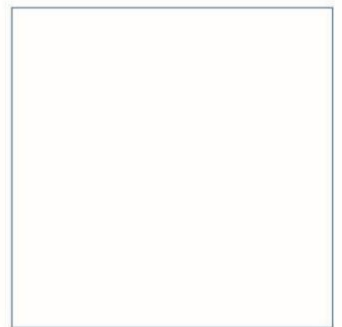
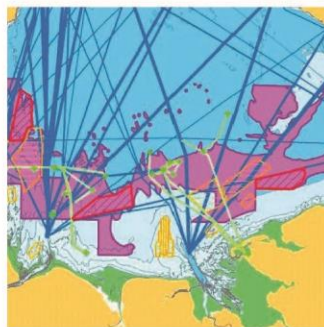
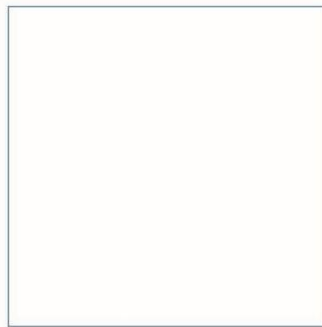
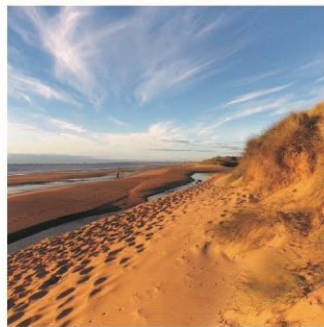


Swansea Council

Evaluation of the Swansea Bay Fisheries Local Action Group

Baseline Report – Final

May 2020



Innovative Thinking - Sustainable Solutions

Evaluation of the Swansea Bay Fisheries Local Action Group




Baseline Report – Final

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1 Introduction

The Swansea Bay Fisheries Local Action Group (FLAG) was originally established as a local partnership in 2012 in response to opportunities opened up through Union Priority 4 of the European Fisheries Fund (EFF) between 2007-2013. The Swansea Bay FLAG was one of four FLAGs established in Wales¹, and during the 2007-2013 funding period, covered the Local Authority Areas of Swansea, Neath Port Talbot and Bridgend (Swansea Bay FLAG, 2018).

Further to successfully overseeing the implementation of the EFF 2007-2013 funding in Swansea Bay, the Swansea Bay FLAG has continued to administer a second period of funding under the European Maritime and Fisheries Fund (EMFF) between 2014-2020.

The aim of this report is to establish the baseline situation, with regard to the Swansea Bay FLAG's structure, procurement processes, project expenditure, project outcomes and progress towards the FLAG's objectives, between the start of the EMFF funding phase and up to 31st of January 2020. This will feed in to the final programme evaluation in 2021. In particular the baseline evaluation has sought to identify any programme constraints to the FLAG achieving its objectives and, if identified, make recommendations as to how these may be addressed within the remaining funding phase.

This report contains the following sections:

- Section 1: Introduction (this section)
- Section 2: FLAG objectives
- Section 3: Programme administration
- Section 4: Project outcomes
- Section 5: FLAG expenditure
- Section 6: Key issues

2 FLAG Objectives

The FLAG's vision for Swansea Bay is *"By 2020 we want to see successful, sustainable, economically viable local fishing and associated industries, aware of its heritage and well equipped to meet current and future challenges."*

To help achieve this vision, The Swansea Bay Fisheries Local Development Strategy (LDS) was updated for the current funding phase (2014-2020) informed by a Fishing Industry Research Study in 2015 and the feedback from consultation with stakeholders in September 2016. The key issues identified were translated into the themes and objectives shown in Table 1.

¹ The other FLAGs established in Wales are the North Wales FLAG, Cardigan Bay FLAG and the Pembrokeshire FLAG

Table 1. Swansea Bay FLAG Local Development Strategy Themes and Objectives

Theme	Objectives
Theme 1: Adding value, creating jobs, attracting young people and promoting innovations at all stages of the supply chain of fishery and aquaculture products	Objective 1: Improve links with other local food and other producers
	Objective 2: Achieve better links with schools and colleges to encourage young people to help develop the sector
	Objective 3: Support delivery of small-scale infrastructure projects to encourage sustainable growth of the industry
	Objective 4: Creation of opportunities for networking, marketing and promotion of local industry, including supply-chain opportunities
	Objective 5: Provision of support for trying out new processes or adding value to products to help small companies in the fishing industry to grow
Theme 2: Supporting diversification inside or outside commercial fisheries, lifelong learning and job creation in fisheries and aquaculture areas	Objective 6: Support for business to identify diversification opportunities and re-skill within or outside the sector
	Objective 7: Provision of opportunities to develop the tourism sector linked to local fisheries, including pescatourism, eco-tourism and tourist facilities
Theme 3: Enhancing and capitalising on the environmental assets of the fisheries and aquaculture areas, including operations to mitigate climate change	Objective 8: Identification and development of alternative sources of income for the fishing industry such as renewable energy
	Objective 9: Making the most of the local natural environment
	Objective 10: Sustainable and balanced development of the heritage and tourism aspects of the coastline
Theme 4: Promoting social well-being and cultural heritage in fisheries and aquaculture areas, including fisheries, aquaculture and maritime cultural heritage	Objective 11: Support for the promotion of cultural heritage, aquaculture and maritime interests
Theme 5: Local development and the governance of local fisheries resources and maritime activities	Objective 12: To further engage communities and local representatives to support and promote the local industry

Source: Swansea Bay FLAG LDS (Swansea Bay FLAG, 2018)

3 Programme Administration

3.1 Administration

The Swansea Bay FLAG is administrated by Swansea Council as the Lead Body, and steered by FLAG members comprising representatives from community, private and public local socio-economic interests.

3.1.1 Lead Body

As the Lead Body, Swansea Council undertake programme and project management, financial and administrative functions, technical appraisal of grant applications and the submission of claims for funding to the Welsh Government (Swansea Bay FLAG, 2018). The FLAG administration is undertaken by three staff:

1. Animator (1 Full-Time Equivalent (FTE)): encourages and facilitates individuals and groups within the FLAG area to submit project applications that contribute to the FLAG strategy, supporting and monitoring applicants from idea development through to implementation and delivery. The animator is also responsible for managing the budget, providing quarterly FLAG updates to the Economic Development & External Funding Team, the Planning and Regeneration department as well as regular updates to Welsh Government.
2. Finance officer (0.25 FTE): handles budget queries, statements, any claims, liaises with the Welsh Government to update their systems, handles day-to-day running costs, rules and guidance.
3. Assistant (0.25 FTE): assists with procurement, ordering goods, setting up meetings, taking minutes, liaising with applicants and general administration.

