

# South Pennines Leader programme 2008 – 2013 : Finance Report

## Analysis of Programme Budget

Total spend on projects:	£ 2,646,763	
Total spend on administration:	£ 421,385	Total % spent on administration: 14%
Total programme budget:	<b>£3,068,148</b>	

Additional recorded investment: **£1,485,616** (note: actual investment rates are higher, but have been excluded from claims)

Total value of programme: **£4,553,764**

The programme has utilised 100% of its allocated budgets. The programme budget was reduced in 2011 following national cuts to overall budgets, but the Local Action Group then bid for, and was awarded, additional resources in 2012. These changes were handled without problem due to the Group's responsive processes, pre-emptive action and clear vision in delivering the programme.

The whole programme has been delivered well within the 20% budget for administration that was allowed for in the current programme. Use of existing partnership relations and structures has allowed the programme to run with administrative efficiency. In particular, the close working partnership with the Accountable Body, Bradford Metropolitan District Council, has benefitted the smooth running of the programme.

The original budget as laid out in the Local Development Strategy is shown below;

Original Budget	2008-2010	2010-2011	2011-2012	2012-2013	2013-2014	Totals
Measure 321 (access to services)	119000	140000	140000	100000	100000	599000
Measure 322 (village renewal)	95000	112000	112000	80000	80000	479000
Measure 323 (conservation heritage)	260000	280000	308000	220000	195000	1263000
Measure 413 (capacity building)	5000	3000	1000		0	9000
Measure 421 (cooperation)		25000	0	25000	0	50000
<b>Project budget total</b>	<b>479000</b>	<b>560000</b>	<b>561000</b>	<b>425000</b>	<b>375000</b>	<b>2400000</b>
Measure 431 (administration)	106050	72821	74975	77224	79540	410610
<b>Total with administration</b>	<b>585050</b>	<b>632821</b>	<b>635975</b>	<b>502224</b>	<b>454540</b>	<b>2810610</b>

The final budget following national cuts to budgets in 2011, followed by successful bids for additional resources in 2012 and 2013 is shown below;

Final budget / actual spend	2008-2010	2010-2011	2011-2012	2012-2013	2013-2014	Totals
Measure 321 (access to services)	126771	135055	87528	134243	14484	498081
Measure 322 (village renewal)	74162	144997	109028	85197	101057	514442
Measure 323 (conservation heritage)	246573	369708	333266	323829	345378	1618754
Measure 413 (capacity building)	1482	1417	652	0	0	3550
Measure 421 (cooperation)	0	4418	7518	0	0	11936
<b>Project budget total</b>	<b>448988</b>	<b>655595</b>	<b>537992</b>	<b>543270</b>	<b>460919</b>	<b>2646763</b>
Measure 431 (administration)	113471	67107	77917	79464	83426	421385
<b>Total with administration</b>	<b>562459</b>	<b>722701</b>	<b>615909</b>	<b>622734</b>	<b>544345</b>	<b>3068148</b>

## Analysis of Additional Recorded Investment

£1.49M of additional investment was recorded as part of the programme. Actual additional investment rates were considerably higher as some activity, spend and volunteer time was stripped out of the project contracts to enable the claim process to be as simple as possible for community groups. Some grants were given at 100% where significant matching activity was being delivered at different times or where the Leader activity was a distinct part of a much larger complex programme of activity. The average grant rates were as follows;

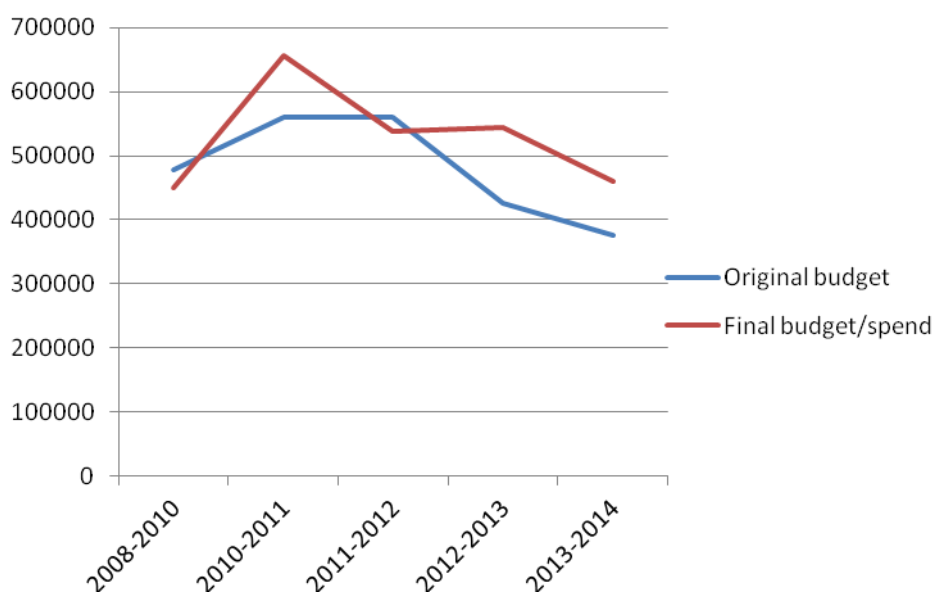
	Average % grant rate
Measure 321	63%
Measure 322	68%
Measure 323	69%
Measure 421	56%

