MSE industries. The economic impact of LEADER Investment in tourism will be demonstrated in other ways such as increasing visitor numbers, overnight stays and visitor spend.

In addition to the outputs identified above, the Northern Lincolnshire LEADER Programme will develop a wider set of outcomes and outputs to measure the success of each project against, depending on the priority under which it is funded, and the nature of the project. For the more community focussed projects which make up 30% of project spend, it is envisaged that these additional outputs and outcomes will enable a more robust evaluation at programme closure and will allow the LAG to determine the Social Return on Investment for individual projects, or the programme as a whole. They will also enable the Local Action Group to determine how the programme has contributed to environmental sustainability in rural Northern Lincolnshire by measuring outputs such as the amount of recycled materials used in projects. Example outputs which will be collected include:

- Volunteer involvement in project delivery
- Number of Indirect businesses beneficiaries
- Amount of recycled materials used in projects

3.6. Sustainability Appraisal

The LDS, and all of North Lincolnshire Council's policies, under which the LAG will largely operate, undergo in-depth Integrated Impact Assessments to ensure they meet and deliver sustainable development principles. Key policies such as procurement, recruitment and travel policies have been fully assessed and impacts on four key areas identified and mitigated where possible.

Environmental:	Economic:
transport, natural habitats, built environment etc..	business, enterprise, learning and employment etc...
Customer and community characteristics:	Statutory:
diversity, health, safety, participation and human rights	legal, health and safety, finance, risk, procurement, insurance

Table 3: Sustainability Assessment Criteria

The assessment has identified that the proposed Programmes of Activity for Northern Lincolnshire largely deliver sustainable community development and provide the social, economic and environmental elements which communities need to thrive. The assessment identified a number of areas in which LEADER in Northern Lincolnshire will have positive impacts such its potential to improve natural resources and the built environment, but also areas where LEADER will have limited impact but which will need to be considered throughout strategic programme delivery. These areas include:

- Housing
- Education, Skills and Training
- Community safety
- Health

There is the potential for LEADER projects within Northern Lincolnshire to complement activity in some of these areas in order to promote sustainable development in our local rural communities. Section Five below provides some examples of how this might be achieved. The full Integrated Impact Assessment is available on request.

In addition to this, the long term sustainability of the Programme will be ensured through project development and assessment procedures to provide confidence that individual schemes and projects have considered the future viability and sustainability of their project, both financially and environmentally.

The Northern Lincolnshire LAG will also have regard to the following issues:

- Energy efficiency and renewables: encouraging where practical, projects which are energy efficient and seek to make use of renewables. For example in terms of capital development, projects should make use of renewable materials and building materials with a high recyclable content.
- Waste management: working hard to ensure that projects effectively address this issue. This will involve asking key projects to set out their proposals for waste management as a discrete aspect of the project application process.

As part of the development of the LAG, members will receive training on sustainability issues to ensure that every individual recognises the importance of promoting and securing projects which deliver sustainable development principles across rural Northern Lincolnshire.

Section 4: Management and Administration

4.1. Accountable Body

North Lincolnshire Council (NLC) will be the Accountable Body for the Northern Lincolnshire LAG and will be responsible for the financial and administrative arrangements for the LEADER Programme. The Council has experience of successfully delivering the 2007-13 LEADER Programme with a proven track record of budget management, record keeping and the maintenance of robust processes and procedures. The external evaluation of the Programme highlighted that the delivery mechanisms developed by North Lincolnshire Council worked exceptionally well throughout the previous programme from an applicant, Accountable Body and Defra perspective and as such, will largely be replicated in the management of the LEADER Programme 2014-2020. The Council also has in depth knowledge and experience of delivering other funding programmes, such as Regional Growth Fund, and intends to utilise this experience to further develop current systems to ensure the need to promote economic growth and job creation within the next programme is fully supported.

Staff from the LEADER Team and wider Council departments will have responsibilities for ensuring that processes are reviewed and maintained and that appropriate reporting and monitoring procedures are in place and adhered to. The Council's Financial Regulations will be used and monitored by the internal finance team. Processes have already been established to ensure that both the Programme and individual projects are achieving spend and outputs and there are transparent processes in place to highlight and report any issues of this nature. The Council's internal audit team will check that the correct procedures are being carried out by all parties involved in the Programme and will undertake a full audit of the Programme on a regular basis.

The following table identifies how each of the Accountable Body functions, as identified in the National Delivery Framework, will be delivered by North Lincolnshire Council to ensure the necessary separation of duties.

