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North of Tyne Fisheries Local Action Group

Local Development Strategy 2017 - 2019



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Section 1

1. EXECUTIVE SUMMARY

The Area

The area comprises 14 settlements from North Shields to Berwick-upon-Tweed, covering a distance of approx. 65 miles, with a population of over 88,000, employing over 150 people directly in the fishing industry. The whole area manifests relatively high deprivation.

Fishing and its wider supply chain is a small but nationally distinctive industry in the area, however employment across the sector has declined over the last 5 years. The value of catch has increased significantly but is now declining. The coastal area itself is largely urban in the south where the majority of the trawlers operate from with potting boats predominating in the rural north.

Consultation

Extensive consultation was undertaken in May/June 2016 to develop the Local Development Strategy (LDS). Working with Northumberland Inland Fisheries Conservation Authority (NIFCA) and the partners identified in Stage 1, a mixed method approach was used to consult, involve, listen and respond to fishermen, the wider fishing industry and fishing communities.

Goal, Outcomes & Priorities

Building on the Stage 1 application, the overall goal of the Strategy is to foster a vibrant fishing industry and fishing communities whilst promoting environmentally sustainable, socially responsible and smart sustainable growth within fisheries and aquaculture in the North of the Tyne area.

This translates into *four objectives*:

- i) **Engaging** with fishermen, the fishing industry and communities to produce projects that support the sustainable development of fishing and aquaculture.
- ii) Bringing together a **partnership** of public, private, voluntary and community sector representatives to support the delivery of the Strategy – delivering a community-led local development approach in the context of fishing and aquaculture.
- iii) Ensuring the **economic viability** of fishermen's livelihoods, supporting the diversification of local economies dependent on fisheries and aquaculture into other sectors of the marine economy, and driving sustainable economic growth.
- iv) Fostering implementation of the reformed **Common Fisheries Policy** (CFP).

Priorities

This enabled us to identify the following four priorities:

- Development of small scale infrastructure at ports and harbours,
- Marketing, branding and processing
- Training, retention, recruitment, diversification and CFP reform, and
- Collaborative and applied research between fishermen and scientists.

Delivery Arrangements

15 Expressions of Interest have been solicited from individuals to create the FLAG. Northumberland County Council will act as the Lead Partner, which will employ a Programme Officer (PO) to animate the FLAG, supported by an Administrative Officer and other experienced staff within the Council. A high premium will be put on fisherman centred approaches to animation.

An outline budget including Management and Administration costs has been prepared and consulted on.

A two stage process will be used for applications, an Expression of Interest Stage followed by a Full Application stage.

Monitoring proposals are set out in the LDS along with a commitment to an independent evaluation. A communications and publicity plan has been scoped out and training for Local Action Group (LAG) members. Cooperation activities will be explored in conjunction with other FLAGs.

Timescales for the programme are January 2017 to October 2019

Section 2

2. THE FISHERIES LOCAL ACTION GROUP (FLAG) PARTNERSHIP

2.1 Membership

The North of Tyne FLAG will be responsible for the management and strategic direction of this Local Development Strategy. The group will meet on a bi-monthly basis, but will have flexibility to meet at other times, should the need arise. The meetings will be held at suitable venues throughout the area the FLAG covers and it is envisaged the proposed membership will be up to 15 individuals. These will be drawn from a cross section of the local community from across the whole geography of the North of Tyne FLAG, bringing together a wide range of skills and experience, with the private sector comprising at least 51% of the membership.

Selection of the LAG will be based on skills, place, experience and expertise. Members must live or work in the FLAG area and reflect public/private/voluntary/community sectors and the priorities developed for the Local Development Strategy. The fishing sector will have strong representation on the FLAG. Selection will be carried out in accordance with Northumberland County Council's Equality and Diversity Policy, which will be adopted by the FLAG via the constitution.

Throughout the development of the LDS, anyone taking the time to contribute to the strategy has been encouraged to complete an Expression of Interest form, with a view to establishing the full membership of the FLAG, once the strategy receives approval. This approach has led to us receiving 15 completed Expression of Interest forms so far, from across the fishing sector. These include interest from fishermen, wholesalers, Harbour Commissioners, Council Elected Members, fish processors, Northumberland IFCA, Northumberland Coast and Lowlands LEADER LAG and voluntary and community organisations. A detailed list can be provided upon request.

Once the Programme Officer is appointed, one of their main objectives will be to support the development of the FLAG and its membership, so that building on its existing strengths it has the capacity to implement and deliver the LDS. When required, additional members will be encouraged to join the FLAG. Wherever possible, this will aim to ensure full coverage of the geography of the North of Tyne area, as well as throughout the fishing industry.

Whilst sharing information with other established FLAGs we have come to realise the importance of appointing an effective, respected and knowledgeable Chair and Vice Chair for the FLAG. This will be one of the very first priorities once the LDS is approved. The FLAG will be fully operational by March 2017.

2.2 Structure and decision making process

The constitution of the North of Tyne FLAG will be the framework that defines the structure and decision making process of the group, and will be agreed by the FLAG members. The document will outline the group's aims and objectives, the functioning of the group, roles of members, decision making process, and procedures for dealing with conflicts of interest. Declarations of interest will be given at the beginning of each meeting, and where appropriate, members who declare such an interest will not take part in the discussion or vote. The constitution will be subject to annual review in

line with the Marine Management Organisations (MMO's) annual review process, taking into account any new government requirements in relation to European Maritime Fisheries Fund (EMFF). This will ensure the governance of the FLAG will be appropriate throughout the lifetime of the LDS to deliver the aims and objectives of the strategy in a non-discriminatory and transparent manner, avoiding any risk of conflict of interest.

2.3 Administrative, financial management and staffing roles & responsibilities

Please see section 3.3.

2.4 Equal Opportunities

The North of Tyne FLAG will ensure that it complies with the requirements of the Equality Act 2010 (the Act) by having due regard to the needs of people within the protected characteristics of: age; disability; sex; race; religion and belief; sexual orientation; pregnancy and maternity; gender reassignment; and marriage and civil partnerships.

Specifically, it will aim to:

- Eliminate from its work any unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
- Advance equality of opportunity between people who share a protected characteristic and those who do not;
- Foster good relations between people who share a protected characteristic and those who do not;
- Remove or minimise disadvantages within FLAG activities and projects suffered by people due to their protected characteristics;
- Take steps to meet the needs of people from protected groups with FLAG activities and projects where these are different from the needs of other people; and
- Encourage people from protected groups to participate in FLAG activities where their participation is disproportionately low.

2.5 A description of community and stakeholder involvement in the development of the strategy

An extensive programme of involvement was undertaken in May and June 2016. Working with NIFCA and the partners identified in Stage 1, a mixed method approach was used to consult, involve, listen and respond to fishermen, the wider fishing industry (wholesalers, processors, aquaculture companies) and fishing communities:

- **Fishermen** are not accustomed to expressing their needs or views through formal structured processes therefore the key has been going to them. 50+ fishermen have been involved (individually or in small groups) at *fishing ports* (Amble, Beadnell, Blyth, Boulmer, Craster, Cullercoats, Newbiggin, North Shields, Seahouses) and *markets* (The Fish Quay at North Shields).
- 10 interviews have been carried out (where possible on site) with the wider **fishing industry** including: Anglo-Scottish Seafish Industry Group Training Association (Amble), Berwick Shellfish Company, Cullercoats Fishing Association, The Fresh Shrimp Company (Ashington), Holy Island Fishermen's Association, Larry's Fishcakes (North Shields), Moir Fish (Amble), North Shields Fish Quay Company Ltd, North Sunderland Harbour Commission (Seahouses) and Warkworth Harbour Commission (Amble).

- Interviews / meetings have been held with 11 **stakeholders** – covering the *natural environment* (Natural England, Northumberland Wildlife Trust, Berwickshire and North Northumberland Coast European Marine Site), *training* (Northumberland College), *research* (Newcastle University), *economic development* (Northumberland Coast & Lowlands LEADER LAG, Arch: the Northumberland Development Company) and *community development* (Amble Development Trust, Craster Community Development Trust, Community Action Northumberland).
- Two participatory drop-in sessions have taken place (at Blyth and Amble) to capture the views of **residents**.
- A presentation was made to the NIFCA board – comprising 21 representatives with expertise in marine environmental matters (including 3 commercial fishermen and 1 recreational fisherman).
- We have ensured anyone not able to get involved face-to-face could participate through a *survey* (available online and in hard copy).
- An open forum event to invited guests at North Shields Fish Quay between NIFCA, NTC and local fish merchants and processors to explain the FLAG and seek involvement and feedback.

Northumberland County Council, North Tyneside Council, Northumberland IFCA and partners used social media, websites and direct emails to advertise the survey and these consultation activities.

The discussions with fishermen, the fishing industry and stakeholders followed some key lines of enquiry to help develop the Strategy. These covered: (i) capturing the range of fishing activities undertaken along the North of the Tyne coastline; (ii) identifying the strengths, weaknesses, opportunities and threats facing fishermen and the fishing industry – building on the Stage 1 SWOT; (iii) proposed priorities for the FLAG programme, (iv) information about any proposed or potential projects; and (v) information about the LAG.