3.1.2 Welsh Government

The Welsh Government has responsibility for undertaking a final eligibility check on project proposals selected by the FLAG, prior to formal approval being issued. This involves checking that the proposal meets the eligibility criteria within the EMFF guidance and regulations, that the costs are calculated correctly and that the procurement has been conducted correctly. If the proposal and procurement is compliant, confirmation of the funding offer is issued.

The FLAG can receive up to a maximum of 10% of the maximum EMFF budget (£380,000) to cover running costs and up to 15% for animation activity (Swansea Bay FLAG, 2018). The budget allocation for administering the Swansea Bay FLAG during the EMFF funding phase (as of 31st January 2020) is described further in Appendix E. Information obtained through consultation undertaken for this evaluation indicated that in 2020 there would be a re-profile of the Swansea Bay FLAG's budget due to changes in guidance issued by the Welsh Government. These changes had not occurred at the time of writing this report and any budget changes with regard to administering the Swansea Bay FLAG will be described in the final evaluation report (2021).

Within the Welsh Government, there is a team of three staff involved in the EMFF application process, including approval, appraisal and financial management of FLAG projects. An Implementation Manager is the main point of contact for the FLAG Lead Body, to discuss applications, eligibility (of potential projects for funding) and any queries. Project reviews are undertaken once a project is delivered, or if selected for inspection. FLAG funding claims are processed by staff within a different team.

3.1.3 FLAG Members

As of 31st January 2020, the Swansea Bay Flag membership comprised 11 private sector members and 5 public sector members (see Table 2). The Swansea Bay FLAG LDS states that the FLAG should meet at least quarterly. Between July 2017 and January 2020, ten FLAG meetings have been held. The number of FLAG member attendees has ranged between 4 and 13 and all meetings have been attended by at least one public and one private sector representative.

Table 2. Composition of Swansea Bay FLAG members (as of 31st January 2020)

Interest Type	Sector
Private	Individual (Marine Biologist)
	Commercial Fisherman (Burry Port)
	Director, Swansea Port Health Services
	Volunteer
	South and West Wales Fishing Communities representative
	Swansea Bay Tourism
	Natural Resources Wales
	Mumbles Development Trust
	Local Aquaculture Production Business
	Local Aquaculture Production Business
	Seafish
Public	Swansea Environment Forum
	BCBC Bridgend Rural Development (REACH)
	BCBC Bridgend Rural Development (REACH)
	Marine Biologist
	Economic Advisor

Source: Data provided by the Swansea Bay FLAG Lead Body, 15 January 2020

3.2 Procurement Process

The application process for EMFF funding via the FLAG comprises two stages:

- i) Submission of a Project Idea Form (PIF); and, if approved by the FLAG ii) Submission of a full application.

The Welsh Government EMFF 2014-2020 FLAG Guidance Notes (Welsh Government, 2018) state that if the activity (project) can be clearly demonstrated as supporting the achievement of the objectives of EMFF and the aims of the LDS (Table 1) then it will be deemed to be eligible.

The Guidance Notes (Welsh Government, 2018) also set out the activities and costs which are not eligible for FLAG funding. As of the 31st January 2020, this included capital expenditure for items with a value of over £10,000 and/or a useful life of over one year. This restriction is a key difference between the current funding phase (EMFF; 2014-2020) and the previous funding phase (EFF; 2007-2014) in which capital expenditure was eligible.

To promote the EMFF funding opportunities available and highlight the support available for individuals and groups to present projects that contribute to the Swansea Bay FLAG LDS, the Swansea Bay FLAG developed and implemented a communication plan. Engagement methods have included social media campaigns via the Swansea Bay FLAG website and Facebook page, newsletters and the development of a Swansea Bay FLAG booklet. FLAG funded events are promoted to the public and local communities through multiple channels including social media, local newspapers, leaflets and posters.

4 Project Outcomes

4.1 FLAG Projects

Table 3 lists the projects that have been awarded funding from the Swansea Bay FLAG or that are currently awaiting approval (as of 31st January 2020). The projects are described in detail in Appendix C. In contrast to the original EFF funding programme, the FLAG is not able to award EMFF funding for the delivery of food festivals. Applicants wanting to deliver food festivals have been signposted to the Menter a Busnes (MAB) scheme. Table 4 lists the projects that have been delivered in the Swansea Bay FLAG area which received funding through MAB (as of 31st January 2020).

Table 3. Status of FLAG-funded projects (as of 31st January 2020)

Project	Activity Type	FLAG Funding (£)	Status	Description
Seafood cookery demonstrations at Swansea market	Seafood Festival	7,055	Complete	Seafood cookery demonstrations held in Swansea Market in September 2019 over a 5-day period. Additional funding of £1,796 was received from MAB Seafood Festival Fund (Seafood Market Development and Growth Project; see Table 4).
Swansea Bay and Gower native oyster survey	Feasibility	4,999	Complete	Survey of the wild native oyster population in Swansea Bay and along the Gower coast to establish the current status of native oysters.
Fish is the dish	Event	61,939	Funding approved – procuring a food consultant to deliver	Fish is the Dish 2020 project will focus on raising awareness of local seafood, sustainability issues, and the health benefits of seafood amongst primary school students aged 9-11 years old. Anticipated to commence delivery in Spring 2020.
Burry Port Auction House Feasibility Study	Feasibility	8,000	Awaiting approval from Welsh Government	Feasibility study for establishing a Fish Auction site on Burry Port harbour and online.
Pontoon on River Tawe Feasibility Study	Feasibility	4,999	Awaiting approval from Welsh Government	A scoping/feasibility study for a proposed landing stage at the Liberty Stadium.

Table 4. Food festival projects in the Swansea Bay FLAG area, funded through the Menter A Busnes Scheme (as of 31st January 2020)

Project	Activity Type	FLAG Funding (£)	Status	Description
Mumbles oyster festival	Festival	993.40	Complete	Festival celebration of the heritage of the Mumbles Oyster and inshore fisheries of Mumbles, Gower and Swansea Bay. Delivered in October 2019.
Seafood Cookery Demonstrations	Festival	1,220.10	Complete	Seafood cookery demonstrations held in Swansea Market, September 2019 (as described in Table 3). The additional MAB funding of £1,220.10 was spent on marketing and promotional materials.

Source Table 3 and Table 4: Swansea Bay FLAG website and data provided by Lead Body, February 2020.

4.2 Contribution to FLAG Objectives

The assessment of the objectives that projects contribute to is undertaken by the Swansea Bay FLAG Lead Body when project applications are received. Table 5 highlights which objectives are being delivered by completed or approved FLAG projects as of 31st January 2020.