Function	NLC Team responsible
Project development	LEADER Team in conjunction with partner organisations
Project assessment	LEADER Team (Accountable Body where required)
Contracting (Defra and projects)	LEADER Team and NLC Legal Team
Programme audit	NLC Audit Team
Project monitoring	LEADER Team
Claims and Payments	LEADER Team and NLC Finance Team
Compliance	LEADER Team and NLC Finance Team

Table 4: Accountable Body responsibilities

In addition to the Accountable Body functions as highlighted above, individual project managers will be supported to maintain appropriate records and systems. Each project manager will be issued with a Project Manager's Handbook which will incorporate all the requirements of the RDPE LEADER Programme including document retention periods, use of logos, publicity requirements, etc. When a project is approved, an officer from the LEADER Team will meet with each individual project manager to ensure that all the contract documentation is in place, signed and filed appropriately and all procedures and requirements are clearly understood. Advice will be given on recording and evidencing outputs and outcomes including qualitative data. A claims profile will be developed to indicate when claims are required for submission by the project holder and what supporting documentation will be required.

4.2. Project Development & Assessment

Animation - Project development and animation activity will be undertaken by the LEADER Team who will work with rural communities to stimulate interest and bring forward ideas and projects. This will include providing information to the communities and supporting and co-ordinating activities of stakeholders within the community to ensure that any under-represented groups can access and benefit from the Programme. In addition, it is intended to utilise the knowledge and expertise that exists in partner organisations to assist with animation activity, particularly in key sectors such as farming, forestry and business support.

Selection and appraisal - The LAG has developed a transparent selection and appraisal process which includes a separate decision making body with clear roles and responsibilities. All potential applicants must first complete an Expression of Interest form for the programme which will be used as the basis for initial discussions with the applicant. This will be assessed by the LEADER Team against key indicators to highlight:

- eligibility of the proposed investment
- state aid and other obligatory standards
- reasonableness of proposed activity
- reliability of the applicant

If the project is eligible and fundable under local and national requirements, the applicant will be asked to submit a full application form for formal assessment and consideration at a Decision Making Panel meeting. Prior to each Decision Making Panel meeting, a project appraisal will be carried out for the Panel to consider in conjunction with the full application form. The project appraisal will be carried out by a member of the LEADER Team or the Accountable Body who has not had any previous involvement with the project. All potential appraisers will be asked to formally declare any interests and to update a register of interests which will be held by the Accountable Body. The appraisal will assess the application against the following key measures:

- Project viability
- Value for money
- Evidence base and need
- Project sustainability post LEADER funding
- Outputs delivered

After full consideration of the application and supporting information, the Panel will vote on whether to recommend approval of the project providing clear justification on this decision against the measures identified above. In the event that the amount of funding being requested exceeds funding available, the applications will be scored and prioritised accordingly. A recommendation will be made by the Decision Making Panel which will be carried for ratification by the LAG.

4.3. Claims and Payments

Claims will be prepared and assessed by North Lincolnshire Council prior to the submission of a claim recommendation for payment through the CAP-D system. The LEADER Team will check calculations, verify eligible expenditure, ensuring all costs are defrayed, and collate necessary claim information prior to submitting a claim recommendation to the Rural Payment Agency. A claims checklist will be completed by the LAG Staff which will require two signatures before confirming the payment.

Management and Administration claims will be completed by the LAG Support Officer and authorised by the LAG Co-ordinator, prior to being processed and signed off by North Lincolnshire Council's finance team. These claims will be subject to a three tier approval process that North Lincolnshire Council conducts before being submitted to Defra for payment.

The Council's financial procedures will be followed and full guidance and support will be given to Project Managers to ensure that evidence and audit trails are in place for any claims submitted. A claims checklist will be used by relevant LEADER and Finance staff and claims will not be made without the relevant checks being completed.

4.4. Monitoring and Evaluation

Once projects have been approved and commenced delivery, the LEADER Team will monitor project spend and activity on a quarterly basis, or more frequently where necessary. Project monitoring visits will include the assessment of milestones, outputs, risks/issues, changes to the project, etc, with any variances explained and any changes to the project agreed. Where problems are identified, the Team will work with the project manager to rectify these issues where possible and minimise the risk to project and programme delivery. Prior to the payment of the final claim, the Team will undertake a Final Claims visit to ensure that the project is physically and financially complete. Following the payment of this final claim, the Project Manager will be asked to complete an End Project Evaluation in order to consolidate project information and capture outputs and lessons learned. Final audits of all projects will be undertaken by the LAG Support Officer to ensure that all the evidence is valid and in place and available for external audit.

