



In association with



Resilient Economy – Local Supply Chain

Preparatory Study for RDP bid

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Contents

	Page
Background and context	3
Project Aims and brief	4
Our approach	5
Analysis of current research	6
Combined learnings	7
Supply Chain examples	13
Challenges and barriers	15
Policy review	16
Findings	20
External support	28
Action plan	30
Conclusions and recommendations	37
Performance indicators	40
Appendices	

Background

Across the South East Wales region, Powys and Neath Port Talbot, eight of the Rural Development Local Action Groups (covering ten Local Authority areas) are working together to identify collaborative ways to strengthen local supply chains and develop new routes to market for land based products. As each rural development area is at a different stage in terms of their work around local land based products and their understanding of the requirements and challenges facing local producers – we have researched all information required to fully understand the regional picture.

Some of the RDP teams have previously developed local supply chains by undertaking research and creating local food networks through the Rural Development Programme for Wales 2007-2013. These have included a range of feasibility studies, pilot projects, food networks and co-operation activity which led to a high level of engagement with producers at local level in most areas. In order to maximise the development of this work the region proposes to work together to facilitate networking and collaboration between producers and buyers, retailers, hospitality and tourism SME's by supporting them to develop opportunities together beyond borders.

Context

The majority of food and drink businesses in Wales are independent producers with just 8% being part of a larger organisation. 14% of those with 10-49 employees are part of a larger organisation which is down from 20% in 2014. Almost half of the larger businesses (46%) with 50 or more employees are part of a larger organisation. The location of parent companies is largely domestic with 57% based elsewhere in Wales and 37% in the rest of the UK and just 8% outside of the UK.

The distribution of the sector by product category remains broadly unchanged since 2014. Meat and Bakery & Confectionery sectors account for just over half of all producers (52%). Dairy & eggs account for just over one in ten producers (12%). Businesses producing preserves & sauces account for 10% of the sector. All other sector categories represent between 1% and 8% of the all producers.

Over half of all businesses (52%) say that they source three quarters or more of their ingredients from within Wales showing little change since 2012.

More businesses are sourcing produce locally as almost two thirds (62%) source more than half of their ingredients locally, rising from 57% in 2012. The proportion of businesses sourcing none of their ingredients locally has fallen from 14% to 9%. Progress in this area impacts not only on sustainability but also on developing a

sense of place for businesses using local produce and the development of food tourism. ** *Welsh Food and Drink Producer Survey 2013*

Project aims

This Study has gathered all known existing research and data from each area building a regional picture which highlights the current situation and identifying where the region needs to be in three years' time. The vision is to build a stronger more resilient local economy, by developing a set of ambitious targets enabling the region to progress towards a shorter supply chain for local land based products.

The main aims are to:

1. Identify and open new market opportunities through assessing the feasibility of new approaches and piloting a range of proposals supported with action plans and business cases.
2. Mapping the SME base across the relevant sectors including producers and buyers, retailers, hospitality and tourism SME's and exploring the creation of clusters, hubs and regional distribution points. Opportunities for knowledge transfer are extensive and extremely valuable, identifying lessons to be learnt to be shared across the region and methods of engagement with hard to reach client groups piloted across the area thereby avoiding duplication of efforts.

This is a collaborative project involving eight LAG groups covering ten local authorities in South East Wales working together to maximise the potential of the local supply chain across the region to drive growth.

The brief

The aim of this particular commission is to put in place a solid understanding of how to get to that point as a region.

Objectives

- To undertake research in all 8 LAG areas.
- To understand the priorities for the group over the next three years.
- To understand how to bring all LAG areas together to work collaboratively

Our approach

Taking into consideration the Expression of Interest (EOI) we have researched information across the co-operating region including data from other partners and produced an evidence based Action Plan with key recommendations identifying performance indicators over the next three years.

We have carried out the following project activity:-

1. Analysis of all current research available in each area including any gaps in knowledge
2. Produced a matrix and analysis of the current picture in each participating area including the challenges and barriers faced and good practice identified.
3. Prepared a policy review identifying how current work fits strategically and can work more strategically moving forward.
4. Conclusions and recommendations for activity that can be taken forward through a strategic work programme over 3 years.
5. Identified Performance Indicators that can be used to monitor the progress of work and the achievement of significant improvements over three years or more.

Analysis of current research

Liaising with LAG groups across the region we identified information, product and media relevant to this project including:

- Project closure reports
- Project Evaluations
- Local Development Strategies
- Intervention Logic Tables
- Studies on Supply Chain Development
- Notes from LAG meetings
- Local Produce Reviews
- Surveys and studies on land based products
- Databases

We carried out an audit of the relevant business including databases of producers of land based goods and businesses in the hospitality, tourism and retail sectors.