Table 5. LDS objectives being delivered by the projects completed/approved up to 31st January 2020

Theme	1					2		3			4	5
	1		3	4	5	6	7	8	9	10	11	12
Project	1		3	4	5	6	7	8	9	10	11	12
Assessment of the oyster stock/population			●				●		●	●	●	●
Seafood cookery demonstrations at Swansea market	●	●		●					●	●	●	●
Fish is the dish 2020	○	○		○					○	○	○	○
● = Project completed, contributes to this objective. ○ = Project funding approved and being delivered, will contribute to this objective.												

As of 31st January 2020, the projects that have been delivered (or approved) contribute towards objectives 1-4 (theme 1), 7 (theme 2), 9-10 (theme 3), 11 (theme 4) and 12 (theme 5). Although all of the FLAG themes are being contributed to, objectives 5 (provide support to try out new processes or add value to products to help small companies in the fishing industry to grow), 6 (to support businesses to identify diversification opportunities and to re-skill within or outside the sector) and 8 (identification of alternative sources of income for the fishing industry) have not yet been addressed by any FLAG projects. It is possible that the restriction on capital expenditure within project proposals may have influenced the lack of projects directly contributing to these objectives.

5 FLAG Expenditure

The total budget for the Swansea Bay FLAG is £380,000, which is split between FLAG running costs (£38,000), animation costs (£57,000) and project implementation (£285,000 of which £132,245 is available to award as project funding). Out of the available funding for projects (£132,245), 56% (£73,993) has been spent or approved for spending up to 31st January 2020. Table 6 shows the FLAG project expenditure to date by activity type. Whilst a range of activities have been funded, the highest proportion of spend has focussed on raising awareness and education about local seafood.

In addition to the projects shown in Table 6, funding for two further projects (total £12,999) has been approved by FLAG members and is awaiting approval from the Welsh Government whilst an additional project idea, requiring a budget of £39,990.80, is in development.

Table 6. FLAG project expenditure up to 31st January 2020 by activity type

Activity type	No. of projects	Total expenditure	% of total FLAG project expenditure to 31st January 2020
Feasibility study	1	4999	7
Seafood festival	1	7055	9
Educational programme	1	61,939	84
Total	3	£73,993	100

Source: Data provided by Lead Body 2 March 2020

6 Stakeholder Feedback

Feedback on the issues encountered in the allocation of FLAG funding and the perceived effectiveness of the FLAG processes was obtained through consultation with the Lead Body, FLAG members and other stakeholders. In total four stakeholders provided feedback for this baseline evaluation, in addition to information provided by the Lead Body and the Welsh Government.

In general, where stakeholders provided feedback on the application process, it was described as complicated and unclear, an issue caused at least in part by the Welsh Government's guidance on EMFF FLAG funding. This issue which was perceived to be compounded by several changes to this guidance.

The consultation also suggested that the capital spend restriction has resulted in some members of the local fishing community withdrawing their membership from the FLAG and has had a negative impact on the ability of the FLAG to identify relevant projects for funding, and thus on the disbursement of funds and on FLAG outcomes. During consultation with the Welsh Government it was noted that Wales was significantly behind England, Scotland and Ireland with regard to FLAG approved activity and the reason for this was ineligibility of projects with a capital spend element. It was stated that the restriction on capital spend within FLAG-funded EMFF projects in Wales had been reviewed and would be removed early in 2020. Whilst the lifting of the restriction was considered to be a good development by stakeholders, one expressed concern that it may be too late in the programme to be beneficial to the local fisheries and aquaculture community (given that all project applications must be approved by December 2020). The impact of the capital spend restriction being lifted on projects funded by the FLAG and FLAG expenditure will be documented in the final evaluation in 2021.

To facilitate the fishing community engaging with the FLAG (or any other future funding project), one stakeholder suggested that more communication and information would be useful, either through funding officers visiting fishing ports/quays to explain what funding is available and how they may access it, including with respect to the criteria that needs to be met. Alternatively, such information could be distributed through established communications from fisheries regulators.

Finally, it should be noted that several stakeholders provided positive feedback on the seafood cookery demonstration project delivered in 2019, noting that it had raised awareness of the FLAG and local seafood and hence provided support for local fisheries.

7 References

Swansea Bay FLAG, 2018. Swansea Bay Fisheries Local Development: 2014 – 2020. Version 1.0, 11 January 2018. Available online at: <https://www.swansea.gov.uk/article/47430/Local-development-planand-strategy>

Welsh Government, 2018. Welsh Government – European Maritime and Fisheries Fund 2014-2020: Fisheries Local Action Group Guidance Notes. Available online at: <https://gov.wales/sites/default/files/publications/2018-09/fisheries-local-action-groups-flagguidance.pdf>

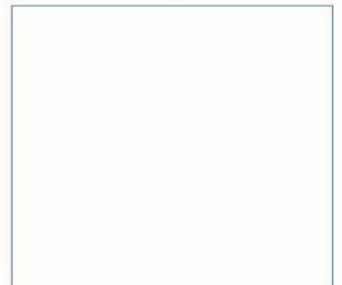
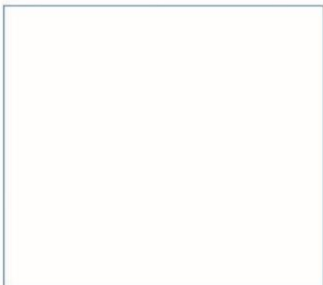
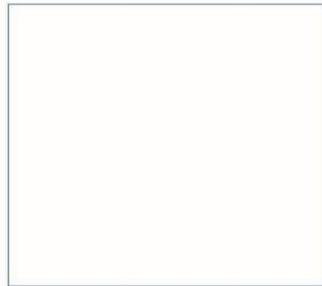
8 Abbreviations/Acronyms

CLLD	Community Led Local Development
EFF	European Fisheries Fund
EMFF	European Maritime and Fisheries Fund
EU	European Union
FLAG	Fisheries Local Action Group
FTE	Full-Time Equivalent
LDS	Local Development Strategy
MAB	Menter a Busnes
PIF	Project Idea Form
TOR	Terms of Reference

Cardinal points/directions are used unless otherwise stated.

SI units are used unless otherwise stated.

Appendices



Innovative Thinking - Sustainable Solutions



A Programme Administration

A.1 Background

The Swansea Bay Fisheries Local Action group (FLAG) was originally established as a local partnership in 2012 in response to opportunities opened up through Union Priority 4 of the European Fisheries Fund (EFF) between 2007-2013. The Swansea Bay FLAG was one of four FLAGs established in Wales², and during the 2007-2013 funding period, covered the Local Authority Areas of Swansea, Neath Port Talbot and Bridgend (Swansea Bay FLAG, 2018).