The Programme will be regularly audited by the Council's Internal Audit Team in line with council policy.

At the end of the Programme, the LAG will procure a full Programme Evaluation to objectively measure the full impact of the Programme in Northern Lincolnshire. The evaluation will measure performance against budget and outputs and capture wider impacts such as Social Return on Investment (SROI).

4.5. Communications and Publicity

The LAG recognises the need for a coherent strategy to inform the local rural community of the Leader Programme and the opportunities for influencing and steering the development of the Programme. A Communications and Publicity Strategy was created and adopted prior to the last Programme which outlines the LAG's aim for communicating with partners and the public and the key messages it needs to promote. It ensures that requirements for publicising the Programme including identifying and informing the public on successfully funded projects, process of producing press releases, the use of logos on publicity materials and the requirement to consider quotations from the EU/Defra/LEADER and/or key partners are transparent and implemented. The Strategy has been reviewed to incorporate the requirements of the new LEADER Programme and amendments made where necessary, particularly around the target audience and key LEADER priorities.

Alongside the Strategy will be an Action Plan which will be reviewed and updated quarterly to ensure that actions have been delivered, the most appropriate methods of communications have been used and new and innovative mediums can be tested and assessed for success rates. This will be developed when the outcome of this submission is known. Individual members of the LAG have a responsibility to promote and implement the Communications and Publicity Strategy. This will be a key area of the induction for LAG members to ensure disseminated information is consistent and correct.

LEADER activity will be communicated to the Greater Lincolnshire LEP via the Forum for Agriculture and Horticulture and vice versa to ensure all stakeholders have a good overview of how each funder is contributing to growth in the area. This will be done via meetings, papers to committees/board members and websites. Communication channels with the Humber LEP will be finalised once a named LEP representative has been appointed to the LAG.

Section 5: Financial Plan

5.1 Expenditure Profile

Appendix 3 provides an annual forecast of expenditure by priority for each year of the Programme. The profile reflects the requirement for evenly profiled programme expenditure, but also takes account of the fact that some priorities are new for the Northern Lincolnshire LAG and as such, may take more time to develop in terms of project delivery and spend. This is evidenced in Table 5 below.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
Total	£14,000	£279,000	£357,900	£382,050	£361,780	£264,270	£0	£1,659,000
Investment								
% Spend	1%	17%	22%	23%	22%	16%	0	100%

Table 5: Expenditure Profile

Due to a reduced allocation and the spread and depth of priorities the LDS seeks to address, appendix 3 highlights that the Northern Lincolnshire LEADER Programme has been profiled to run for 5.25 years until March 2020, with project spend completing in December 2019. The decision to deliver a shorter programme has been made by the LAG in order to maximise the impact of LEADER investment in those years when it is available and enable the strategic delivery of the Programme across all priorities.

In taking this decision, the LAG examined a number of alternatives to programme delivery and assessed them in terms of viability, deliverability and value for money. These alternatives included:

- Merging the Northern Lincolnshire LAG with a neighbouring LAG
- Sharing Accountable Body functions with another LAG
- Sharing LAG/LEADER officers with another LAG

After careful consideration, it was decided that these options were either undeliverable, or would not provide the savings necessary to enable a full 6.25 year programme to be delivered in Northern Lincolnshire. Neighbouring LAGs are either nearing the 150,000 population limit, or have very distinctive geographies based around identities, thereby removing the potential for a LAG merger, and in order to remain compliant with the required number of staff it was decided that the sharing of officers would not provide a viable alternative. In addition, North Lincolnshire Council, as Accountable Body, makes no claim against M&A for the provision of back office functions such as line management and finance and as such, the amalgamation of such functions with another LAG would not afford the necessary savings. The LAG is confident that it can deliver an effective and robust LEADER Programme based on the above profile which will benefit rural communities across Northern Lincolnshire.

5.2. Overall Funding Profile

Priority	Funding Allocation	% Total Allocation	% Project spend	Anticipated Benefit to Rural Economy	
				% directly creating Jobs and Growth	% contributing to improving the economy
Increasing farm productivity	272,200	16%	20%	20%	
MSE support and farm diversification	367,470	22%	27%	27%	
Rural Tourism	340,250	21%	25%	17%	8%
Rural Services	136,100	8%	10%	3%	7%
Heritage and cultural activity	122,490	7%	9%		9%
Forestry productivity	122,490	7%	9%	3%	6%
Total Project Spend	1,361,000				
M&A	298,000	18%			
Total	1,659,000	100%	100%	70%	30%

Table 6: Overall funding profile distribution

The distribution of expenditure across the priorities reflects the requirement for 70% of programme funds to be invested in projects which directly impact on jobs and growth. Within Northern Lincolnshire, it is expected that the majority of these projects will be funded under one of the first three priorities and as such, spend has been profiled accordingly.