Throughout this process we have maintained an ongoing dialogue with the Cornwall & Isles of Scilly FLAG – tapping into their track record of involvement and delivery so as to consider areas of good practice and areas for collaborative working.

2.6 Training Requirements

Northumberland County Council as Lead Partner and employing body for FLAG staff will ensure that any new staff members undertake an induction programme which will include both the employer's requirements and the technical information in relation to EMFF and FLAG. All staff working on the programme will receive the appropriate training to ensure they have the required knowledge about the EMFF and the requirements for the operation of the FLAG programme. All staff will participate in training organised by the MMO and any additional training will be undertaken in house or in co-operation with other FLAGs.

Induction and training will also be developed and delivered for all FLAG members, which reflects the requirements of the MMO, to ensure the group has the necessary mix of skills and competencies to make robust and effective decisions. This training will predominately be delivered by the Programme Officer and Lead Partner, with additional support being sought from North Tyneside Council, NIFCA and the MMO as required.

Provision has been made within the M&A budget to support training.

Section 3

3 LEAD PARTNER

3.1 Structure

Please see diagram at the end of this section, 3.3.4.

3.2 Legal basis and experience of delivering European or similar funding programmes

Northumberland County Council will undertake the role of Lead Partner for the FLAG, it is established and governed in statute giving it the legal authority to undertake this role. It has been selected due to its status as a large unitary local authority, and its significant experience in undertaking the role of Accountable Body and Lead Partner for a range of European funded programmes and projects. The Accountable Body functions are undertaken within the Corporate Programmes and External Funding Team who have built up significant skills, expertise, capacity and business processes to ensure that programmes are delivered in a compliant and efficient manner.

The Council acted as the accountable body for the 2 Northumberland LEADER programmes from 2007-14 and is undertaking this role in the 2014-20 programmes, which have European Agricultural Fund for Rural Development (EAFRD) funding of £3.8m. In addition (subject to final approval of the LDS) the Council is to be the Lead Partner and Accountable Body for the joint European Regional Development Fund (ERDF) and European Social Fund (ESF) CLLD programme covering South East Northumberland and adjoining wards in North Tyneside. The CLLD programme is expected to have a grant allocation of £2.1m.

In addition to the role within CLLD programmes the Council is also Accountable Body and Lead Delivery Partner for:

North East Combined Authority Joint ERDF/ESF Technical Assistance Project. This £2.6m project is being delivered by 8 delivery partners who are providing advice and support to organisations seeking to access ERDF and ESF funds. The Council is undertaking the project and financial management and co-ordination functions.

Local Growth Fund, Rural Growth Network Programme. This programme has £6m of Local Growth Fund from the North East LEP and provides grants to organisations for the development of business accommodation and strategic tourism infrastructure.

Acting as Accountable Body and Lead Partner for all CLLD programmes being delivered within Northumberland will enable the authority to have a comprehensive overview of all Local Development Strategies and to ensure there is alignment and complementarity in the delivery of the Programmes. It will also maximise efficiencies by using, where appropriate, existing staff to undertake work required for the FLAG.

3.3 Administrative, financial management and staffing roles and responsibilities

3.3.1 Programme Officer

A FLAG Programme Officer is to be recruited who will act as the primary resource for the programme. The officer will be employed by Northumberland County Council and will be integrated within the Council's Corporate Programme & External Funding team. In order to undertake the animation role effectively they will work and be located for the majority of their time within the fishing communities in the North of Tyne area. Arrangements will be made with local partners to agree suitable work accommodation. Appropriate flexible-working technology will be provided to ensure they are as accessible as possible and can make most efficient use of their time. The Programme Officer will be supported by a part-time Finance & Admin Officer.

The job description will be finalised upon approval of the LDS, the main tasks will include:

- Project animation and development support (including eligibility and technical guidance)
- Signposting and supporting access to other funding sources
- Supporting the delivery of projects providing advice to ensure activities remain eligible for grant
- Supporting the LAG to monitor, review and update the LDS and action plan
- Preparing "calls" for projects
- Programme publicity
- Development of the FLAG

3.3.2 Appraisal Officer

To ensure separation of duties, the assessment and appraisal of project applications will be undertaken by an experienced appraisal officer. The appraisal officer will also prepare papers for the FLAG to enable it to make approval decisions. In order to maximise efficiencies this function will be undertaken by existing appraisal staff within the Corporate Programmes and External Funding Team, drawing on their extensive experience of CLLD programmes. The actual hours worked will be recharged to the FLAG Management and Administration (M&A) budget.

3.3.3 Administration & Finance Officer

A part time admin & finance resource will support the Programme Officer and undertake the financial requirements of the programme. The primary tasks will include:

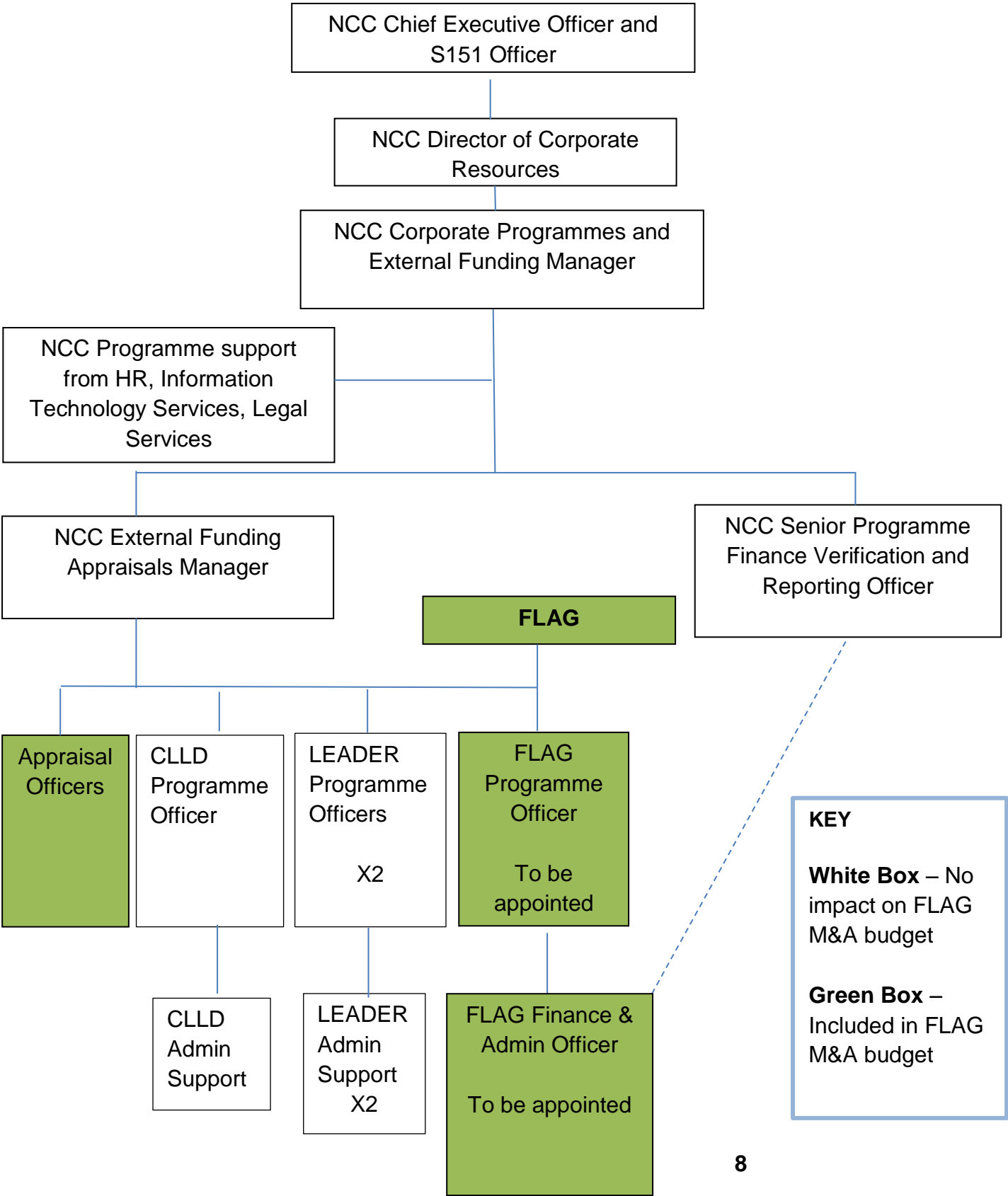
- Admin support for Programme Officer
- Secretariat to FLAG
- Project inception, monitoring and closure visits
- Establishment and updating of MMO E-Systems and internal programme database
- Advice and support to projects on completion of project grant claims
- Processing grant claims and submission to MMO for payment
- Management of M&A budget & preparation of M&A claim for MMO
- Programme publicity

The above staff will be managed and supported within the line management structure of the team. Where required line managers will quality check, verify and authorise appraisals and claims. The management support will not be charged to the FLAG budget.