### Analysis of Performance Tracking

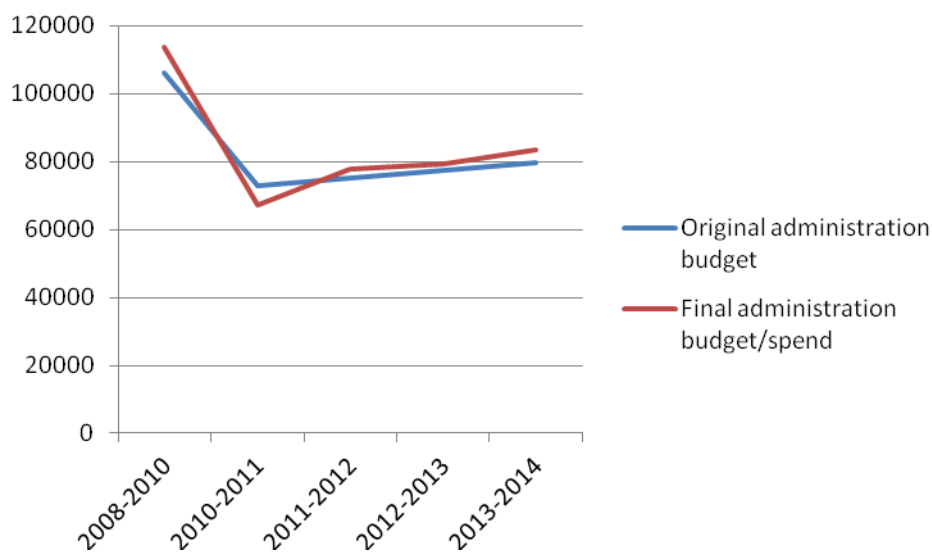
The spend profile during the programme showed a good rate of delivery throughout the life of the programme, with activity reducing steadily towards programme close down. This illustrates a well managed process which has avoided any initial flat-lining at programme start and/or peaks of activity at programme end.

Analysis of the administration budget also shows a well managed process with initial set up spend expectedly high reducing to more of a flat profile once the programme was fully established.

Tracking of the actual project budget against the original project budget is shown below;

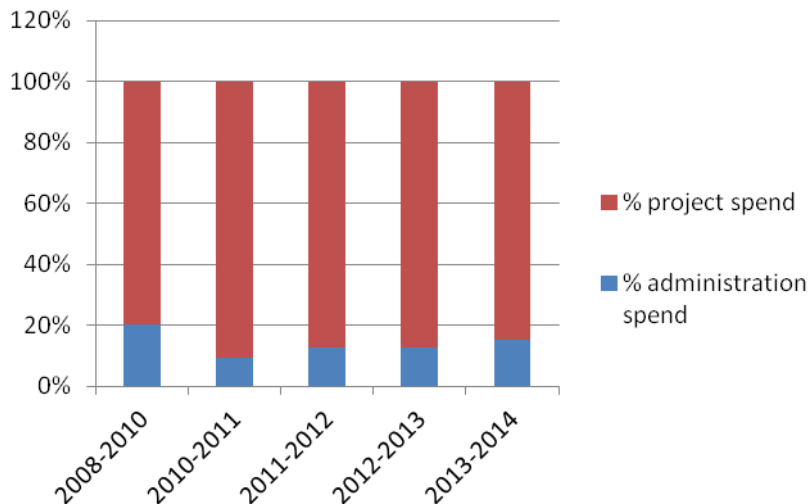


Tracking of the actual administrative budget against the original administrative budget is shown below;



### Analysis of percentage budget spent on administration

Over the life of the programme 14% of the overall budget was spent on administration. This was well within the 20% budget for administration that was allowed for nationally. This proportion stayed fairly constant throughout the life of the programme.