M&A, which is 18% of total programme funding, has been profiled to commence in Jan 2015 in order to allow for animation and programme development activity, although project spend is not expected to commence until March 2015. M&A will continue until March 2020 to enable project and programme evaluation and closure activity to be undertaken in line with regulatory procedures.

5.3. Maximising LEADER Investment

5.3.1. Procurement

Where appropriate and where a need has been identified, the LAG may look to procure specific project activity from an external organisation. This type of project delivery might be undertaken in situations where:

- A particular need has been identified within our rural communities but no project application has come forward to meet this need
- A more strategic approach to delivery is required across the Northern Lincolnshire LEADER area

In such instances, the LAG will adhere to NLCs procurement policy to ensure a fair and transparent process. In doing so, they will also adhere to the Sustainable Procurement Policy which accompanies the main policy and sets out how procurement can be used to consider goods and services that respect the environment, and take into account the social and economic impacts of procurement through activities which include, but which are not limited to:

- Specifying, wherever possible and practicable, the use of environmentally friendly and low carbon products and services where value for money can be demonstrated on whole life cost grounds.
- Addressing barriers to entry in order that Small and Medium Sized Enterprises (SMEs) and local suppliers are encouraged to bid for the council's business, in particular making use of initiatives such as 'buy4northernlincolnshire'.

A copy of this policy is available on request.

5.3.2. The use of other financial assistance

The following sources of financial assistance and support have been identified which may complement and maximise the benefits of LEADER investment in certain sectors and areas of activity.

Support/assistance identified	Type of support/assistance	LAG Priority Fit	How it could support/complement LEADER Delivery
FFPS	Financial support for Farming and Forestry sector	Priority 1: Farm productivity Priority 6: Forestry productivity	LAGs will signpost projects to FFPS in instances where accessing funding and support through this scheme will be more appropriate or when project is ineligible for LEADER e.g.skills
LEP EAFRD Allocation	Funding and LEP activity on rural development issues	Across priorities depending on allocation by LEPs. Early indications suggest: Priority 1: Farming Productivity Priority 3: Tourism	LEADER activity will complement EAFRD investment and open communication between LAGs and LEPs. This will avoid duplication of activity
Business Support for MSEs	Existing partner activity. E.g. NLC Business Support Team	Priority 2: Support for MSEs and Farm Diversification	Provide extensive support for new and existing MSEs including start-up support, business planning and marketing
Humber LEP Growth Programme Funds	Funding and LEP activity	Priority 1: Farm productivity Priority 2: MSE support and farm diversification Priority 3: Rural Tourism	LEP funded activity such as the provision of small office developments in rural areas could complement LEADER Investment in Priority 2. Similar interventions in the other priorities could provide more rounded support for businesses and organisations

Creative Employment Programme. Creative and Cultural Skills	The Creative Employment Programme is a £15m fund to support the creation of traineeships, formal Apprenticeship and paid internship opportunities for young unemployed people aged 16-24 wishing to pursue a career in the arts and cultural sector.	Priority 2: MSE support and farm diversification Priority 3: Rural Tourism	The funding could enable new and existing arts and culture businesses to develop their products whilst providing skills and opportunities for younger people in our rural communities. This fits well with our local priorities to support emerging industries
Community Led Local Development (CLLD)	Where LEPs decide to implement CLLD, it will provide bottom-up regeneration activities across LEP areas. CLLD will be driven by the needs of local communities	All. Depending on the needs identified within individual communities	Existing LAGs are able to bid for CLLD funds under current proposals. It may also help to fill any geographical funding gaps in instances where key settlements have been deemed ineligible for LEADER.

Table 7: Financial Assistance and Support

Conclusions

In the LDS, the Northern Lincolnshire Local Action Group has developed a strategy for rural development which will deliver economic growth and regeneration throughout the programme period and beyond. The 7 principles of the LEADER approach are clearly embedded throughout the LDS which is based on a robust evidence base, strong community and stakeholder engagement, and complements key existing and planned economic interventions and strategies. As such, the LAG is confident that it accurately reflects the key priorities and opportunities for the area and believes that LEADER investment can have a real impact on the prosperity and sustainability of rural communities across Northern Lincolnshire.