3.3.4 North of Tyne FLAG Organogram

The organisational chart below reflects the staffing arrangements within the Lead Partner for the FLAG programme

Lead Partner Northumberland County Council (NCC)



3.3.5 Management and Administration Budget

The Lead partner will be responsible for all contractual and financial aspects of the M&A budget. It will enter into a grant funding agreement with the MMO, defray and claim all expenditure and ensure that compliance requirements of EMFF are met. A draft M&A budget has been developed which takes account of the key timescales for the North of Tyne FLAG programme; recognition of the distances within the FLAG area and recognition of the new status of the FLAG. The Lead Partner is providing management support, HR and payroll and finance support and accommodation at no cost to the FLAG. The budget currently utilises the maximum permitted 25% of FLAG funds. The Lead Partner will look for any opportunity to reduce this requirement during the life of the FLAG programme.

The key programme timescales and draft budget are provided below

3.3.6 Projected Timescales

Approval of LDS by MMO	October 2016
FLAG Programme Officer in post by	January 2017
FLAG formed and operational	March 2017
1st Project approved by FLAG	July 2017
1st Project Claims received	January 2018
Final Project approvals	September 2018
Final claims from projects	June 2019
Final claim to MMO and closure	October 2019

3.3.7 Indicative M&A Budget (a more detailed breakdown can be provided)

Salaries	£
Programme Officer	110,828
Appraisal Capacity	23,574
Finance and Admin Officer	31,458
Sub Total	165,860
Staff	£
Travel and other expenses	9,190
Telephones and Laptop	3,000
Office Rental (indicative cost, will investigate with partners to provide on a no cost basis)	3,000
Sub Total	15,190
Other Costs	£
LAG Member Travel	3,450
LAG operational budget (publicity, training, events, website)	5,500
Evaluation	10,000
Sub Total	18,950
TOTAL	200,000

3.4 Training

Please see section 2.6.

Section 4

4 LOCAL DEVELOPMENT STRATEGY (LDS)

4.1 The North of the Tyne Fisheries Local Action Group SWOT

Strengths

- Fishing industry important to local economy (shellfishery potting fleet excluding trawlers worth £3 million).
- Strong family tradition of fishing – with retired fishermen continuing to support the industry (e.g. North Shields Fishermen's Mission providing welfare support; Association of Retired Fishermen planning to erect a memorial in North Shields for fishermen lost at sea).
- More than 40 different species of fish landed – particularly shellfish (Nephrops, Lobster, Brown Crab and Velvet Crab) and gadoids (Whiting, Haddock and Cod).
- Good fishing grounds in inshore and offshore waters.
- Diversity of fishing methods and an adaptable fleet – with many fishermen switching between gears to target species seasonally.
- Natural deep water harbours and 2 non-tidal ports (North Shields, Blyth).
- Good transport links to main roads – A1, A189, A1068 - leading South, into Scotland and providing connections to the continent.
- Traditional fishing vessels, known as cobs, still made on the coast and used by fishermen today.
- Strong local and cultural heritage within coastal towns – and a growing tourism offer (e.g. Tall Ships Regatta in Blyth, Newbiggin Maritime Centre, the Old Low Light Heritage Museum at North Shields Fish Quay).
- Abundance of designated Marine Protected Areas, 4 Special Protected Areas inshore, 1 Special Area of Conservation, 2 Marine Conservation Zones and 1 MCZ offshore. 39 miles of the coastline designated an AONB.
- Strong links between fishing industry and academic institutions (e.g. marine science and technology at Newcastle University).

Weaknesses

- Lack of new entrants into the fishing industry coupled with an ageing workforce: skippers find it difficult to employ skilled crew, high capital cost to enter the catching sector and difficulty raising finance to enter the fishing industry.
- Low levels of diversification – highly targeted fishery as quota restrictions, seal interference and poor yields have resulted in many trawl fishermen switching to potting leading to a dependency on shellfish stocks.
- CEFAS stock assessments have highlighted that shellfish stocks including European Lobster, Brown Crab and Prawns are being exploited beyond recommended levels.
- Ageing infrastructure including ports, wharves and vessels – the majority of ports lack cold storage facilities and/or are inadequate to accommodate the implementation of the Landing Obligation.
- Working days limited by weather and sea conditions, particularly for the >10m fleet.
- High risk industry – lone working in small vessels (>10m) prevalent. Low levels of health and safety measures and awareness (i.e., very few fishermen wear life jackets).
- Lack of consistent supply of some species of fish making adding value difficult.
- Lack of engagement with new market opportunities (e.g. innovation, access to diverse markets). A significant proportion of fish and shellfish landed are exported to the continent where a better price and more reliable/consistent markets are available.
- Limited supply and processing chain reducing opportunities to pursue best value for catch. North Shields is the only market in the area and fish are bought by a few regular buyers.
- Limited baseline data about the fishing industry and its benefits.
- A perception of overregulation among fishermen.
- Limited enthusiasm of fishermen to comment on issues/legislation directly affecting their livelihoods.
- Low take up of main EMFF programme by fishermen because the area currently lacks animation/project development support.

Opportunities

- To improve port infrastructure/facilities (e.g. cold storage facilities, electronic Derek cranes, places to moor and repair boats).
- Ensure the continuation of traditionally built vessels (cobles) and pots.
- Improve the turnover, profitability and viability of the fishing industry.
- Gain economic benefit from fish waste and adding value to caught fish.
- Create a quality brand for North of the Tyne produce e.g. ugly/less favoured or used fish such as Mackerel and Coley; developing higher value markets as well as accessing established markets.
- Clear training and development agenda for fishermen e.g. understanding fish quality.
- Support to help new entrants get into fishing – raising awareness of the industry at school and college career days for post 16s.
- Diversify the market for implementation of the CFP (i.e., quota species, volumes of fish catch, discards). e.g. fishermen and academic institutions working together on practical issues such as innovative gear technologies to reduce bycatch of unwanted or undersized fish.
- Manage/reduce fixed input costs (e.g. alternative energy opportunities for ice manufacture).
- Support fishermen wishing to diversify into tourism (e.g. sea trips, tours and landings on the Farne Islands; putting cameras underneath vessels for visitors to view the seabed). Building upon Visit Northumberland's promotion of the coast.
- Create new opportunities for visitors and residents to understand where fish comes from: net to plate.
- Proximity to Forth FLAG and existing relationship with Cornwall & Isles of Scilly provides opportunities for cooperation (e.g. small port infrastructure, branding/marketing and adding value).
- Maximising investment in coastal communities by aligning the FLAG to LEADER, CLLD and other community regeneration initiatives.