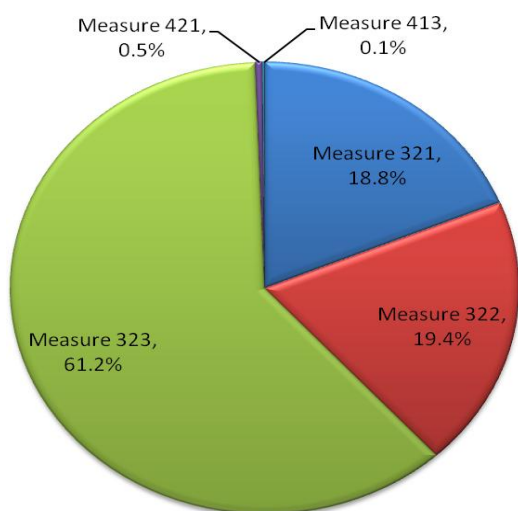
### Analysis of Spend on Strategic Priorities

The programme in the South Pennines was set up to deliver against only a selected number of measures, as prescribed by Yorkshire Forward in 2008. The Local Development Strategy, submitted as part of the bidding process in 2008, set out targeted spend as follows against these measures;

Measure	Measure Description	% guide set out in LDS	% actual spend
321	Basic services for the economy and rural population	25%	18.8%
322	Village renewal and development	20%	19.4%
323	Conservation and upgrading of the rural heritage	54%	61.2%
421	Implementing cooperation projects	0.5%	0.5%
413	Implementing Local Development Strategies	0.5%	0.1%

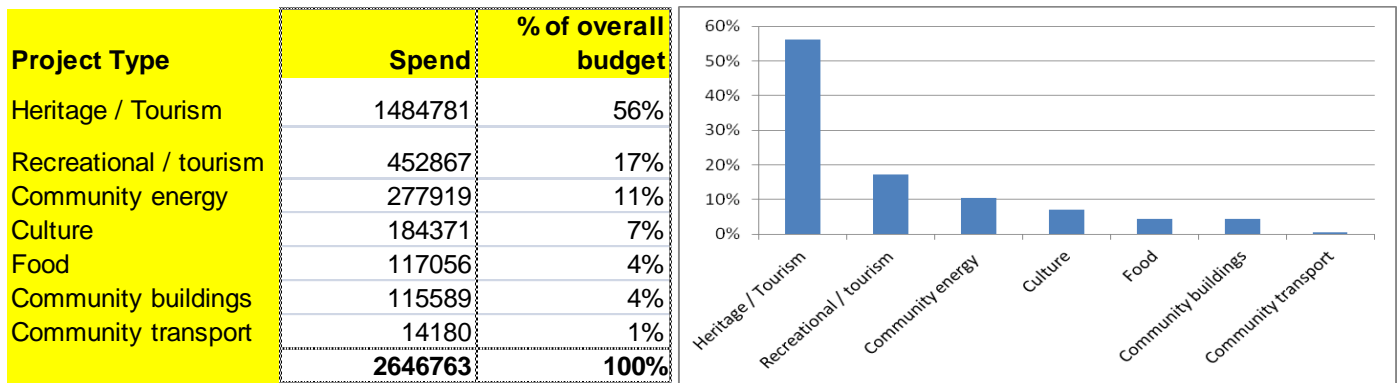
The programme has closely followed the targets as set out in the Local Development Strategy and has largely followed the agreed vision in this respect with only a slight increase in emphasis on Measure 323.

Actual Percentage of Spend by Measure;



### Analysis of Thematic Areas of Spend

The programme delivered a wide range of projects which can be loosely classified into thematic types as follows;



### Analysis of Spend on Commissioned Projects

54% of the overall project budget has been spent on “commissioned projects” delivered by Pennine Prospects where a gap in the tourism market was identified by the community that couldn’t be filled by a community-led project. If related activity, ie project grants given to other bodies for activity related to commissioned projects, is taken into account, 63% of the overall budget delivered projects under strategic themes.

Commissioned projects	Spend on commissioned projects	Spend on related activity, delivered by others	Total spend on commissioned projects and related activity	% overall budget on commissioned projects and related activity
Canal Connections	459013	224285	683298	26%
Watershed Landscape	458386	14638	473024	18%
Local Distinctiveness	193623	0	193623	7%
Walk & Ride	277508	55906	333414	13%
Other	21160		21160	1%
<b>Total</b>	<b>1409691</b>	<b>294828</b>	<b>1704519</b>	<b>64%</b>
% overall programme	<b>53%</b>			

The benefits of running these commissioned projects are;

- The process enabled activity to happen in a coordinated manner where there was no one single community group willing to work on a landscape scale.
- The process upskilled and increased the capacity of community groups and volunteers involved in the process.
- Working on a landscape scale, the economic benefits of the projects have been spread geographically across the South Pennines.
- The projects have delivered strategic, landscape-scale legacy for the programme overall.
- The projects have focused and strengthened the impact of Leader partnership working.
- The projects have enabled more flexible control over spend and claim profiles, mitigating for unavoidable delays in community-run projects.
- The projects have enabled effective and flexible use of other sources of funding such as Heritage Lottery Landscape Partnership funding.