Identified external stakeholders were contacted including:

- Sustainable Food Cities – Cardiff Food Council & Swansea (in preparatory stages of joining network)
- Bridgend College
- Groundwork Wales
- Farmers' Union of Wales
- Soil Association
- Food Adventures
- South East Wales Slow Food
- Federation of City Farms and Community Gardens
- Community Foodie
- Farming Connect
- Cywain
- WRAP
- Welsh Government Food Division
- Cardiff and Vale Local Public Health

Further research documentation received included:

- Bridgend College Food Tourism Innovation Report
- Community Foodie Evaluation
- Cywain Evaluation

- Evaluation of Partnerships for Axes 3 and 4 of RDP Wales 2007-2013
- Wales Food and Drink Producers Survey 2015
- Welsh Government The Value of Food and Drink in Wales Survey
- Welsh Government Food and Drink key Facts
- Think Links, Thinks Rural, Think Sustainability Final Report
- Fork 2 Fork Evaluation
- The Welsh Food and Drink Skills Project Report
- The Food Tourism Action Plan for Wales 2015 -2020

Combined learnings

This **summary of combined learnings** is taken from project closure reports, third party evaluations and Rural Development Plan (RDP) output reports of the 2007-2013 RDP programme.

1. Governance

- There is limited input from and engagement with the private sector in the Partnerships. A more equitable representation on LAG Partnerships in some cases is needed.
- Responses to queries posed to the Welsh Government were slow. Administration could be smoother.
- Some Project teams experienced a less than joined-up approach across departments within their local authority.
- Development and sharing of live case studies of successful grant beneficiaries and providing site visits for the LAG and Partnership would showcase best practice and lead to a greater understanding and appreciation of the impact of the grants.

2. Management

- Having a dedicated project manager for each project was extremely effective in expediting the successful delivery of projects to target.
- Positioning the delivery team at “arms-length” from the local authority was beneficial, giving a level of independence (perceived or actual), enabling more constructive and ‘baggage-free’ discussions.
- Staff turnover can be an issue, particularly towards the end of a funding programme, a time which could be effectively used in maximising impacts, consolidating activities and forward planning.

3. Enterprise / Community Support

- In many areas there was greater demand than expected from both start-up and existing businesses.
- Local authority inter-departmental connections need to be robust in order to provide seamless support to beneficiaries.
- For community-based projects, involvement of the community at the stage of ideas development and throughout the development process fosters ownership, pride and is vital in ensuring longer term sustainability.

4. Project Application process

- Bureaucratic and complex grant applications can be very real barriers for businesses. They also struggle to understand much of the jargonistic language used in public sector documents, and see it as extremely time consuming and off-putting.
- At least one RDP team were able to streamline project application forms and provide assistance and support in applying for grant aid. This allowed project managers to develop an understanding of the project at an early stage and propose adjustments if appropriate.

5. Information Dissemination

- A dedicated website with linked social media and membership login area would enhance members' sense of being a part of the project and would ensure up to date information can be shared with members. This should be hosted within a neutral website area, not a corporate local authority website.
- 'Rural champions' acting as conduits for information, ideas and promotion of opportunities within their rural communities can enable greater reach. Stakeholder organisations such as tourism associations, farming unions and business forums can also be useful vehicles for dissemination information.
- Compiling information packs containing project details, guidance and support available could be an effective means of disseminating complex information to a wider audience. This information needs to be clear and concise; technical language and 'jargon' must be kept to a minimum.
- Staging road shows and exhibiting at appropriate public events and sectoral networking events is an effective way of reaching and meeting potential project sponsors.

6. Communication Methods

- A wider range of promotional and communicational tools need to be used in order to have a deep reach. Social media must be a key part of the communications

mix, and messages need to be consistent and 'on-brand'. It must also be born in mind that the information is accessible to everyone, by also providing more traditional printed materials.

- Sufficient resources need to be made available for marketing and promotional activity.

7. Facilitation

- The RDP teams need to be accessible and responsive. A flexible approach is needed as no two projects are the same and a standardised package of support would not be practical.
- The ability to work with project sponsors to help refine proposals in order to maximise impact and benefit leads to a sustainable projects being developed. It is however, important that the RDP staff do not undertake the development work for others; instead they support and encourage the projects sponsors.
- Inter-departmental connections need to be strong so that mainstream support can be utilised and technical assistance such as planning, highways, environmental can be provided when necessary.
- Basing the team in a central, easily accessible location with an open door policy encourages people to pop in to discuss issues and seek advice.
- A single point of contact with no restrictions on duration of support and access to resources helps to overcome barriers.
- Whilst outreach is a good way to engage with more remote areas, the time spent in travelling can be considerable. Adapting delivery through combined visits and clinics is more efficient and where tried, appeared to work well.