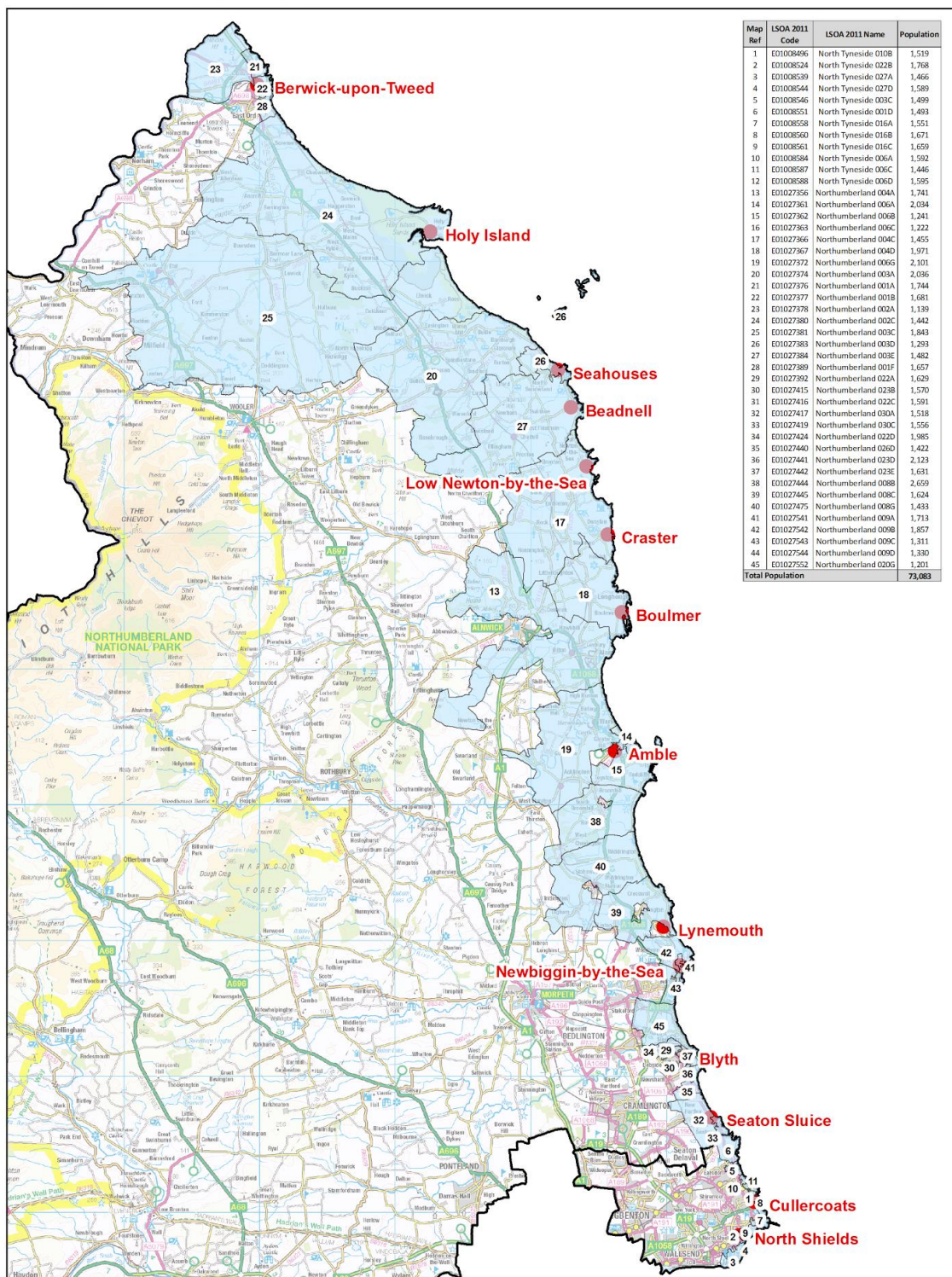
Threats

- Increasing dependency on shellfishery as quota restrictions and poor yields have resulted in many trawl fishermen switching to potting.
- Lack of new entrants into the industry due to high start-up costs and unstable/variable income.
- Potential loss of knowledge, culture and heritage – e.g. only 4 people left making cobles; many fishermen buying ready-made lobster pots rather than making them by hand.
- Overseas and pre-packed fish dominate supply to supermarkets rather than locally sourced fish.
- Lack of innovation and investment in the industry – particularly processing.
- Rising input costs (e.g. fuel, bait, gear). Alongside this lobster and crab prices have remained fixed for 10+ years.
- Quota being sold outside North of the Tyne in Area 4b.
- A prohibition on the use of mobile fishing gear within the English section of the Berwickshire and North Northumberland Coast Special Area of Conservation (SAC).
- Increasing conservation restrictions on fishing e.g. 53% of the inshore fishing area is designated by overlapping MPAs with 17% under consideration of a potential SPA, leading to uncertainty about the future among fishermen.
- Industrial fishing.
- Increasing adverse weather conditions / climate change.
- Lack of match funding to deliver projects / lack of cash flow to implement projects.
- Leaving the EU – implications for available funds and potential threats to stocks from any future changes to legislation.

4.2 Needs assessment / description of the area

The Stage 1 FLAG application identified 14 settlements with fishing activity stretching from North Shields in the south to Berwick-upon-Tweed in the north, a distance approaching 65 miles. The population of these settlements is 88,990 (2014 mid-year population estimates). A more detailed mapping of the specific neighbourhoods within these settlements with a coastal context identifies a coastal population of 73,083 covering 45 lower super output areas (LSOA) (2011 Census). A map showing the area is set out below:

North of Tyne - FLAG LSOAs



The map demonstrates the relative sparseness of the northern LSOAs compared to the higher population density LSOAs of the southern part of the area (each LSOA has approximately the same population, but can be vastly different in geographical size).

The area has a skewed demography with a higher proportion of older residents than the national average 21% of over 65s compared to 16% for England (2011 census).

The southern stretch of the coast comprising the settlements of: North Shields, Cullercoats, Seaton Sluice, Blyth, Newbiggin-by-the-Sea and Lynemouth is mainly urban in character. North Shields is the home of the only fish market in the area. Port of Blyth is a significant freight port co-located with the fishing fleet. 29 of the 38 trawlers operating in the area are based at these two settlements and 29 of the 81 potting boats. The legacy of fish processing continues in this area centred around North Shields with operations such as Larry's Fishcakes still active although not relying on produce caught locally. North Shields itself is developing a tourism component around the fish-quay which has stimulated significant private sector investment in tourism and hospitality. The population of this area is 47,694.

The northern stretch of the coast comprising the settlements of: Amble, Boulmer, Craster, Low Newton-by-the-Sea, Beadnell, Seahouses, Holy Island and Berwick-upon-Tweed is rural in character. 9 of the trawlers and 52 of the potting boats operating along the coast are based in this area. Apart from Amble and Seahouses the other settlements now have a very limited operation in terms of fishing. The coastal population of this area makes up just 38% of the total coastal population at 25,389 people. There is a tourism component in this area linked to sea-based activities (with the Farne Islands a major asset). Many of the operators in this area land their fish at Eyemouth, which is eight miles north of Berwick-upon-Tweed rather than North Shields. Amble is the most active area in this northern stretch with 20 potting boats and 7 trawlers.

The whole area has a stock of 22,762 jobs (Business Register and Employment Survey 2014) and has a higher than national average proportion of jobs in terms of: mining and quarrying, retail accommodation and food services. In all other broad categories of employment it has a smaller proportion of jobs than the national average.

Drilling down to look specifically at fish related activities the area employs 156 people engaged in: fishing, aquaculture, wholesaling and retailing and processing of fish (Business Register and Employment Survey 2014). This has fallen from 351 in 2009 with over 200 jobs lost in the wholesale sector. This may be accounted for in part in that other elements of wholesale, which do not fit in the larger Business Register and Employment Survey (BRES) categories are included with fish, crustaceans and molluscs. Notwithstanding this relatively small number of employees the sector has a high location quotient with the number of employees as a proportion of the workforce working in it being 3.22 times greater than the national average.

The area struggles to retain a significant proportion of its workforce with the stock of jobs (jobs density) being only 41% of employees compared to a national average of 74%.

The area has a higher proportion of part time jobs than the national average – 37% compared to 31%

Notwithstanding the decline in employment the value of landings between 2010 and 2014 in the area has increased significantly although it is currently on a downward trend. MMO data relating to the landed weight (Tonnes) and first sale value of all landings (demersal, pelagic and shellfish) from all ports within the proposed FLAG area between 2010 and 2014 are shown below. Between 2011 and 2015 3,510,199kg of Brown Crab, 3,520,259kg of Lobster and 1,030,458kg of Velvet Crab were landed at ports in the area.

Year	Landed Weight (Tonnes)	First Sale Value (£)
2010	3572.17	7,782,173.08
2011	4543.29	13,041,929.26
2012	5258.39	14,209,526.12
2013	5052.73	13,643,155.57
2014	4364.81	12,687,757.61

The area has a higher proportion of people with no qualifications: 25% compared to 22% and a marginally lower proportion of people with NVQ4 level qualifications: 26% compared to 27% than the national average.

Unemployment expressed as a percentage of residents aged 16-65 is considerably higher than the national average at 2.8% compared to 1.7% though it has been on a declining trend in line with the national position since 2013 when the figures were 4.9% and 3.6% respectively.

The area has a stock of 3595 businesses (NOMIS 2014). None of these businesses employs over 50 people, 97% employ 0-9 people. This represents a significantly smaller average business size than the national average.

The area also has a significantly higher number of enterprises per head (ONS 2015) than the national average 0.11 compared to 0.06.

Business birth and death data is only available at unitary authority level for the North East. Bearing in mind the relative scale of North Tyneside and Northumberland to the FLAG area this only provides a very indicative overview. Data for both Northumberland and North Tyneside shows a net increase in the number of businesses with an increase of 225 enterprises in North Tyneside and 300 in Northumberland. There are currently 8610 enterprises in Northumberland and 4635 in North Tyneside.

In terms of deprivation (English Indices of Deprivation 2015) the southern area is relatively more deprived than the north. It has a mean ranking of 4.2 out of 10 compared to 5.4 for the northern area. It also has a more varied pattern of deprivation with two LSOA's in North Tyneside being in the least deprived decile and four LSOA's in Blyth in the most deprived decile in England.

Looking more specifically at barriers to housing and services whilst 11 of the lower super output areas are in the worst 10% of all neighbourhoods in England the mean ranking for the whole area is 4.98. The figure is more acute in the rural northern area where the mean is 3.5. The mean income figure which represents an even distribution across the whole area is just below the national average at 4.63. In terms of health, the area overall is in the worst 40% of all neighbourhoods. The mean figure of 6.3% in the northern area suggests that most of the health deprivation is in the south of the area.

4.2.1 Needs Assessment Summary

Fishing and its wider supply chain is a small but nationally distinctive activity on the North of Tyne coast. Employment across the whole sector has declined over the last 5 years. The value of catches has increased significantly in this period but is now beginning to decline. The coastal area itself is largely urban in the south and rural in the north. The majority of the trawlers operate out of the south, which also retains some fish processing. Potting boats predominate in the north and there is also significant scope for land and sea-scape tourism. Overall the area has a demography, which is skewed towards the elderly and is characterized by relatively high levels of unemployment. The proportion of people without any qualifications is higher than the national average. The area has a larger stock of smaller and micro enterprises than the national average but struggles to retain its workforce due to a relatively small number of jobs per head compared to the national average. It has no large employers. In the wider hinterland of the area the overall stock of enterprises is on a modest upward trend in both Northumberland and North Tyneside. The area is more deprived in the south than the national average and in the north is just above the national average. There are relatively high challenges in terms of deprivation connected with health in the south of the area and access to services in the north of the area. Incomes are very moderately lower than the national average.