Further to successfully overseeing the implementation of the EFF 2007-2013 funding in Swansea Bay, the Swansea Bay FLAG has continued to administer a second period of funding, the European Maritime and Fisheries Fund (EMFF) between 2014-2020³. The purpose of the current funding phase is to build on the achievements of the previous EFF programme and move forward with a strategy in a wider geographic area that now includes the Burry Port area as well as the original three Local Authority areas referred to above.

A.2 FLAG Vision

The FLAG's vision for Swansea Bay is *"By 2020 we want to see successful, sustainable, economically viable local fishing and associated industries, aware of its heritage and well equipped to meet current and future challenges."* To help achieve this vision, The Swansea Bay Fisheries Local Development Strategy (LDS) was updated for the current funding phase (2014-2020) informed by a Fishing Industry Research Study in 2015 and the feedback from consultation with stakeholders in September 2016. The key issues identified through the fisheries study and consultation were translated into themes and objectives, which align with the objectives outlined within Union Priority 4 of the EMFF Operational Programme. Detailed objectives are set out in Appendix B.

The total amount of EMFF funding available for allocation in the 2014-2020 funding phase is £380,000. An updated Local Development Strategy (LDS) was published in 2018 and funding applications that meet the themes and objectives of the LDS are eligible for funding (see Table B1). The procurement process and projects funded as of 31st January 2020 are described in more detail in Appendix B and C respectively.

A.3 FLAG structure and administration

The Swansea Bay FLAG continues to be administrated by Swansea Council as the Lead Body, and steered by FLAG members comprising representatives from community, private and public local socioeconomic interests.

A.3.1 Lead body: Swansea Council

Swansea Council is the Lead Body for the Swansea Bay FLAG, undertaking programme and project management, financial and administrative functions, technical appraisal of grant applications and the submission of claims for funding to the Welsh Government (Swansea Bay FLAG, 2018).

² The other FLAGs established in Wales are the North Wales FLAG, Cardigan Bay FLAG and the Pembrokeshire FLAG

³ EMFF funding needs to be allocated by December 2020, however, project implementation can proceed until 2021 and potentially beyond subject to Welsh Government confirmation (FLAG Lead Body, pers. comm. Jan 2020)

There are three staff members, housed within Swansea Council, involved in administering the FLAG, who undertake the following roles:

1. Animator (1 Full-Time Equivalent (FTE)): one of the main values of Community Led Local Development (CLLD) is the ability of the FLAGs to get out into the community and encourage and support individuals and groups to present projects that contribute to the strategy (see Section B.1.4) . The Animator facilitates and capacity builds within the FLAG area so that ideas can be turned into deliverable projects, organising meetings to bring people together and, where necessary, providing specialist technical help or consultancy. The animator is responsible for managing the budget and supporting and monitoring applicants from idea development through to implementation and delivery. The Animator is also responsible for providing quarterly FLAG updates to the Economic Development & External Funding Team, the Planning and Regeneration department as well as regular updates to Welsh Government.
 - Finance officer (0.25 FTE): Finance, handles budget queries, statements, any claims, liaises with the Welsh Government to update their systems, handles day to day running costs, rules and guidance.
 - Assistant (0.25 FTE): Assists with procurement, ordering goods, setting up meetings, taking minutes, liaising with applicants and general administration.

The FLAG can receive up to a maximum of 10% of the maximum EMFF budget (£380,000) for the costs of administering the FLAG (running costs) and up to 15% for animation activity (Swansea Bay FLAG, 2018). The budget allocation for administering the Swansea Bay FLAG during the EMFF funding phase (as of 31st January 2020) is described further in Appendix E. Information obtained through consultation undertaken for this evaluation indicated that in 2020 there would be a re-profile of the project budget due to changes in guidance issued by the Welsh Government. These changes had not occurred at the time of writing this baseline evaluation and any budget changes with regard to administering the Swansea Bay FLAG will be described in the final evaluation report (2021).

A.3.2 The Welsh Government

Within the Welsh Government, there is a team of three staff involved in the EMFF application process, including approval, appraisal and financial management of FLAG projects. An Implementation Manager is the main point of contact for the FLAG Lead Body, to discuss applications, eligibility (of potential projects for funding) and any queries. Project reviews are undertaken once a project is delivered, or if selected for inspection. FLAG funding claims are processed by staff within a different team.

The Welsh Government has responsibility for undertaking a final eligibility check on project proposals selected by the FLAG, prior to formal approval being issued. This involves checking that the proposal meets the eligibility criteria within the EMFF guidance and regulations, that the costs are calculated correctly and that the procurement has been conducted correctly. If the proposal and procurement is compliant, confirmation of the funding offer is issued.

Consultation undertaken for this evaluation highlighted that the Welsh Government were in the process of making changes to the eligibility criteria with regard to the restriction on funding of projects with a capital element (see section B.3). The changes that are implemented and the effect on lifting the restriction on capital funding on the efficacy of the Swansea Bay FLAG funding allocation will be assessed in the final evaluation report in 2021. It was noted that any approved FLAG-funded projects in the future that have a capital element component will require an appraisal to ensure the equipment/item has been purchased.

Consultation undertaken for this evaluation confirmed that there are no formal reporting requirements between the FLAG and the Welsh Government.

A.3.3 FLAG members

For the current 2014-2020 EMFF funding period, the membership of the FLAG was revised (compared to that during the 2007-2013 period) via an application process steered by a 'shadow' FLAG formed at the end of the EFF 2007-2013 programme (Swansea Bay FLAG, 2018). Consultation undertaken for this evaluation indicated that whilst a lot of FLAG members from the first funding phase (2007-2013) applied to be members in the current funding phase, new members have also joined, including new representatives from the aquaculture sector. Five members have left the FLAG since 2017, including three representatives of the local commercial fishing industry who withdrew their membership of the FLAG due to the restriction on funding projects which include capital purchases (this restriction is described further in Section B.3). Gaps in the current membership were suggested to include representatives of the local cockle fishery and laverbread industry.

The FLAG Terms of Reference (TOR) set out the requirements to ensure compliance with regulation EC 1303/2013 Article 32 2(b) which requires community-led local development (CLLD) to be led by local action groups comprising representation from public and private local socio-economic interests. The TOR state that:

- The composition of the membership of the Group should ensure that no single interest should have more than 49% of the voting rights and be truly representative of relevant local public and private socio-economic interests; and
- Ensure at least 50% of the votes in selection decision are cast by partners which are not public authorities.