8. Engagement

- Micro enterprises can be hard to reach and when limited by the geographical and sectoral scope of the programme.
- Attending events can be an effective way to engage with some of the harder to reach sectors, often leading to the provision of additional support such as advice, and signposting to other sources of funding and access to training
- Engagement through established networks attracted some of the harder to reach farmers and businesses.

9. Networking

- Networking between businesses has proved to be extremely beneficial. However, formal networks take time to grow and this can seriously eat into the project timescales.

- The informal nature of the networks set up by the Caerphilly team worked very well, events were well attended and were invaluable in building connections, expanding business opportunities and growing business ambitions.
- Targeting specific groups of people can be effective in building one to one relationships and developing sector based networks.
- Co-operation is identified as a key element within Cywain Agriculture but this focus may need to be further strengthened to fit with Wales RDP priorities.

10. Knowledge Sharing

- Site visits and the development of live (current programme) case studies of successful projects and beneficiaries would raise awareness and lead to a greater understanding of the programme and opportunities available to potential applicants.
- Site visits to other Rural Partnerships would demonstrate how other areas manage their programmes and provide opportunities to share best practice and knowledge amongst RDP teams.
- Some local joint working was undertaken with two of the RDPs partnering on a number of activities where there were synergies, providing access to a wider range of experiences, expanding networks and business opportunities for the participants.
- Best practice and demonstration trips led to innovative ideas.
- Feasibility studies and pilots have helped raise awareness and act as demonstrator projects.
- Cywain is in a position to lead the way in knowledge transfer and information actions with sector specific knowledge and experience.

11. Grants

- Initially, responses to grant support were slow. Increased marketing helped to generate awareness, particularly when it was indicated that there was a time limit on applications.
- In the main, businesses and non-statutory organisations are not familiar with the processes and procedures associated with grant funding. Care needs to be taken that they are not over-burdened by unnecessary paperwork, technical terms or jargon, and overly bureaucratic systems.
- Considerable hand-holding was provided by many of the RDP teams in consolidating and strengthening applications and developing project management skills of grantees.
- The difficulties faced by beneficiaries included:
 - ◆ The retrospective nature of funding can make it difficult for small enterprises to manage cash flow.

- ◆ Dealings with statutory authorities and regulatory issues can be protracted. Time needs to be built to allow for this. A joined up approach within the local authority is helpful.
 - ◆ The bureaucracy associated with the application process
 - ◆ Unwillingness to disclose financial and other sensitive information.
 - ◆ Output / outcome reports were a barrier to some businesses.
- Some micro enterprises are hard to reach due to certain cultures and ways of doing things (e.g. payments transactions) and certain established perceptions (e.g. a reluctance to share any kind of financial information).
 - There are examples of repeat beneficiaries. Where this is felt to be a problem, clear limits need to be placed on the scale of support that an organisation / participant can receive.
 - It was felt that a more strategic approach could have helped encourage participant businesses to network more, particularly where they were operating in a similar market and where, collectively there could be opportunity for collaboration to offer a more varied deal.
 - There is a balance to be struck between the number of businesses supported and the amount of funding available per beneficiary. Small pots of funding per project can limited the depth of what is achievable.

12. Pilot Projects

- At least basic research into the feasibility of a proposed project is fundamental. Developing projects based on hear-say or political will does not consider viability or sustainability.
- When developing Community based projects, consultation provides evidence of need/demand and helps to give a local mandate to proposed action. The community consultation needs to be open to all so that it is as reflective as possible of local community needs.
- Piloting ideas and projects helps to determine whether it is right for the audience and whether there is likely to be a demand/need for it.
- Thought needs to be given to the progression path an early stage, so that there is some clarity of direction and sufficient time is given to consolidating activities. In view of the time limited RDP 'window' this means starting pilot projects early in a programme to make sure they have adequate time to run their course and determine an outcome.

13. Training

- Evaluation data states that following the training opportunities provided, respondents felt more confident about the future of their businesses. There were

also suggestions by recipients that more advanced content and further training would be beneficial.

- There was a greater than expected demand for informal training such as linking with other RDP areas to participate in familiarisation visits, training sessions and knowledge sharing.
- Mentoring also helped to build confidence, skills and capacity to deliver in the future.