4.2.2 Key Issues

The area has a distinctive split between larger vessels and fish processing activity in the south and smaller vessels and tourism opportunities in the north. The sector is declining in employment. The value of catches is on a declining trend. The area already has a relatively low stock of jobs and high unemployment but a high proportion of small enterprises. In the south the communities within which the sector operates are suffering from relatively high levels of deprivation.

4.3 Key Priorities

Each of the priorities identified, is based on the information gathered during the extensive consultation exercise, and builds on the elements identified within the SWOT analysis. This is effectively a snapshot of the issues the fishing sector is currently facing in the North of Tyne area. However, as we continue to work with stakeholders during the delivery of this strategy, we will continue to identify and welcome new and innovative ways of tackling the many issues the sector faces.

Through these priorities the North of the Tyne FLAG is seeking to:

- Meet the *policy priorities* of implementing the reformed Common Fisheries Policy and economic growth linked to coastal deprivation and the marine and fisheries sectors – with linkages between priorities 3 and 4 in projects that implement the Reform (particularly the Landing Obligation) and create new opportunities for fishermen and scientists to work in partnership. These priorities are also intended to create the conditions for smart, sustainable and inclusive growth set out in *Europe 2020*, the European Union's jobs and growth strategy.
- Make sure that any programmes of activity undertaken result in fishing practices that do not harm the ability of fish populations to reproduce by supporting practices that are *sustainable and maintain fish stocks in the long term* – the FLAG is seeking to support programmes of activity that add to technical and scientific knowledge in local fisheries so as to reduce the impact on the environment and facilitate sustainable production methods.

- Be *innovative* in programmes leading to new or substantially improved products (fish quality, branding, selling), processes (processing) and equipment (ports and harbours).
- Work with all potential FLAG applicants to select projects which contribute to the above objectives in a way which is *complementary* to other projects whilst having no conflict of aims or outcomes.

The North of the Tyne FLAG has *four priorities expressed in the theory of change below as outcome areas*:

- 4.3.1 Support for the development of small scale infrastructure at ports and harbours:** the FLAG will support programmes of activity that improve ageing and inadequate infrastructure and facilities at ports, auction halls, landing sites, shelters and harbours for fishermen and the fishing industry. Indicative amount allocated - £250,000.
- 4.3.2 Support for marketing, branding and processing:** the FLAG will support programmes of activity that add value to fishery products; access existing and new markets for North of the Tyne fishery and aquaculture products; and enable fishermen to market, brand and sell seafood and aquaculture products. Indicative amount allocated - £200,000.
- 4.3.3 Support for training, retention, recruitment, diversification of fishermen and CFP reform:** the FLAG will support programmes of activity that improve fish quality and market prices; support recruitment, retention and training and promote the industry as an attractive career opportunity; enable older fishermen to continue to fish and be economically active by updating equipment thus reducing the physicality of the work; support fishermen wanting to diversify into tourism; and find solutions for the Reform Packages of maximum sustainable yield, unwanted fish (discard ban, landing obligation) and transferable fishing concessions (fish stocks). Indicative amount allocated - £100,000.
- 4.3.4 Support for collaborative and applied research between fishermen and scientists:** the FLAG will support programmes of activity that involve fishermen in science projects that benefit the industry through improved fisheries data or stock assessments; through innovative ideas on gear technology; and methods for more selective/environmentally friendly fishing. Indicative amount allocated - £50,000.

4.4 Objectives

Recognising the small but culturally and strategically important character of the fishing sector in the North of Tyne area, the LDS proposes a logic model which responds to the issues arising from the data driven needs assessment and the comprehensive consultation process.

This theory of change translates into *four objectives – expressed as business outcomes*:

- Engaging** with and maximising the participation of fishermen, the fishing industry and communities to produce projects that support the sustainable development of fishing and aquaculture in the North of the Tyne area.
- Bringing together a **partnership** of public, private, voluntary and community sector representatives to support the delivery of the Strategy – ensuring the North of the Tyne area is able to fully benefit from a community-led local development approach in the context of fishing and aquaculture.

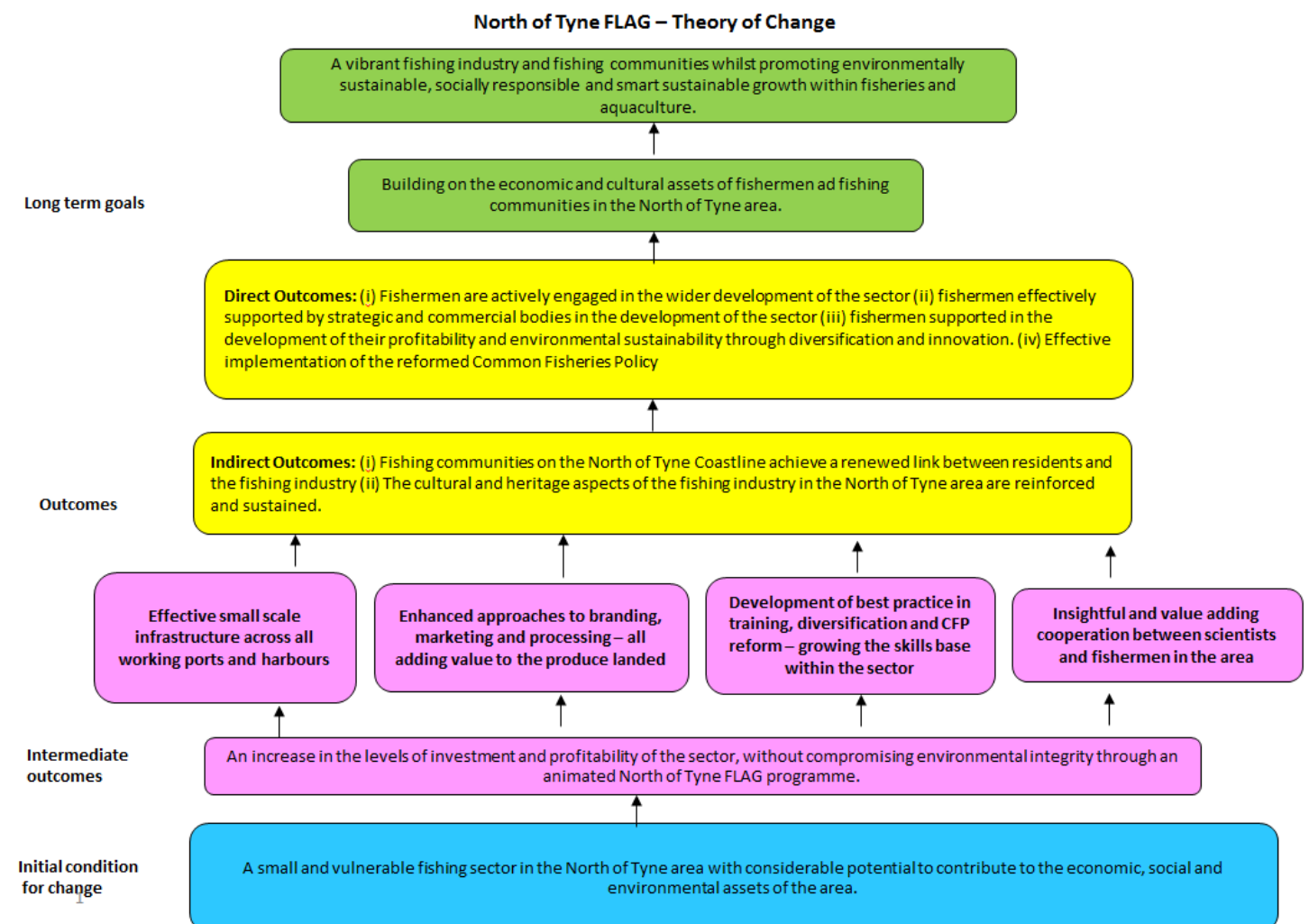
- iii) Ensuring the **economic viability** of fishermen's livelihoods, supporting the diversification of local economies dependent on fisheries and aquaculture into other sectors of the marine economy, and driving sustainable economic growth within the North of the Tyne FLAG area.
- iv) Fostering the implementation of the reformed **Common Fisheries Policy** – particularly unwanted fish (discard ban, landing obligation); supporting small-scale fisheries, improving data collection and promoting sustainable fish stocks.

The overall goal of the Strategy is to foster a vibrant fishing industry and fishing communities whilst promoting environmentally sustainable, socially responsible and smart sustainable growth within fisheries and aquaculture in the North of the Tyne area.

Two wider non business outcomes relating to reconnecting fishing to communities and realising the potential and value of its cultural and heritage features are also identified.

It is based on the following theory of change:

4.4.1 Theory of Change



4.5 Sustainability Framework

In planning the programme around the theory of change we have had regard to a sustainability framework which takes account of – *process* – ensuring those affected by the strategy have been given a voice; *economic* – looking to ensure outcomes are fair, environmentally responsible and durable; *community* - making sure projects are delivered inclusively; *cultural* – ensuring projects respect the heritage and traditions of individual places and *environmental* – taking account of the impacts of projects in terms of climate change, bio-diversity and pollution. We set out below how the LDS actions relate to the framework:

Process – the LDS priorities are derived from an extensive process of consultation with a comprehensive cross section of fishermen and fishing communities during which the need to link scientists and fishermen in the development of innovation and the most effective way of addressing the environmental impacts of the reformed CFP have been key themes – we have subsequently checked the priorities against the common framework for bio-diversity proofing approach followed by the EMFF.

