



For information

Title - LEADER Grant Funding – lessons learned

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Purpose of Paper

This paper sets out the lessons learned and wider reflections of running a Community Led Local Development (CLLD) grant scheme under the umbrella of the Scottish Government's LEADER Programme. The intent of this paper is to help consideration in establishment of future CLLD and grant funding initiatives supported in some way by the Park Authority.

This paper is not an evaluation of the LEADER Programme: this has already been conducted by independent consultants. Nor is it an audit of the Programme's operations and controls: this has been conducted regularly by internal audit. The paper sets out the reflections of those involved in managing and delivering the Programme on the lessons to be learned from their experience which may help inform future design and delivery of grant programmes.

Summary of Activities Under Consideration

LEADER is the title of an EU grant scheme supporting community led local development (CLLD). The underlying principle of the LEADER grant scheme is that no matter how well designed and delivered, national funding programmes risk missing key local priorities, with that risk more extreme in rural areas where local variations in access to services and local development priorities may be very specific to individual or groups of rural communities. Consequently, 5% of funding made available through strands of EU rural and agriculture programmes are ring-fenced for rural development priorities funded through LEADER. Use of funding is to be determined by community led bodies and not by public agencies.

Financial allocations are made nationally to rural areas, with the delivery of funding programmes led by Local Actions Groups (LAGs). LAGs comprise a range of members



from community, voluntary, commercial and public sector organisations, with a minority required to be from public sector entities. LAGs are often supported by a public body to help provide financial stewardship and a 'host' for employment of staff supporting the LAG. The Cairngorms has been identified as one of over 20 LAG areas in Scotland receiving a LEADER allocation from Scottish Government.

The LEADER Grant Scheme comprised:

- Management of national funds by Scottish Government, including funding from EU augmented by national funding allocations.
- EU LEADER Regulations, with national LEADER funding guidance issued by Scottish Government.
- Park Authority acting as 'Accountable Body' receiving cash from Scottish Government in line with allocation made to Cairngorms Local Action Group (CLAG) and making payments to grantees as instructed by CLAG. Also acting as employing organisation for CLAG staff, the costs of employment being supported in full from grant allocations.
- Cairngorms Local Action Group Trust ('Cairngorms Trust') incorporated as a charitable organisation and acting as CLAG making funding decisions with reference to a Local Development Strategy and EU, national and local funding criteria.

Lessons Learned

Positive Aspects

The following are positive elements of the LEADER grant processes that future schemes should seek to retain or build on.

1. Clear and consistent expression of interest and application processes throughout the programme.
2. Expression of interest (EOI) mechanism allowed for early exploration of fit of project ideas with programme criteria; early guidance to potential applicants from staff and decision makers; helping applicants decide whether to engage further and limiting waste of voluntary time.
3. Processes helped result in very few application refusals.



4. LEADER approach was a process: staff led animation and guidance, and support of applicant groups was as much a feature of the process welcomed by community groups as the resultant funding.
5. Local Development Strategy set out clear and consistent criteria throughout the programme period: consistent decision-making across all applications and clarity for applications in considering the fit of their plans with funding available.
6. Clear outcomes for programme and intervention rationale established by Local Development Strategy, supported by a suite of Key Performance Indicators from which applicants could choose to allow best fit of project to programme outcomes.
7. Reasonable funding allocation to support staff time for both animation and management.
8. Clear internal division of responsibilities (swim lane responsibilities) on each EOI and application allowed separate staff to act as advisors and to assess applications.
9. Clear governance of programme, with Cairngorms Trust an independent incorporated body as decision maker and relationships with Park Authority set out in an agreed Memorandum of Understanding.
10. Clarity in governance arrangements supported by internal clarity on and division of leadership responsibilities within the Park Authority, with Corporate Services responsible for management of programme and delivery oriented services independently able to support communities in project development.
11. Park Authority support of programme provided cash flow security and prompt grant payments to community groups.
12. Park Authority hosting of staff provided stable employment position for CLAG staff; maximised efficiency in operations and cost management; and helped with recruitment and retention.
13. Commitment of trustees to programme delivery and to work of Cairngorms Trust helped provide a consistent set of decision-makers throughout the programme.
14. Innovation in requiring all applicants, including business development, to demonstrate some measure of community benefit from their grant funding.
15. Positive risk appetite: governance and decision-making arrangements allowed for appropriate level of openness to risk in funding community led projects, supported by separation in decision-making from public sector accountable body.
16. Clear and standard grant terms and conditions which included provision for promotion of support from LEADER funds by successful applicants.