14. Evaluation and Monitoring

- A monitoring and evaluation plan should be developed as part of a future bid to support a Cywain type project (see Appendix 3). Thought should be given to establishing a systematic approach at the outset covering how monitoring information will be used, what information should be captured, how it could be captured and how to make this as simple as possible for all concerned.
- It is important to put in place robust but realistic data collection systems at the outset. These need to have a clear purpose, be manageable and not involve significant additional activity.
- Impact measures are also very valuable, helping to demonstrate the wider impacts of activity. Devising simple tools for measuring impacts such as visitor numbers would be very valuable, helping to understand the wider economic impacts and the reasons for visits.
- Sufficient time and resources should be committed to the development of an electronic system that allows good quality data capture with an annual survey completed by all supported businesses which should be a condition of funding support in order to generate a good response rate.
- Monitoring and evaluation via face to face meetings, is more time efficient and can provide a broader picture of outputs against targets.
- Small pots of funding per project limited the depth of what was achievable – mainly trials and pilot activity, making outputs such as job creation unrealistic.
- It is recommended that a follow up be undertaken with supported businesses at two and five years after the support to quantify the outcomes.

We have, during this process identified existing resources and examples from previous RDP 2007 -2013 projects and produced a list which is available as Resources Supplied by LAG in Appendix 1 which may be useful as a reference.

Supply chain examples

We include examples of initiatives across Wales where lessons can be learnt. These highlight some of the problems and challenges faced and solutions that have been implemented which will be helpful to collaborative projects across the region.

Cig Mynydd Cymru (Welsh Mountain Meat) is a co-operative of 5 farming families from the South Wales Valleys who have formed a partnership to sell their Welsh Black cattle and Welsh Mountain lamb. One of the farms is organic and able to offer organic reared beef and lamb. The partners have purchased a Butcher's shop in Treharris where the locally produced beef and lamb is readily available. Flexibility and availability of the services from Cig Mynydd Cymru allows customers to purchase in many ways: -

- Call in the shop and buy over the counter
- Call in the shop and buy over the counter and have it delivered to your home
- Place a telephone order 01443 413195 to collect from the shop
- Place a telephone order and request a home delivery (local order only)
- Place an on-line order to collect from the shop
- Place an on-line order to be delivered to your home (local order only)
- Place an on-line order to be delivered to your home (beyond 5 miles delivery an overnight carrier is used thus there is a small surcharge).

<http://www.cigmynyddcymru.co.uk/>

Hooton's Home Grown

Hooton's has grown from a farm with a roadside produce stall into a successful business providing local, fresh produce at two sites on Anglesey and in Gwynedd, as well as two seasonal PYO sites. In addition to its own products, Hooton's also source produce from other local suppliers.

<http://www.menterabusnes.co.uk/en/cywain/case-studies/hootons-home-grown->

Blaenavon Cheese Company

Supplying cheese to catering businesses is carried out through third party distribution companies such as Vin Sullivan and Castell Howell. They are able to maintain a steady supply of consistently high quality cheese to their customers via a mutually beneficial relationship with third party distributors.

Douglas Willis

An established meat processor with own retail premises based in Cwmbran. They source meat from across SE and SW Wales. 1% of this comes from their family farm and they are expanding the farm to step this up. None of the meat is sourced from

local Torfaen livestock farmers. Quality, cost and reliability of supply are cited by the company as reasons for this.

Penyparc Farm

High quality agricultural feed is processed at the farm using grain grown on the farm. They provide feed in smaller quantities than their competitors which means that their customers can buy what they need and have the space to store. Cash flow can be a problem for this company due to unpaid customer invoices. Distribution is a significant challenge as short runs with small loads are expensive. Quality is a barrier to gaining more customers and the company is seeking accreditation.

Pembrokeshire Produce Direct

Pembrokeshire Produce Direct was a home delivery service community business run by local producers as a cooperative of around 60 West Wales food producers offering an easy and convenient way of buying local food and more. Their website offered a seasonal selection of quality local food. There are lessons to be learnt from this project which was funded from RDP to the sum of £500,000 and has ceased trading in August 2015.

Fork2Fork Campaign

A project funded through the EU Supply Chain Efficiency scheme via the Welsh Government to assist direct sales operators and alleviate the perception that there was no existing promotion of direct sales. Initiatives included a DVD of Top Tips for direct selling, five editions of a seasonal direct sales magazine aimed at consumers, local food heroes campaign, seasonality calendars, 10 reasons to buy direct leaflets, sponsorship stings for S4C food series, fortnightly producer e-bulletins and presence at 360 events.