Table A1 shows the composition of the Swansea Bay FLAG membership, as of 31st January 2020, which comprises 11 private sector members and 5 public sector members.

Table A1. Composition of Swansea Bay FLAG members (as of 31st January 2020)

Interest Type	Sector
Private	Individual (Marine Biologist)
	Commercial Fisherman (Burry Port)
	Director, Swansea Port Health Services
	Volunteer
	South and West Wales Fishing Communities
	Swansea Bay Tourism
	Natural Resources Wales
	Mumbles Development Trust
	Local Aquaculture Production Business
	Local Aquaculture Production Business
	Seafish

Public	Swansea Environment Forum
	BCBC Bridgend Rural Development (REACH)
	BCBC Bridgend Rural Development (REACH)
	Marine Biologist
	Economic Advisor

Source: Data provided by the Swansea Bay FLAG Lead Body, 15th January 2020

A.3.4 FLAG meetings

The Swansea Bay FLAG LDS states that the FLAG should meet at least on a quarterly basis (Swansea Bay FLAG, 2018). Between July 2017 and January 2020, ten FLAG meetings have been held. Figure A1 shows the attendance at FLAG meetings over this time period. The number of FLAG member attendees has ranged between 4 and 13 and all meetings have been attended by at least one public and one private sector representative.

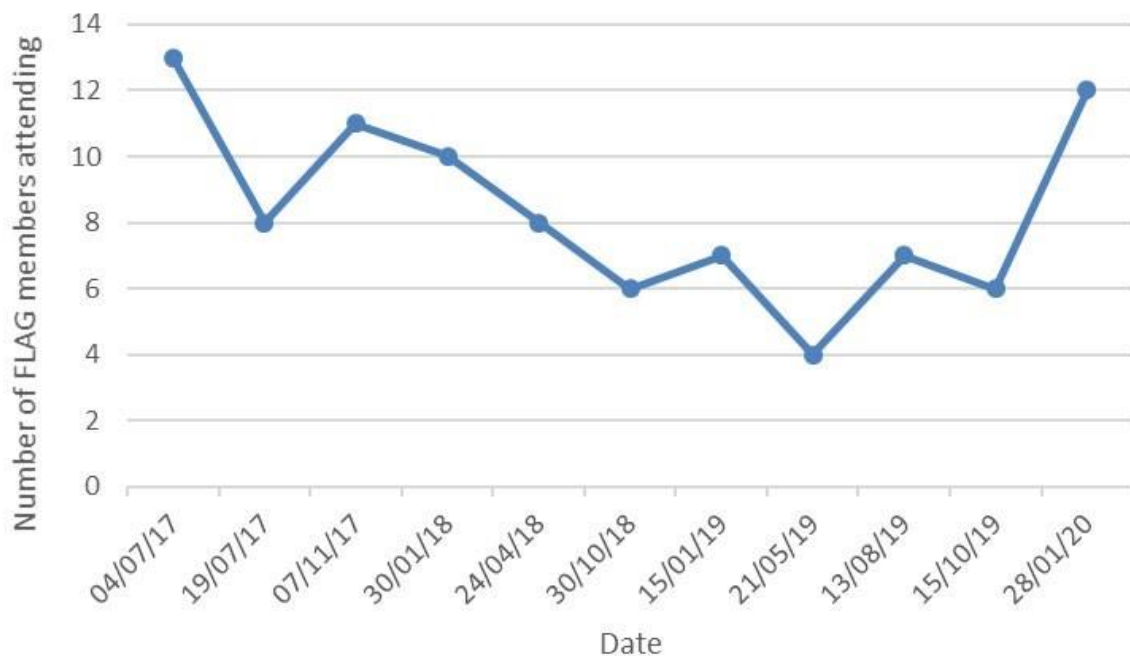


Figure A1. Number of attendees at Swansea Bay FLAG meetings since 2017

B FLAG Objectives and the Procurement Process

B.1 The application process

The application process for EMFF funding via the FLAG comprises of two stages:

- i) Submission of a Project Idea Form (PIF); and, if the PIF is approved by the FLAG ii) Submission of a full application.

The application forms are available on the Swansea Bay FLAG website (<https://www.swansea.gov.uk/article/47434/Applying-for-SBFLAG-funding>).

B.2 Eligibility criteria for FLAG funding

The Welsh Government Guidance notes (Welsh Government, 2018) state that if the activity (project) can be clearly demonstrated as supporting the achievement of the objectives of EMFF and the aims of the LDS then it will be deemed to be eligible. The aims of the EMFF and the LDS are described below.

B.2.1 EMFF objectives

Union priority 4 of the EMFF is a funding stream aimed at increasing employment and territorial cohesion. The specific objective of Union priority 4 is promotion of economic growth, social inclusion and job creation, and providing support to employability and labour mobility in coastal and inland communities which depend on fishing and aquaculture, including diversification of activities within fisheries and into other sectors of the maritime economy (EMFF Operational Programme).

The UK Operational Programme states that the aim of Union priority 4 is to: Support investment in training, maintaining and developing skills, capacity building, improved local marketing and supply chain logistics, diversification and improved access to match funding.

B.2.2 LDS objectives

The themes and objectives of the Swansea Bay FLAG LDS are shown in Table B1 below.

Table B1. Swansea Bay FLAG Local Development Strategy Themes and Objectives

Theme	Objectives
Theme 1: Adding value, creating jobs, attracting young people and promoting innovations at all stage of the supply chain of fishery and aquaculture products	Objective 1: Improve links with other local food and other producers
	Objective 2: Achieve better links with schools and colleges to encourage young people to help develop the sector

	Objective 3: Support delivery of small-scale infrastructure projects to encourage sustainable growth of the industry
Theme	Objectives
	Objective 4: Creation of opportunities for networking, marketing and promotion of local industry, including supply-chain opportunities
	Objective 5: Provision of support for trying out new processes or adding value to products to help small companies in the fishing industry to grow
Theme 2: Supporting diversification inside or outside commercial fisheries, lifelong learning and job creation in fisheries and aquaculture areas	Objective 6: Support for business to identify diversification opportunities and re-skill within or outside the sector
	Objective 7: Provision of opportunities to develop the tourism sector linked to local fisheries, including pescatourism, eco-tourism and tourist facilities
Theme 3: Enhancing and capitalising on the environmental assets of the fisheries and aquaculture areas, including operations to mitigate climate change	Objective 8: Identification and development of alternative sources of income for the fishing industry such as renewable energy
	Objective 9: Making the most of the local natural environment
	Objective 10: Sustainable and balanced development of the heritage and tourism aspects of the coastline
Theme 4: Promoting social well-being and cultural heritage in fisheries and aquaculture areas, including fisheries, aquaculture and maritime cultural heritage	Objective 11: Support for the promotion of cultural heritage, aquaculture and maritime interests
Theme 5: Local development and the governance of local fisheries resources and maritime activities	Objective 12: To further engage communities and local representatives to support and promote the local industry

Source: Swansea Bay FLAG LDS (Swansea Bay FLAG, 2018)

The eligibility of project ideas and full applications submitted to the Swansea Bay FLAG is assessed initially by the Swansea Bay FLAG Co-ordinator (animator) with respect to meeting the Welsh Government FLAG Guidance and the Swansea Bay FLAG LDS objectives. If the idea or application is deemed to meet the LDS themes, it is then circulated to FLAG members for approval. Further to approval by the FLAG members, the application is sent to the Welsh Government for final approval.