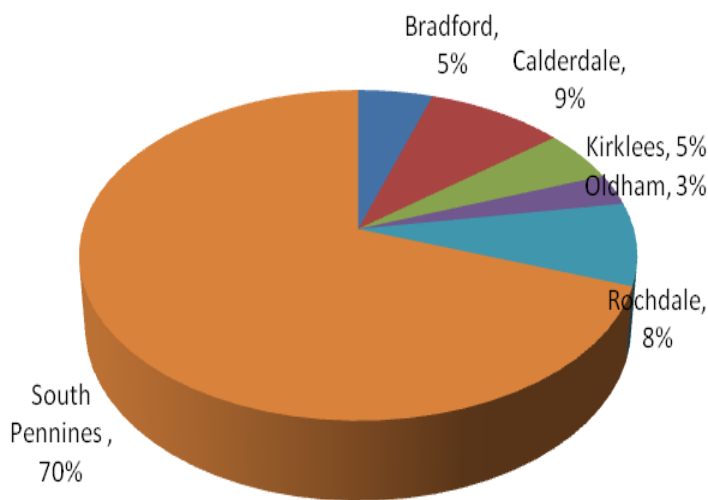
- The projects enabled the LAG to be responsive to the programme's fluctuations in budget, protecting the community projects from this risk

### Analysis of Spend and Geographical Impact

The South Pennines Leader area has a complicated geography covering the rural areas of 5 Local Authorities: Bradford, Calderdale, Kirklees, Rochdale and Oldham. It brings together Yorkshire and Greater Manchester. It has a very high population when judged at a national Leader operational level (163,374) and is regarded as an upland area in policy terms. It has been a priority of the Leader Local Action group throughout the life of the programme to ensure that there is a strategic impact and legacy across the whole of the South Pennines.

The LAG developed a strategic approach with interventions across the South Pennines. A good number of the projects were not site specific and therefore have had an impact across the whole of the area. This ensures a strong geographical legacy for the programme and enables partners and communities to feel there has been equity in funding distribution and economic impact.

Percentage of actual spend by Geographic Area;



### Analysis of Number and Size of Grants Awarded

A full list of the grants awarded is given in Appendix x. The size of the awards given is analysed below;

	Spend	Number of grants awarded	Proportion of overall programme	Grant range
Small grants	129164	55	5%	0-£5,000
Medium grants	657527	24	25%	£5,001-£20,000
Large grants	1860073	26	70%	£20,000 +
<b>Total</b>	<b>2646763</b>	<b>105</b>		

The LAG recognised early in the programme that smaller projects can often act as the starting point for larger initiatives and can therefore represent good value for money in terms of the outputs they deliver. A small grants programme was set up and grants were made available for projects that required funding up to £2,000, representing 50% of the total project cost. The grants had a simplified application and decision-making process. In addition, a small grants programme was set up within a large Leader funded project entitled "Community Buildings Energy Management". This small grants programme allowed building managers to undertake some of the physical works recommended to them in the energy audit carried out for them as part of the wider Leader project.

The spend on these two small grant programmes is analysed below;

Number of small grants	43
Spend on small grants programmes	£94,604
Range of grants given	£774 - £5000
Proportion of total programme spend on small grants	3.6%

### External Evaluation of Performance

In June 2011 the Managing Authority, Yorkshire Forward undertook a review of Leader budgets and performance as part of a national review of the programme. As a result the South Pennines LAG was placed within the top Category A and a resulting increase in budgets was awarded.

In April 2012 the Managing Authority, Defra undertook a review of spend and commitment levels and as a result of this review the South Pennines LAG an increase in budgets was awarded.

In June 2013 the Managing Authority, Defra undertook a pre-application assessment of the current programme and made the following conclusions;

<b>Criteria</b>	<b>Assessment of Performance</b>
Outputs and outcomes against LDS, or agreed variations	<i>Performance against outputs/outcomes – Good</i>
Local engagement – rural representation on LAG	<i>Current Programme - Good.</i>
Accountable Body engagement in LAG and support to programme staff	<i>During the current Programme the relationship between accountable body/lead/LAG has evolved and strengthened.</i>
Project development, engagement with applicants	<i>Current Programme - Good.</i>
Governance and decision making	<i>Current Programme - Good.</i>
Delivery and spend	<i>Delivery &amp; Spend – Very good.</i>
Financial profiling	<i>Delivery &amp; Spend – Very good.</i>
Compliance and processes	<i>Some minor issues identified during the current Programme. Relationship has remained good and accountable body has been proactive in managing issues.</i>
Reporting mechanisms and structures for ROD data	<i>Good.</i>
Efficiency and accuracy of M&A claims	<i>Good – expenditure has remained below the permitted ceiling of 20% expenditure for Management and Administration (Measure 431).</i>