Cambrian Mountains Initiative

The Cambrian Mountains Initiative began as a way to help improve the financial returns to Welsh sheep and cattle farmers in the Cambrian Mountains area, through a collective marketing initiative and based on a royalty fee paid by final retailer. It is a wide-ranging project that aims to help promote rural enterprise, protect the environment and add value to products and services in Mid Wales

Challenges, barriers and gaps

The following is a summary of the challenges, barriers and gaps that were found in independent project evaluation reports, RDP closure reports and end of project documents. They are a combination of findings from across the region and are not specific to any one LAG area, reflecting the situation across the entire partnership area.

Work across the region to date identifies a number of barriers to engagement with smaller producers and farmers. These can include a lack of confidence at public events or lack of engagement with new initiatives and schemes. A lack of will to participate may be the result of a pre-conceived idea or attitude towards the support on offer. Other barriers can be more personal such as lack of literacy or lack of time or resources.

Other studies have highlighted the gaps in the supply chain from farm to fork and the need for local food hubs or depositories for collective produce to bridge the gap. Knowing what the potential is regarding what land is available and suitable for land based production.

There is a need to identify ideas for new product development and at the same time eliminating and reducing any risk associated with this process.

Collaborating with others to enable market presence to create larger impact and attract new consumers. Larger local produce markets attract a greater audience than smaller ones; hospitality providers and retailers want as few suppliers as possible.

The demand for local produce is greater than supply especially when tapping into the food service and large retailer markets. Retailers and hospitality providers need to be confident that demand driven by their customers can be satisfied. Consistency of quality is also a key component.

Gaps in rural business support provision - many land based producers and small enterprises that make a living off the land are not always in a position to benefit. This can be due to their capacity, confidence and capability to scale-up, along with limitations in access to the business support infrastructure in Wales. One study revealed that farmers and producers want help in considering renewable energy generation, developing tourism-related business, adding value to produce and finding new routes to market.

Processors and distributors want help with marketing, new product development, packaging and delivery.

Policy review

We have identified a number of National strategies and policies which affect the main priorities of this proposal across the sectors including the Food for Wales, Food from Wales 2010:2020 - Food Strategy for Wales, Food and Drink Action Plan, Visit Wales Partnership for Growth Tourism Strategy 2013 – 2020, the Strategic Action Plan for the Welsh Red Meat Industry, Horticulture Wales Strategic Action Plan, Dairy Sector Strategy, The Food Tourism Action Plan for Wales 2015-2020 and the Woodlands for Wales Strategy.

The **food sector** as a whole has a strategy and action plan which provides a framework and which should influence direction of travel for other related strategies and policies.

'We want to make people passionate about Welsh food and drink. But we also need to achieve that responsibly – so we prioritise food safety and standards, sustainable development and supporting the drive for food security.' **Food for Wales, Food from Wales 2010:2020 Food Strategy for Wales** sets out a wide ranging vision of the place of food in Wales, outlining a clear direction for the Welsh food industry to grow in a sustainable and profitable manner over the next ten years.

'Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014-2020 states an ambitious target to achieve growth for the sector of 30% to £7 billion by 2020. Sustainable development is a driving force for the food and drink industry in Wales, striking a balance between feeding its own population and exporting produce, and always being mindful of environmental impacts. The sector significantly influences economic regeneration, the health and well-being of communities, road and rail infrastructure, environment, education and transport. It employs 170,000 in the food chain. The sector must grow sustainably and profitably.

The world's food problems are also Wales' problems. With the world population expected to rise 50% by 2050, ensuring there is enough food to meet this expansion is a major global concern. Wales is playing its part as a partner and contributor to the Global Food Security Programme, which co-ordinates food security related research in the UK.

One of **The Food Standards Agency's** priorities is to guarantee food safety to gain consumer confidence. ' We know that if we're to ensure consumer confidence in our products and services, the reputation of Welsh food and drink goes hand in hand with improving food safety and standards. We all need to play our part in ensuring the food chain in Wales delivers high quality, safe and sustainable food and drink, and the Welsh Government is at the forefront in ensuring food safety.