B.3 Activities and costs which are ineligible for FLAG funding

The Welsh Government EMFF 2014-2020 FLAG Guidance Notes (Welsh Government, 2018) set out the activities and costs which are not eligible for FLAG funding.

Paragraphs 58 and 59 of the guidance state that:

(58) *"Any expenditure on ineligible activities such as capital or revenue grants to commercial businesses or other support that would constitute State Aid is not eligible under CLLD"; and*

(59) *"The following items or types of expenditure are not eligible under CLLD:*

- Capital expenditure i.e. any single item with a value of more than £10,000 and/or a useful life of more than one year"

The ineligibility of capital expenditure (for items with a value of over £10,000 and/or a useful life of over one year) is a key difference between the current funding phase (EMFF; 2014-2020) and the previous funding phase (EFF; 2007-2014) in which capital expenditure was eligible. Consultation undertaken for this evaluation has suggested that the capital spend restriction resulted in some members of the local fishing community withdrawing their membership from the FLAG.

The impact of the capital spend restriction on all of the Welsh FLAGs was noted within the Swansea Bay FLAG internal progress report (November 2019; provided by the Lead Body) Risk and Issue Tracker which stated that, regarding capital spend *"The Welsh FLAGs have had difficulty being able to identify projects without a capital element being required, which has resulted in less projects and less interests in requests for funding."*

During consultation with the Welsh Government it was noted that Wales was significantly behind England, Scotland and Ireland with regard to FLAG-approved activity and the reason for this was ineligibility of projects with a capital spend element. It was stated that the restriction on capital spend within FLAG-funded EMFF projects in Wales had been reviewed and would be removed early in 2020.

The capital spend restriction has had a negative impact on the ability of the FLAG to identify relevant projects for funding, and thus on the disbursement of funds and on FLAG outcomes. The impact of the capital spend restriction being lifted on projects funded by the FLAG and FLAG expenditure will be documented in the final evaluation in 2021.

B.4 The Swansea Bay FLAG Communication Plan

A Swansea Bay FLAG communication plan was developed and implemented to promote the EMFF funding opportunities available through the FLAG and highlight the support available for individuals and groups to present projects that contribute to the Swansea Bay FLAG LDS. Engagement methods have included social media campaigns via the Swansea Bay FLAG website and Facebook page and the development of a Swansea Bay FLAG booklet, produced in hard copy format in English and Welsh for FLAG members to distribute. FLAG funded events (such as the seafood cookery demonstrations) are promoted to the public and local communities through multiple channels including social media, local newspapers, leaflets and posters.

C FLAG-Funded Project Outcomes

Table C1 describes the projects that have been awarded funding from the Swansea Bay FLAG or that are currently awaiting approval (as of 31st January 2020). Project ideas that were in development (but not approved) as of 31st of January 2020 have not been included, but will be captured within the final evaluation if full applications are made and funded is approved.

It should be noted that, in contrast to the original EFF funding programme, the FLAG is not able to award EMFF funding for the delivery of food festivals. As such, any applicants wanting to deliver a food festival have been signposted to the *Menter a Busnes* (MAB) scheme⁴ (an independent economic development company reporting to Welsh Government).

Table C2 describes the projects that received funding through MAB and have been delivered within the Swansea Bay FLAG area (as of 31st January 2020).

⁴ <https://menterabusnes.cymru/about/>

Table C1. Status of FLAG funded projects (as of 31st January 2020)

Project	Activity Type	FLAG Funding (£)	Status	Description
Seafood cookery demonstrations at Swansea market	Seafood Festival	7,055	Complete	<p>Seafood cookery demonstrations were held in Swansea Market in September 2019 over a 5 day period. Local chefs gave live cookery demonstrations using local seafood purchased in Swansea market, including cockles and laverbread, enabling the audience to see and taste the food prepared. Recipe cards were given out so that people could purchase the ingredients within the market and try the recipes at home. The cookery demonstrations also included other local businesses selling wines and preserves. The event was photographed and published via social media and local media channels. Bay TV attended, interviewing the FLAG co-ordinator, chefs and members of the FLAG.</p> <p>Additional funding of £1,796 was received from Menter a Busnes (MAB) Seafood Festival Fund (Seafood Market Development and Growth Project) (see Table C2). These monies were spent on marketing and promotional materials.</p>
Swansea Bay and Gower native oyster survey	Feasibility	4,999	Complete	This was a survey of the wild native oyster population in Swansea Bay and along the Gower coast to establish the current status of native oysters. Such information underpins appropriate management of this once important commercial species and this information can inform the potential for future fisheries.
Fish is the dish	Event	61,939	Funding approved – procuring a food consultant to deliver	<p>Building on a much smaller, but previously successful delivery of Fish is the Dish in 2014, the Fish is the Dish 2020 project will focus on raising awareness of local seafood, sustainability issues, and the health benefits of seafood amongst primary school students aged 9-11 years old. It is anticipated the project will involve at least half of the 191 primary schools in the FLAG area and provide an education pack and interactive cooking lessons.</p> <p>Anticipated to commence delivery in Spring 2020.</p>
Burry Port Auction House Feasibility Study	Feasibility	8,000	Awaiting approval from Welsh Government	Feasibility study for establishing a Fish Auction site on Burry Port harbour and online.
Pontoon on River Tawe Feasibility Study	Feasibility	4,999	Awaiting approval from Welsh Government	A scoping / feasibility study for a proposed landing stage at the Liberty Stadium.

Source: Swansea Bay FLAG website and data provided by Lead Body, February 2020)

Table C2. Food festival projects in the Swansea Bay FLAG area,

funded through the Menter A Busnes Scheme (as of 31st January 2020)

Project	Activity Type	FLAG Funding (£)	Status	Description
Mumbles oyster festival	Festival	£993.40	Complete	Festival celebration of the heritage of the Mumbles Oyster and inshore fisheries of Mumbles, Gower and Swansea Bay. The event was delivered in October 2019 in Mumbles and included an oyster bar, cooking demonstrations, local produce market and educational workshops.
Seafood Cookery Demonstrations	Festival	£1220.10	Complete	Additional funding of £1,220.10 was received from MAB Seafood Festival Fund (Seafood Market Development and Growth Project). These monies were spent on marketing and promotional materials.