Economic – Priorities 4.3.1, 4.3.2 and 4.3.3 all seek to increase the economic vitality of the fishing fleet taking account of sustainable approaches to complying with national and EU regulations linked to conservation and preservation of natural resources. They seek to raise awareness of the value of the industry, improve the processes by which the produce is caught and drive up the financial returns to fishermen and their wider supply chain achieved through their work.

Community – the LDS priorities (particularly in terms of 4.3.2 and 4.3.3) have been developed to take account of wider social context within which fishing operates in terms of issues such as raising awareness of the role of the fishing industry and its activities, training and development of fishermen taking account of the need to integrate the industry within the wider skills base and the provision of opportunities for interested members of the community to access the profession. This has been further supplemented by the formation of an indicative LAG which is representative of the whole community of interests within which the sector operates, from public bodies to environmental organisations.

Cultural – Our approach focuses on 14 individual settlements, differentiated into north and south zones based on the distinctive nature of their fishing activities. Through priority 4.3.2 focused on supporting cultural assets such as the Cullercoats Coble and exploration of the branding opportunities linked to key fish types and local geographies, the LDS supports the heritage and cultural integrity of the North of Tyne fishing area.

Environmental – We have followed this aspect of our approach to sustainability as a cross cutting theme across all 4 priorities, reflecting the priorities set out in the Common Framework for Biodiversity Proofing EMFF. In terms of 4.3.1 we will welcome projects which reduce input activities and costs by delivering greater mechanical and operational efficiency, in terms of 4.3.2 we aim to drive up the value and quality of produce reducing the pressure on fisherman in terms of the scale and size of catch required. In terms of 4.3.3 we aim to support fishermen in maximising the opportunities to comply with the reformed CFP and its environmental priorities. Finally through 4.3.4 we seek to broker scientific and technical innovation which delivers enhanced environmental benefits through the work of the fishing fleet.

4.6 Indicative Project Activity Pipeline

During our consultation we sought indicative project proposals. This has enabled us to both identify the fit of our approach to activities/requirements and scope the likely level of investment and matched funding available to support the strategy. A summary of indicative activities with their links to the four LDS priorities and EMFF articles is shown below. No indication of actual funding support has been given, as projects will be required to follow the FLAG application process to be considered for support.

FLAG Priority Area	EMFF Articles	Indicative Applicant	Indicative Activities from Project Pipeline	Initial EMFF Allocation to Priority Area £	Forecast Private Sector Leverage £	Forecast Public Sector Leverage £	Forecast Outputs
Support for the development of small scale infrastructure at ports and harbours	Article 43 Fishing ports, landing sites, auction halls & shelters	Harbour Commissioner Ports Fishermen	<ul style="list-style-type: none"> - Landing & berthing improvements at Nth Sunderland Harbour - North Shields Quay infrastructure investments - Port of Blyth Slipway and marine service facilities - Small capacity Ice Machines - Shellfish storage pontoons 	250,000	250,000	50,000	3 Full Time Jobs created
Support for marketing, branding & processing	Article 66 Production & Marketing Plans Article 68 Marketing measures Article 69 Processing of fisheries & aquaculture products	Processing Businesses Fishermen's Associations, Co-operative Producer Organisations	<ul style="list-style-type: none"> - Support to local businesses promoting and processing seafood. - Support for "North of Tyne" brand development - Establishment of SeaFood Street Stand – to promote and sell locally caught fish at events. - Small scale shared processing and packing unit for fishermen & families to pack and process own catch to sell & market as local seafood. 	200,000	200,000		1 Business Created 3 Full Time jobs created

Support for training, diversification & CFP reform	Article 29 Promotion of human capital, job creation & social dialogue Article 42 Added value, product quality & use of unwanted catches	Fishermen Training Providers	<ul style="list-style-type: none"> - Training for Fishermen in improved quality of landed catch. - Business support for diversification - Access to Fishing programme targeted at u25's - Small scale equipment for fishermen - Training linked to boat maintenance and repair 	100,000	100,000	50,000	3 Business es created 3 Full Time Jobs created
Support for collaborative & applied research between fisherman & scientists	Article 28 Partnerships and between scientists & fishermen	Universities	Joint research projects involving Fishermen & key research institutes. Opportunity to do this in co-operation with other FLAGs to be progressed.	50,000	10,000	25,000	1 co-operation project
Animation and Management of the Programme		Local Authority	Provision of animation and project development support within fishing Sector Undertaking role of Lead Partner Establishment & operation of FLAG	200,000		60,000 – In-kind	1 Full Time Job Created 1 co-operation project

The above figures relate to direct leverage from projects supported with FLAG grant. One of the aims of the FLAG LDS is to increase the amount of EMFF main programme funds secured within the FLAG area and to secure other grant funding for the area. The extent to which this ambition can be achieved will be dependant on the future of EMFF funds.

The indicative target for this is EMFF (Main programme) £800,000, Public Sector Leverage £185,000, Private Sector Leverage £560,000

4.7 Delivery Process including project development, application and approval procedure

Please see section 5.2

4.8 Planned leverage of other funds

Following the decision for the UK to leave the European Union the impact on EU and national funding is not yet clear. The LDS has been developed on the basis of EMFF still being available to the end of 2019.

The North of Tyne FLAG aims to maximise the leverage of both public and private funding into the programme. This will not only increase the value for money to the public purse but will also foster a real commitment of partners to the programme. Projects technically may be supported at the applicable intervention rate for the type of applicant as detailed within the EMFF Articles. Where possible the FLAG will look to support projects at a lower intervention rate, to increase the number of projects supported and maximise the match funding.

The programme is forecasting a minimum of £560,000 private and £125,000 public sector leverage, this equates to an investment ratio of 1: 1.1 EMFF (allocated to projects) to match. The sources of match funds identified through the consultations include: Harbour Commissioners and Ports, fishermen's own resources, businesses funds, University funds and the potential for Local Authority funds. The opportunity to access funds such as Coastal Communities Funds (2017 programme) will be explored and supported by the Programme Officer once in post. Being integrated within the External Funding Team will enable the Programme Officer to work closely with other external funding and CLLD staff (including LEADER) to identify other funding opportunities to enhance the FLAG programme.

In recognition of the limited funds available to the FLAG, The FLAG wishes to see complementary projects being delivered outside of the FLAG budget. It is expected that these will include projects accessing the main EMFF programme for which support will be provided by the FLAG Programme Officer. There is the potential for a £4.5m coastal protection scheme which will bring direct benefits to the Seahouses fishing fleet to be delivered within the timescale of the FLAG programme. This would bring significant added value to the FLAG programme.

4.9 Targets, results and outputs (quantitative and qualitative)

The FLAG will be seeking to maximise the impact of the programme through measurable direct and indirect outputs and immediate and longer term outcomes. They will be captured and measured on both a quarterly basis with the submission of claims and progress reports and as part of the wider programme monitoring and evaluation. The table at section 4.6 identifies the direct outputs required from the FLAG, these are 10 jobs created, 4 Businesses created and 2 co-operation projects delivered. The programme's real value is expected to be demonstrated in the delivery of longer term and sustainable outcomes.

4.10 Community and stakeholder involvement in the development of the strategy

Please see section 2.5

4.11 Communications and publicity plan

The purpose of the plan is to publicise and raise awareness of the FLAG and the LDS to ensure that resources are fully accessible to target groups.

During our community and stakeholder consultation (section 2.5) we found a ‘fisherman centred approach’ was the key to effective engagement. One of the Programme Officer’s first and main objectives once in post will be to promote the fund to fishermen and the fishing industry as widely as possible, using a variety of methods, to ensure best possible awareness. In recognition that the North of the Tyne will be a new FLAG, a significant amount of publicity will be required to (i) raise the profile and understanding of the FLAG’s aims and objectives, (ii) build relationships across the fishing sector, and (iii) attract suitable projects.

The table below sets out indicative steps we will take to help fishermen, the wider fishing industry, stakeholders and other funders to understand what the FLAG is about:

Projected Timescale	FLAG scheme	North of the Tyne Communications and publicity activity ~	
October 2016	Approval of LDS by MMO	Press release	<i>Promotion</i> – Programme officer/lead partner working with partners identified in Stage 1 and stage 2 to publicise the FLAG through all channels*. <i>Branding</i> – to identify the EU focus, MMO sponsorship (via logos) on all information, materials and publicity related to actions funded by the FLAG. <i>Events</i> – a launch event to promote FLAG to prospective applicants and/or to showcase successful projects.
January 2017	FLAG programme officer in post	Press release	
January 2017 - March 2017	FLAG formed and operational	Dedicated website Local advertising via partners networks* Launch event	
August 2017 – June 2019	Project approvals and claims	Showcase successful projects (e.g. press release, through partners networks*)	
September 2019	Programme closure	Evaluation Report	
* Every opportunity will be taken to make the best use of media already available. This will include but is not limited to: bulletins and newsletters, meetings/networking events, providing a link to FLAG website and use of established social media practices such as twitter.			
~ Provision has been made within the M&A budget to support promotion and publicity.			