The Partnership for Growth Strategy for Tourism 2013 provides an overall vision and aims for growth in the tourism industry up to 2020. The strategy identified a product-led approach to developing and marketing tourism in Wales. Food is an integral part of the visitor experience and the **Food Tourism Action Plan 2015-2020** targets five key areas identified in the main strategy namely:

- promoting the Wales brand
- developing the product and people
- place building
- increasing performance

The Action Plan's ambition, by 2020 is to ensure that food tourism is integrated into all of Visit Wales's activities and to raise Wales's profile as a high quality Food Tourism destination. The objectives are;

- ❖ improve visitor access to and awareness of Welsh food and drink
- ❖ encourage Welsh hospitality businesses to source more local food and drink
- ❖ increase the prevalence of Welsh food and drink on menus and retail offering
- ❖ identify skill gaps in knowledge and sourcing

The scope for developing Food Tourism in Wales is vast and provides an opportunity to engage with a range of partner organisations therefore collaboration and co-operation should be at the core of all activity.

The Twenty Twenty Vision: Strategic Action Plan for the Welsh Red Meat Industry by Hybu Cig Cymru/Meat Promotion Wales in close consultation with the Welsh red meat supply-chain and the Welsh Government seeks to deliver a profitable, efficient, sustainable and innovative industry which benefits the people of Wales; a red meat industry which is resilient to political and environmental change and capable of responding competitively to ever changing market trends.

The Action Plan identifies the priorities, objectives, targets and actions that will help to address key challenges and bring about a positive impact on the employment and the growth of the rural economy in Wales. It is intended to provide a pathway forwards whilst being flexible enough to allow the Welsh red meat industry to respond to changing circumstances in a timely and appropriate manner. This Action Plan seeks to be ambitious, yet realistic. It is outcome driven and, as such, specific financial targets for 2020 have been included for the first time, in order to provide a clear and focused measure of success.

Horticulture Wales are working towards a sustainable horticulture industry that benefits the people and environment of Wales. Defined by fruit and vegetables production,

ornamental plants, novel crops and tree saplings, horticulture is growing steadily, and the Strategic Action Plan focuses on key issues like sustainable development, training, improving business performance and efficiency, and constantly enhancing the quality and reputation of Welsh produce.

A vibrant horticulture sector is high on the Welsh Government's agenda for developing a sustainable agricultural industry as it delivers a range of environmental, social and economic benefits. The industry is growing: in 2012 Welsh Government statistics recorded a 50% rise in the number of holdings to more than 500. It must continue to develop efficient supply chains, help businesses improve their performance, improve understanding of, and access to, markets and address training needs so that producers in Wales can hold their own competitively and meet new challenges.

Efficient supply chains ensure the sustainable production of fruit and vegetables. Horticulture Wales are helping producers improve business performance to meet changing trends and customer behaviour, and to foster innovation and learn new skills.

The Woodlands for Wales Forestry Strategy sets out a bold ambition for how woodlands and trees could contribute even more to the people of Wales.

It is framed around Welsh woodlands and trees as a basis for delivery across four strategic themes:

- responding to climate change – coping with climate change and helping reduce our carbon footprint
- woodlands for people – serving local needs for health, education and jobs
- a competitive and integrated forest sector – innovative, skilled industries supplying renewable products from Wales
- environmental quality – making a positive contribution to biodiversity, landscapes and heritage, and reducing other environmental pressures.

The nature, quality, distribution and management of our trees and woodlands underpins the forestry strategy and identifies six key outcomes to strengthen this foundation to ensure that it will be fit to meet the needs of the next 50 years and beyond:

- more woodlands and trees are managed sustainably
- woodland ecosystems are healthy and resilient
- woodlands are better adapted to deliver a full range of benefits
- woodland cover in Wales increases
- the management of woodlands and trees is more closely related to that of other land uses

- urban woodlands and trees deliver a full range of benefits.

A series of action plans will set out the actions and activities of all those with an interest in delivering the long term ambitions of the Strategy. The current Action Plan runs until 31 March 2020.

The Welsh Government are working hand-in-hand with producers towards a strong, dynamic and market-focused **Dairy Industry**. Dairy farmers, milk processors, trade and other support organisations make up a Dairy Task Force which advises Ministers on the industry's strategic direction, developing plans to move forward and to make the dairy supply chain economically and environmentally sustainable.

Although Welsh dairy farmers have the natural resources, the right climate and abundant water to produce high yields of grass, the industry needs both volume and added-value, and many processors are already developing new products with export potential. The Welsh Government and the Task Force are fully behind the industry in the drive for more profitability, encouraging farmers to take a mid to long-term view, rather than focusing on short term movement in farm gate prices.

The Agriculture Horticulture Dairy Board (AHDB) is a levy-funded, not-for-profit organisation working on behalf of Britain's dairy farmers and in Wales leads a project to improve supply chains, A Dairy Road Map has been produced, setting targets for reducing the industry's environmental footprint, and the Dairy Producer Organisations scheme helps farmers gain recognition for the quality of their production.