Source: Swansea Bay FLAG website and data provided by Lead Body, February 2020)

D Project Contributions to FLAG Objectives

Table D1 highlights which objectives are being delivered by completed or approved FLAG projects to date (as of 31st January 2020).

The assessment of the objectives that projects contribute to is undertaken by the Swansea Bay FLAG Lead Body when project applications are received. If the project idea or proposal meets at least one objective, the idea or application is submitted to FLAG members. During the final project approval process the Welsh Government also checks that the proposal meets the eligibility criteria within the LDS.

Table D1. LDS objectives being delivered by the projects completed/approved up to 31st January 2020

Project \ Objective	1	2	3	4	5	6	7	8	9	10	11	12
Assessment of the oyster stock/population			●				●		●	●	●	●
Seafood cookery demonstrations at Swansea market	●	●		●					●	●	●	●
Fish is the dish 2020	○	○		○					○	○	○	○
● = Project completed, contributes to this objective. ○ = Project funding approved and being delivered, will contribute to this objective.												

In addition to the FLAG-funded projects contributing towards the LDS objectives, actions undertaken by the FLAG animator further contributes to the LDS objectives. Examples of such actions include:

- Meeting with stakeholders to discuss project ideas;
- Providing advice and guidance on how to fill out FLAG application forms;
- Assisting applicants to register and apply for standard costs items
- Signposting them to other funding sources where they meet the criteria of those funding sources e.g. EMFF core fund.

Beyond this, the animator provides wider support, for example, in the form of assistance with checking and writing the application for FLAG funding.

As of 31st January 2020, there are several projects contributing to (or that will contribute to) objectives 9-12. These fall under Themes 3, 4 and 5 – to enhance and capitalise on the environmental assets of the fisheries and aquaculture areas; to promote social well-being and cultural heritage in fisheries and aquaculture areas; and local development and governance of local fisheries resources and maritime activities.

There is at least one project contributing to (or that will contribute to) objectives 1–4 and 7. These fall under themes 1 and 2 – to add value, create jobs, attract young people and promote innovations; and to support diversification inside or outside commercial fisheries.

All themes are therefore touched upon by the current portfolio of FLAG projects. However, there are a number of specific objectives that have not yet been addressed by any FLAG projects. These are objectives 5, 6 and 8 – to provide support to try out new processes or add value to products to help

small companies in the fishing industry to grow; to support businesses to identify diversification opportunities and to re-skill within or outside the sector; and identification of alternative sources of income for the fishing industry. It is possible that the restriction on capital expenditure within project proposals may have influenced the lack of projects directly contributing to these objectives. However, these objectives should be borne in mind when evaluating further applications for funding, although it is recognised that it may not be possible for the FLAG to fund projects against all objectives if relevant and eligible applications are not forthcoming.

E FLAG Expenditure

This section summarises the expenditure of the Swansea Bay FLAG at the time of the baseline evaluation (as of 31st January 2020). It can be noted that, further to changes in the Welsh Government guidance, a budget redistribution will take place early in 2020. The changes to the FLAG budget running costs, animation costs and project funding will be described in the final Swansea Bay FLAG evaluation report.

The total budget for the Swansea Bay FLAG is £380,000, which is split between FLAG running costs, animation costs and project implementation as shown in Figure E1.

Within the project implementation budget £132,245 is available to award as project funding. The remainder supports staff costs and travel related to project implementation.

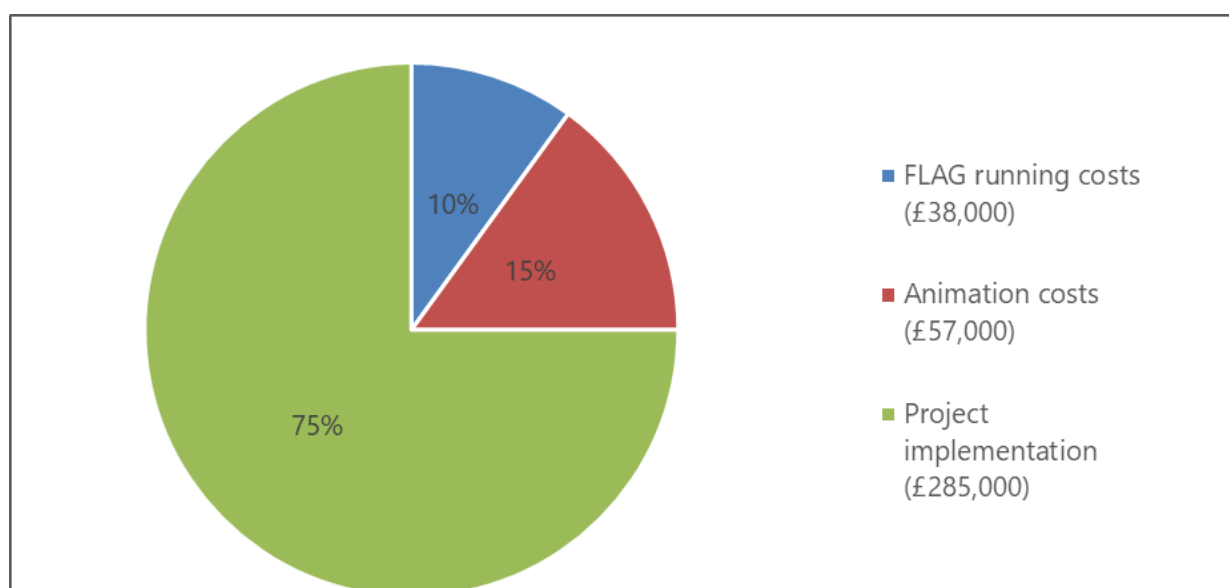


Figure E1. FLAG budget by type

Table E1 shows the FLAG expenditure to 31st January 2020 for completed projects, projects in development (funding allocation approved), full project applications awaiting approval (funding not allocated) and project ideas awaiting approval (funding not allocated).

Table E2 shows the FLAG project expenditure up to 31st January 2020 by activity type. The table shows that a range of activities have been funded, with the highest proportion of spend on projects (to 31st January 2020) with a focus on raising awareness and education about local seafood.

As noted in Table E1, two further feasibility studies are awaiting final approval for FLAG funding from the Welsh Government.