Successful applicants will be required to acknowledge FLAG funding in all publicity and materials produced; use branding guidelines from the European Structural and Investment Funds scheme and Marine Management Organisation; as well as provide information to the FLAG for use in publicity materials.

4.12 Alignment of the Strategy

The partnership working between the lead organisations whilst developing this strategy – Northumberland IFCA, Northumberland County Council and North Tyneside Council, has ensured that the aims and objectives of the LDS not only meets the requirements of the MMO but also links closely with a number of other policies and strategies.

The list below is indicative of the policies and strategies which have, and will continue to have an influence on how this strategy has developed and how it will be delivered.

4.12.1 Alignment with other CLLD initiatives

Programme Officers for the various Community Led initiatives will all be part of the same team based in Northumberland County Council. FLAG, Leader and CLLD officers will work together, to ensure that whilst recognising that the different funds have distinct remits, their work will aim to maximise impact.

There will be cross representation between the Coast and Lowlands LAG, the North of the Tyne FLAG and the South East Northumberland/North Tyneside CLLD LAG. Whilst the geographical crossover between the FLAG and the CLLD area is minimal, it does include the Port of Blyth which is a significant settlement in the south east of Northumberland. Both funds will have objectives around employability and encouraging entrepreneurial skills, and will work together to maximise the impact of the funds. We will also explore the potential of working closely with FLAGs north of the English/Scottish border, and if possible we will aim to have cross representation on the respective FLAGs.

The Tyneside CLLD, covers an area that includes the Riverside and Chirton wards in North Tyneside and Jarrow to Rekendyke and Middlefields in South Tyneside. It touches the North of Tyne CLLD / FLAG at the Fish Quay in North Tyneside.

The focus of the Tyneside CLLD will be on working particularly with households where people have been long-term unemployed and will need some additional support to get work ready. It will also be working with businesses in the area to support their growth so they can employ more people from the Tyneside CLLD area. North Tyneside Council are likely to be the Accountable Body for the Tyneside CLLD area and will work closely with the North of Tyne FLAG to avoid any duplication and maximise impact.

4.12.2 Europe 2020

As well taking into account the broad Europe 2020 Jobs and Growth Strategy principles, there are three priority areas which the LDS looks focus on; the drive to reduce climate change by supporting localised environmental projects and the reduction of greenhouse gasses; supporting sustainable and inclusive growth by supporting local small business development and innovation; and the aim to facilitate the entry of young people into the labour market with targeted intervention appropriate to the industry and the area.

4.12.3 Alignment with the core EMFF

Currently the North of Tyne area has a low take up of main EMFF programme by local fishermen, because of the historical lack of animation or project development support. The Programme Officer will work across the whole of the North of Tyne geography, and will work with potential applicants to identify suitable projects, and actively work with them to discover the best source of funding whether its FLAG or core EMFF, or other available funding. This will mean the post is working in the most cost effective way to secure the maximum amount of funding for the area, and will look for 'horizontal' as well as 'vertical' links between projects, applicants and sectors.

4.12.4 Alignment with Regional Policies

North East Local Economic Partnership - Strategic Economic Plan (SEP)

<http://nelep.co.uk/whatwedo/>

The SEP identifies particular priorities around tackling unemployment and promoting tourism which are directly relevant to the key issues identified in the needs assessment set out above.

North East Combined Authority (NECA)

<http://www.northeastca.gov.uk/home>

This forum provides a very powerful strategic framework for the joint working of Northumberland and North Tyneside councils in the context of their implementation activities around the strategic development of the North of Tyne fishing industry.

Northumberland Economic Policy

http://www.northumberland.gov.uk/WAMDocuments/80376CE5-8929-4BEF-B9ED-A8FB7830C9EC_1_0.pdf?nccredirect=1

The tourism and workforce development elements of this plan provide an important contextual backcloth to the LDS.

North Tyneside Draft Local Plan

https://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=563074

The Local Plan sets out the Council's policies and proposals to guide planning decisions and establishes the framework for the sustainable growth and development of North Tyneside up to 2032. Specifically it also details plans for the Fish Quay area (page 179, section 11.50).

Our North Tyneside Plan

<http://my.northtyneside.gov.uk/category/368/our-north-tyneside-plan>

The coastal sections in this strategy are particularly important in the context of the LDS.

North Shields Fish Quay Neighbourhood Plan (2013)

http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=558717

Aims to provide an environmentally, socially and economically sustainable future for the area for residents, business and visitors. To have successful and healthy business base and in particular to support and complement the fishing industry and its associated shops and activities.

North East Farming & Rural Advisory Network (NEFRAN)

<http://www.northumberland.gov.uk/About/Partners/North-East-farming-rural-advisory-network-NEFRAN.aspx>

A number of proposed LDS members including the Vice Chair of the Northumberland Coasts and Lowlands LEADER programme and the Chief Executive of Community Action Northumberland have the potential to link the work of this group substantively into the FLAG.

4.13 Cooperation activity

Being a newly established FLAG, the North of Tyne will endeavour to make the most of all cooperation activity, to learn as much as possible for other established FLAGs, especially within the UK. We will fully engage with Farnet, and look to develop a cooperation project with a partner FLAG, if an appropriate opportunity arises. Initial ideas for cooperation include scientific research and supporting fishermen to process and market their catch.

One of the initial priorities for the FLAG will be to engage with the other UK FLAGs around sharing good practice and learning from them. Good contacts have been made with the Cornwall FLAG who have provided advice and support both to establish the FLAG and develop the LDS. We will consider all cooperation activities available, but at the same time will be selective about which would be most beneficial to the group and the most cost effective use of resources.

4.14 Exit strategy

The overall goal of the Strategy is to foster a vibrant fishing industry and fishing communities whilst promoting environmentally sustainable, socially responsible and smart sustainable growth within fisheries and aquaculture in the North of the Tyne area. To make a real difference this must reach beyond the lifetime of this strategy. As well as using the 6 monthly and annual review process with the MMO to collate ongoing performance information, an independent evaluation will also be commissioned, which will be aligned with any national requirements. It will look to capture information relating to successes of the FLAG, what hasn't worked well and what lessons can be learned. The specific remit will be discussed in more detail with the MMO once the LDS has been approved. Costs for the evaluation will come from the M&A budget.

A measure of success of this strategy will be the continuation of the FLAG beyond 2019, exploring different ways for the sector to resource this, and help shape future development of UK fishing policy and potential funding.

4.15 Horizontal issues

As well as ensuring the FLAG operates in non-discriminatory and inclusive manner, as previously mentioned in section 2.4, it will also continuously look to ensure its practices encompass the principles of sustainability and innovation, as outlined in section 4.5. We will learn from other FLAGs and incorporate areas of best practice into how the LDS is delivered.

The Programme Officer will work with the applicant to ensure any project can demonstrate that a sustainability appraisal has been carried out, using the guidelines set out in Northumberland County Councils' Sustainable Procurement Policy:-

<http://www.northumberland.gov.uk/Business/Suppliers/General.aspx>

One of the most important elements of the work of the Programme Officer will be developing good working relationships with all of the fishing industry throughout the North of Tyne area. Building good communication and trust with individuals, groups and businesses will be a fundamental part of the role. As these relationships develop, one of the most important elements will be to explore different ways of working and new approaches to tackling issues faced by the fishing industry. As the implications of the vote to leave Europe become more apparent, these relationships and conversations will become even more important.

Section 5

5 MANAGEMENT AND ADMINISTRATION

5.1 Administrative and financial management arrangements

Please see section 3.3.