The national strategies identified influence the development of the Rural Development Plan which sets out the overall objectives and strategy for the period until 2020.

Strategic fit

This project's aims of facilitating networking and collaboration between producers and buyers across relevant sectors in order to support a stronger, shorter supply chain for local land based products in the region, has a high degree of synergy with the aims of the strategies and policies identified above. It will contribute to the overall aim of growing the Welsh food and drink sector sustainably by 30% to £7 billion by 2020 and supporting the drive for food security.' By engaging with the hospitality and tourism sector the project will help to meet the aims of the Food Tourism Action Plan in raising an awareness of Welsh food and drink to both the visitor and hospitality business.

The project will contribute to the growth of the Horticulture Industry by identifying new land production areas, developing shorter supply chains, helping businesses to improve their performance and efficiency and improving an understanding of, and access to current and new markets. It will help to address training needs so that producers in the region can hold their own competitively and meet new challenges.

The project will also help to meet the objectives of the Woodlands for Wales Forestry Strategy by identifying innovative, skilled industries supplying renewable products from the region and making a positive contribution to biodiversity, landscapes and heritage, and reducing other environmental pressures.

The Dairy Industry's aims of increasing both volume and added-value by developing new products with export potential will be addressed through this project by encouraging farmers to take a mid to long-term view, rather than focusing on short term movement in farm gate prices

Findings

The findings in this section are the result of extensive desk research and analysis of documentation, reports, surveys and guidance. The list of documents consulted can be found on Appendix ?..... Documents used for Research

Supply Chain

Collaborations between producers and their customers or suppliers occur in more than 6 in 10 businesses (62%) and more prevalent in businesses with higher number of employees. The most common type of collaboration undertaken is new product development (88%). There is a greater emphasis on new product development (NPD) compared to the previous survey. 'Accessing new markets' was mentioned by a fifth.

Just over a quarter of businesses (27%) showed interest in working in collaboration with foreign companies but this appeals most to businesses with 10 or more employees – 42% of those with 10-49 employees and 62% of those with 50 or more employees. Those who already collaborate with customers or suppliers are also more interested (36%) than those which do not (14%).

More businesses are investing in NPD (55%) compared to 2012 (47%). As before, involvement in NPD increases with the size of business. The largest rise is amongst businesses with 10-49 employees as 77% invest in NPD compared with 61% in 2012. Half of all micro businesses invest compared with 43% previously.

Almost all businesses investing in NPD use internal resources (96%), up from 81% in 2012. 15% use external assistance compared with 28% in the previous survey. The pressures of the economic climate may be contributing to the shift between the use of internal versus external resources.

Two fifths of producers (41%) have invested in production capacity and efficiency improvements in the last year. A greater proportion of businesses in the 10+ employee groups have invested with 58% in the 10-49 group and 77% of the 50+ employee group doing so.

In total, the businesses interviewed invested around £33m in the last year with an average of £331,000. 84% of investments have resulted from businesses with 50 or more employees which invested £2.8m per business on average. Businesses with 10-49 employees invested £189,000 on average compared with £24,000 amongst those with less than 10 employees.

A fifth of businesses received public sector support towards their investment. Public sector support is most common in businesses with 50+ employees where two fifths (41%) received support compared with a quarter (24%) of businesses with 10-49 employees and 16% of those with 1-9 employees.

Customers and markets

72% of producers sell direct to the general public compared with 83% in 2012 and this remains an important market for all but the largest companies. 52% sell to independent retailers which is the most frequently mentioned market for businesses with 10-49 employees (60%). 40% sell to food service/catering and hospitality, 27% to wholesalers/distributors, 17% to multiple retailers and 7% sell through direct export typically to France, USA, Spain and Holland.

Sales direct to the general public account for about half of all turnover (48%), on average with independent retailers accounting for 20% and food service/catering and hospitality 14%.

22% of those not currently exporting are interested in doing so, up from 17% in 2012. Businesses with 10-49 employees show the most interest (37%) up from 29% in the previous survey.

46% of producers say they are a current supplier to the tourism sector. Just over a third of businesses (35%) have never considered supplying the sector.

Product Distribution & Collaboration

83% of producers distribute their own products and 49% through customer collection. 33% use third party distribution routes and just 4% have a collaborative arrangement in place.

There is a generally positive response to the idea of collaborating with other food producers and processors. Two thirds were interested in one or more area of potential collaboration. The most popular areas for collaboration are 'accessing new markets' (60%), new product development (50%) and sales (42%).