Table E1. Status of FLAG-funded projects (as of 31st January 2020)

Date	Project Title	FLAG Funding (£)	Status
Fully approved projects			
03/10/2019	Oyster feasibility Study	4,999	Complete
03/10/2019	Seafood Cookery Demonstrations	7,055	Complete
11/10/2019	Fish is the Dish	61,939	Funding approved – in delivery
Sub-Total		73,993	
FLAG-approved projects awaiting WG approval			
18/12/2019	Burry Port Auction House Feasibility Study	8,000	Awaiting approval from WG
18/12/2019	Pontoon on River Taw Feasibility Study	4,999	Awaiting approval from WG
Sub-Total		12,999	
Project funding applications in development			
13/01/2020	Project 1*	39,990.80	PIF approved, full application in development
Sub-Total		39,990.80	
<p>* Project title has been omitted as the project application is in development WG = Welsh Government; PIF = Project Idea Form Note the above totals do not include two additional project ideas discussed with the FLAG since 31st January 2020. If taken forward, these projects will be described in the final evaluation report in 2021.</p>			

Source: Data provided by Lead Body 4 March 2020

Table E2. FLAG project expenditure up to 31st January 2020 by activity type

Activity type	No. of projects	Total expenditure (£)	% of total FLAG project expenditure to 31 st January 2020
Feasibility study	1	4999	7
Seafood festival	1	7055	9
Educational programme	1	61,939	84
Total	3	73,993	100

Source: Data provided by Lead Body 2 March 2020

Out of the available funding for projects (£132,245), 56% (£73,993) has been spent or approved for spending up to 31st January 2020. However, funding for two further projects (total £12,999) has been approved by FLAG members and is awaiting approval from the Welsh Government whilst an additional project idea, requiring a budget of £39,990.80, is in development.

F Stakeholder Consultation on FLAG Effectiveness and Relevance

Feedback on the perceived effectiveness of the Swansea Bay FLAG processes and the relevance of the FLAG's objectives was obtained through consulting, via telephone interviews or via email, with FLAG members and other stakeholders. Stakeholder feedback was obtained in relation to:

- The application process, including support and guidance during the process;
- The relevance of the funding criteria to the local fisheries and aquaculture community;
- How effectively the FLAG is undertaking its role;
- Benefits of the projects delivered; and
- Recommendations about the process for the remainder of the funding phase or for future funding programmes

In total four stakeholders provided feedback for this baseline evaluation, in addition to information provided by the Lead Body and the Welsh Government. This feedback has been summarised below. It should be noted that due to the relatively small number of projects funded and delivered at the time of writing this baseline evaluation, only feedback which cannot be linked to individuals has been included for purposes of confidentiality.

The application process

- The application process is complicated and not clear, and the Welsh Government guidance has been confused and incomplete from the start. Several changes in the guidance compounded this issue.
- The animator appeared to have been given the wrong information and guidance from the start.
- Wales is significantly behind England, Scotland and Ireland with respect to FLAG approved activity due to the capital spending issue greatly restricting eligibility.
- An application was not made due to capital funding restriction

Relevance of the funding criteria to the needs of the local fisheries and aquaculture sectors

- The FLAG funding currently does not meet the needs of the fisheries and aquaculture sector.
- The spend to date has been restricted to revenue spending which is useful but the fishing community would benefit from having more capital investment to improve safety and welfare.
- Other FLAG regions (England, Scotland and Ireland) have a capital allowance allowing them to support a wider range of projects providing a variety of support.
- The LDS is a not a good use of administrative time and effort.
- The LDS refers to food festivals but Welsh Government had not allocated money for festivals.
- FLAG funding does not provide any benefit if capital purchases cannot be kept for over 12 months.
- Didn't make an application due to capital funding restriction.
- The [EU funding] mechanism as a whole is the problem. The money has not gone to help productive enterprise.

Effectiveness of the FLAG in undertaking its role

- The FLAG is meeting regularly but meetings have been poorly attended.

- Encouraging the fishermen to engage has been hard due to the restrictions on eligible projects for funding.
- Applications are generally supported by the FLAG but the variety in types of project has been limited.
- Not undertaking the role very effectively. Most money spent on administrative things.
- Very difficult to get money that is useful for fishermen.
- Not really driven by members as the fishing community is relatively small and there is difficulty in engaging with commercial fishermen.
- Money spent is not particularly usefully spent, like most EU money.

Benefits of the projects delivered

- Projects that have been delivered by the FLAG have been well received.
- The cookery demonstration held in Swansea Market generated a large crowd and helped boost following and awareness of the FLAG funding scheme, whilst supporting fishing businesses in the region.
- The market seafood demonstrations went well.

Recommendations for the remainder of the funding phase or future funding

- The change in capital spend restriction may be too late.
- If the Welsh Government is serious about developing a co-management approach [regulators and industry] to fisheries in the future, it is worth looking at how the FLAG could be restructured to have a role. To be effective it would need adequate resources and staff expertise to deliver more effective management and development of fisheries.
- There is a need for communication and information. It would be helpful if funding officers went to ports, to tell fishermen what funding is available, how to access it and what the criteria are that they need to follow. Alternatively, this information could be put into other information sources already circulated to fishermen by the Welsh Government, for example, the monthly licence variation from the Welsh Government fisheries department.

F.1 Summary

In general, where stakeholders provided feedback on the application process, it was described as complicated and unclear, an issue caused at least in part by the Welsh Government's guidance on EMFF FLAG funding. This issue which was perceived to be compounded by several changes to this guidance.

With regard to the relevance of the funding criteria to the needs of local fisheries and aquaculture sectors, a key issue raised by all stakeholders who provided feedback was the exclusion of projects that required capital spend. It was perceived that the EMFF FLAG funding in Wales (to date) had been restricted by this issue, and this was in contrast to FLAGs in England, Scotland and Ireland which were able to fund a wider range of projects providing a variety of support. Furthermore, opinion was expressed that the capital expenditure restriction had resulted in difficulties in engaging the local fishing communities with the FLAG. Whilst the lifting of the restriction was considered to be a good development, one stakeholder expressed concern that it may be too late in the programme to be beneficial to the local fisheries and aquaculture community (given that all project applications must be approved by December 2020). To facilitate the fishing community engaging with the FLAG (or any other future funding project), one stakeholder suggested that more communication and information would

be useful, either through funding officers visiting fishing ports/quays to explain what funding is available and how they may access it, including with respect to the criteria that needs to be met. Alternatively, such information could be distributed through established communications from fisheries regulators.

Finally, it should be noted that several stakeholders provided positive feedback on the seafood cookery demonstration project delivered in 2019, including that they felt it had raised awareness of the FLAG and local seafood and hence provided support for local fisheries.

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