17. Respect for governance arrangements by all parties concerned. Clear decision making with no attempt by Park Authority as Accountable Body to question Trust decisions. Arrangements for nomination of lead Director and a board member as Trustees and engagement in Trust decisions helped support this.
 1. Recognition of the Cairngorms National Park boundary as a discrete LAG area allowed for clear policy linkages to the Cairngorms National Park Partnership Plan and is an excellent demonstration of national policy recognising the value of National Parks in place based policy making and delivery.
 2. Community groups regularly highlighted the importance of support from the CLAG staff in the development of their ideas into deliverable projects and their support in project delivery as key aspects of successful delivery of their priorities.
 3. LEADER within the context of secure multi-year funding worked well as a process and not simply a grant awarding mechanism: there was time to develop and work on idea, sometimes linking differing groups with similar ambitions together, before finalising and progressing project applications.
 4. Knowledge exchange and cooperation projects between LAG areas domestically and internationally help develop new ideas for local implementation.

Areas for Attention

The following are elements of the LEADER grant processes that attention needs to be given to in order that future schemes operated with some degree of dual roles between the Cairngorms Trust or other community led management body and the Park Authority can be clarified or improved.

1. Clarity of communications and responsibilities between staff hosted by Park Authority to design and manage the programme, and those with a wider delivery interest in projects.
2. Overlap of CLAG staff in animation of programme with Park Authority community engagement activities: clarity of internal communications and staff responsibilities again required in areas of community engagement.
3. Some confusion with public over Cairngorms Trust and Park Authority roles, potentially made worse by funds coming from a Park Authority bank account / payment remittance.
4. Key Performance Indicator targets in many cases needed to be best guesses / estimates of reasonable impact. Datasets relevant to Cairngorms baseline position were difficult to establish.



5. Complex match funding packages for many projects made for extended approval processes in some cases. LEADER funding needed to be “final enabling support”. However, this is a common requirement for many funders, leading to multiple funding agencies all wishing to make the ‘last’ decision.
6. Complex match funding for many projects resulted in difficult project management where cost and delivery variations arose in project delivery.

Negative and / or Significant Risk Elements

The following are elements of the LEADER grant processes that were negative, created significant risk which was difficult to mitigate and / or impeded effective delivery of the programme which need to be avoided or resolved prior to implementation of a similar scheme.

1. Complex guiding regulations made even more complex by added layer of national guidance.
2. Delayed issue of national guidance and financial allocations.
3. Inconsistent interpretation of guidance by differing officers at Scottish Government level, and between teams in Scottish Government.
4. High level of financial risk to the Park Authority as Accountable Body as a consequence of complex regulations and guidance and inconsistent interpretations leading to risks of ineligible payments and penalties. Risk mitigation through making specific budget provision for ineligible payments.
5. Risk appetite inherent in LEADER principles not shared at government administration level.
6. Significant delays at times in reimbursement of grant payments made by Park Authority as Accountable Body by Scottish Government.
7. Complex, administratively heavy administration and IT systems.

Current Context

The Cairngorms no longer received LEADER funding since Brexit.

UK Government replacement funding such as Levelling Up Funds has tended to focus on local authorities as lead contacts and this has by-passed other agencies such as National Parks.

Scottish Government has commenced a LEADER replacement fund from domestic budgets, which has grown in scale over the last 3 years. The CLAG continues to lead on



the management and delivery of an annual allocation of funds, which exceeded £400,000 in 2023/24. The lessons learned set out above have been reflected on in the development of management and administration arrangements for these funds, albeit some aspects of these reflections are less relevant to single year funding allocations.

The development and design of the Community Led Climate Grant Programme, as part of the Cairngorms 2030 (C2030) Programme, will build on the lessons learned set out in this paper. This grant programme, as with other elements of the C2030 programme, is now at the early phase of design.

The considerations set out in this paper will also inform the development and delivery of the Park Authority's plans for a Climate Adaptation Capital Fund as part of deployment of capital resources in the 2024/25 budget.