5.2 Project Development and Assessment Procedures

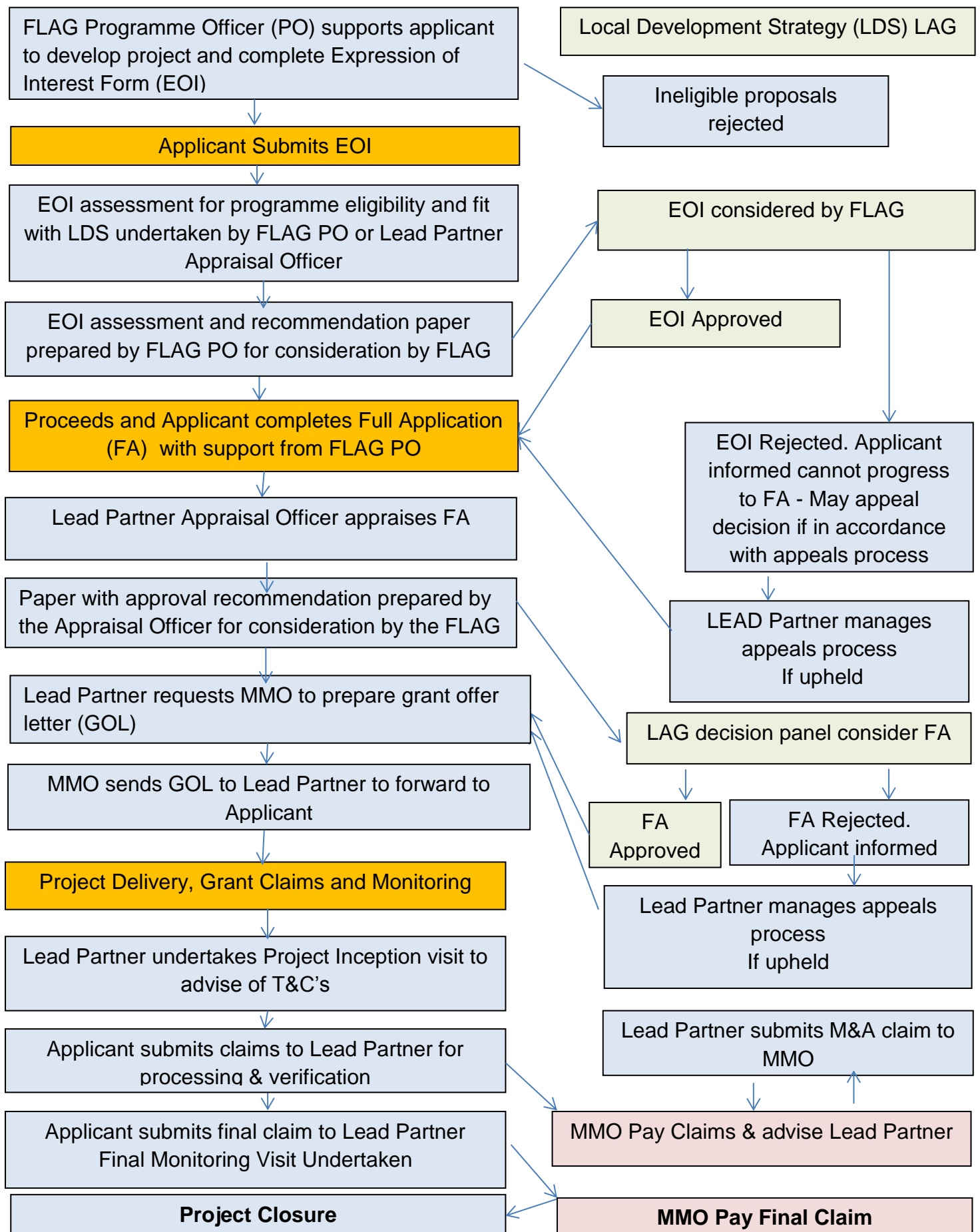
Project development and assessment processes will take account of the requirements of the MMO, paying particular regard to separation of duties and conflict of interest. The MMO will provide further guidance and training on the process in late 2016. From experience of previous programmes the Lead Partner is recommending that the FLAG operates a 2 stage process with an initial Expression of Interest (EOI) form to confirm eligibility and fit with the LDS and to enable initial advice to be fed back to the applicant. If approved by the FLAG, the applicant would complete a Full Application (FA) for appraisal and final approval decision by the FLAG.

The FLAG Programme Officer's primary role will be to undertake animation within the FLAG area. It is anticipated that this "hands on approach" will bring forward project outlines which are either a good fit with the LDS and are brought forward for consideration for FLAG funding, or are signposted and supported to access the main EMFF programme or other funds.

The proposed business process is illustrated in the flow diagram. This will be amended to adhere to the MMO requirements if required.

5.2.1 DRAFT FLAG Business Process Flow Diagram

(Subject to Confirmation by MMO of Compliance with required process)



To ensure a consistent approach, both the assessment of the EOI and appraisal of the FA will be undertaken using standardised templates which meet MMO requirements. The key criteria to be assessed includes:

5.2.2 Expression of Interest - a light touch assessment is to include:

- Eligibility of applicant and activity
- Fit with LDS
- Intervention rate and security of match
- Deliverability within FLAG programme period
- Basic value for money assessment

5.2.3 Full Application

A robust independent technical appraisal will be undertaken which will include a scoring methodology and recommendation on approval for the FLAG to consider. The criteria the appraisal will include:

- Eligibility and financial viability of applicant
- Eligibility of activity
- Intervention rate, confirmation of match
- Eligibility of costs and procurement checks
- Need and demand
- Ability to deliver economic growth and/or mitigate impact of CFR
- Assessment of impact and value for money (outputs and outcomes)
- Fit with LDS
- Linkages and fit with other projects and initiatives (if appropriate)
- Sustainability

5.2.4 FLAG Decision Making

The decision making process will be included within the Terms of Reference and Constitution of the FLAG, which will be agreed at the FLAG's first meeting.

The FLAG will consider both EOI's and Full Applications at their meetings. In exceptional circumstances, applications may be considered under written procedure. FLAG members will be required to follow the declaration of interest protocols of the FLAG which will be established and monitored by the Lead Partner. Where a FLAG member has declared an interest they will be required to leave the meeting whilst that item is discussed and may not partake in decision making associated with it. All decisions will be made with a show of hands and will require a majority. In the event of a tie the Chair will have the casting vote

All FLAG members will receive training around decision making criteria to ensure that decisions are consistent, and result in projects which will support the delivery of the LDS.

If the appraisal identifies that a project is ineligible the FLAG may not approve the project. If the project is eligible but does not score highly in all criteria e.g. it represents poor value for money, the FLAG may still approve the project but would need to provide justification. This rationale ensures that EMFF funding rules are complied with, and that decision making and ownership of the LDS rests with the FLAG. The MMO will retain the veto over any decision.

All FLAG meetings will be formally minuted with all decisions recorded in writing.

5.2.5 Appeals Process

The Lead Partner will put in place and manage an appeals process where-by project applicants may appeal against a FLAG decision. The grounds of appeal will be limited to situations where the applicant considers that the FLAG officers or members have:

- Not followed due process
- Not considered (or misinterpreted) all the information made available in the applicant's submission
- Acted in some way to disadvantage the applicant/application
- Not declared a personal or prejudicial interest and have taken part in the decision making process

5.3 Planned communication and publicity initiatives

Please see section 4.11.

5.4 Monitoring and Evaluation

The Lead Partner will ensure that monitoring and evaluation activities provide the information and intelligence required to enable the FLAG to monitor the delivery of the LDS; manage financial commitments and expenditure at priority level; identify gaps in the achievement of outputs and outcomes and provide the opportunity to learn from best practice and lessons learnt. The monitoring and evaluation activities will meet the requirements of the MMO.

The FLAG will regularly be provided with the reports which will enable them to review delivery and effectiveness of the LDS, including scheme compliance and control and progress towards achievement of the aims and objectives. The reports will include:

- Details of projects at all stages of development and delivery
- Level of financial commitments against each of the 4 priority areas (to include contracted and defrayed expenditure)
- Outputs and outcomes contracted to and delivered by projects
- Progress against milestones and key indicators
- A programme risk register

The MMO will undertake 6 monthly and annual programme reviews, which will be used as a monitoring tool to assess performance of the FLAG. The FLAG Chair will be requested to attend these meetings along with the FLAG Programme officer and Lead Partner representative. The outcome of meetings will be reported at the FLAG meeting following the review.

Provision has been made within the M&A budget for a modest independent final evaluation to be undertaken. The brief and scope of this will be developed and agreed with the FLAG once plans for any national programme evaluation are understood. The MMO annual reviews and regular monitoring information provided to the FLAG will support the evaluation.

Section 6

FINANCIAL PLAN

The financial plan for the delivery of the programme is provided below. This has been developed as a result of the intelligence gathered from consultations, the key milestones for the programme and previous experience of the Lead Partner from the delivery of other CLLD initiatives. In recognition that this is a new FLAG, the programme is currently profiled to be delivered over a period of 2 ½ years. If required by the MMO the FLAG will explore ways of condensing this.

The assumptions around the public and private sector match are provided within section 4.8 of the LDS

	Jan – Dec 2017	Jan-Dec 2018	Jan – Sept 2019	Total
Key Milestones	<ul style="list-style-type: none"> • PO in post Jan 17 • FLAG Operational Mar 17 • 1st Project approved July 17 • 1st Claim to MMO – Oct 17 • 1st Project Claims to MMO – Dec 17 	<ul style="list-style-type: none"> • 1st Project claim to MMO • Final Project Approved Sept 18 	<ul style="list-style-type: none"> • Final Project claims to AB – Aug 19 • Closure & final claims to MMO – Oct 19 	
EMFF Management & Administration	69,000	76,000	55,000	200,000
EMFF Main Programme	80,000	300,000	220,000	600,000
Total EMFF	149,000	376,000	275,000	800,000
Private Sector Leverage	80,000	300,000	180,000	560,000
Public Sector Leverage	30,000	70,000	25,000	125,000
Total	259,000	746,000	480,000	1,485,000

Claims Submission Profile

Claim Submission Date	EMFF for M&A	EMFF for Projects	Total	Note – Claims submitted to MMO in the month following the end of the quarter to which the expenditure relates
Oct 17	44,620	0	44,620	
Jan 17	24,380	80,000	104,380	
Apr 18	18,800	50,000	68,800	
July 18	18,810	70,000	88,810	
Oct 18	19,170	100,000	119,170	
Jan 19	19,220	80,000	99,220	
Apr 19	14,620	100,000	114,620	
Jul 19	26,160	70,000	96,160	
Oct 19	14,220	50,000	64,220	
Total	200,000	600,000	800,000	