Local direct sales' is a priority area for future market development for 69% of respondents but is less of a priority for larger businesses. Businesses with 50 or more staff show more interest in National retailers (50%), local hospitality/catering, national food service or export markets (42% each).

There is a strong willingness for collaboration amongst producers and resellers and initiatives that bridge gaps in local production and consumption may provide quick wins.

Consumer access to local produce

Any 'pop up' food or farmers market needs to be held on a regular basis in an accessible location to attract good footfall and repeat business. If consumers do not have practical access to markets selling local food they cannot rely on its availability and will not return. With over 80% of consumers shopping at supermarkets –to have any long term economic impact local food needs to be available at existing retail outlets.

Coordinated point of sale material is required to attract sales and improve the profile of local produce to consumers.

There are a number of outlets in the region which provide access to local food. The range of product available however is limited and they tend to serve a very local market. Included in this mix are delicatessens, farm shops and online distributors / producers

Local Producers markets

Farmer and produce markets have for a long time been an important means for farmers to sell directly to consumers. When successful they can be a very good way of supplementing their income.

From the customer perspective, markets need to be regular and conveniently located. Produce freshness, quality and hygiene are considered extremely important.

An example of good practice is the Riverside Market (Cardiff) - now expanded to cover several locations, but is regular and frequent (weekly), located to attract appropriate audiences, with attending stall holders reflecting customer values in each location.

Co-operative supply

Collective supply by a number of producers to a central 'depository' for resale – either directly to the consumer or as a trade-only facility aimed at local hospitality providers. Produce is ordered in advance, packaged by the producer and delivered to the 'depository'. This can either then be delivered to or collected by the purchaser.

Farm Shops

There are a number of successful farm shops within the region and beyond, whose main purpose is to provide an outlet for their own and neighbouring farm produce. A number of these also retail a variety of local produce and product including locally grown fruit & vegetables, eggs, fresh breads, preserves etc., providing almost a supermarket-type locally sourced shopping solution.

Intermediaries

Supplying local intermediaries, whilst requiring consistency of supply and quality, can be a worthwhile investment of resources. The costs associated with reaching and maintaining a customer base are born by others.

Collaboration

Opportunities exist for butchers to engage with local livestock farmers to help them understand and meet their supply requirements; for growers to collaborate with each other to share distribution runs; and for processors to share knowledge and experience in meeting consistency and quantity to help other small businesses meet requirements to suit intermediaries (distributors)

Producer directory

Farmers and small producers often lack the resources to market their produce. An online producer directory could provide (initially) a B2B resource containing product lists, with descriptions, indications of volumes available and pricing. This would need to allow self-editing by the producers to ensure timeliness and accuracy.

Farm Open Days

Open Farm Sunday is a UK wide initiative where farms open their doors to the general public once a year. These have been proved to be successful in helping individual farmers connect with local communities

Use of local produce by hospitality providers

A number of hospitality providers are not aware of what local produce is available to them. Many have indicated that this information would be useful to them and prefer a hard copy directory rather than web based!

Buyers in the hospitality industry base their procurement decisions primarily on quality, cost and convenience. They like to enter contracts with a single supplier that can provide a regular supply and single collection point.

Some buyers request a sale or return on local ambient products to minimise any risk

Single (rather than multiple) invoices are more convenient and allow regular payments to be made. They want to ensure that produce supplied is of a consistent quality and reliable quantity.

Small land based producers can only produce goods in small quantities which are seasonal and the regularity and consistency of the product will often be a barrier to most buyers if they try to sell direct.

Delivering goods to customers can be expensive if done independently. Producers may ask for payment on delivery, which buyers rarely offer, and the producer may not be compliant with full due diligence and accreditation which gives confidence to the buyer.

The only way that small producers can overcome these issues is by working in collaboration with others to common quality standards and as part of a local supply chain which has the infrastructure to offer the buyer what they want.

Pub restaurants

Some national chains are offering a “Welsh” menu choice; however all have a central distribution system where every single product is sourced by company buyers at head office, collated at a central distribution point and delivered direct to site. Independent pubs are interested in selling ambient local products for visitors but not chilled due to lack of facilities.

Restaurants

There is a real desire to buy local produce, but they find it almost impossible to secure local produce, although they are able to secure some “Welsh” produce. Where they are able to procure local produce, in most cases these are often shipped in from outside the region. Ideally they would rather procure from a limited range of suppliers and ideally through one or two distributors.

Cafes

Amongst the independent Cafés there is a desire to buy 'local' produce and in many cases that is achieved. They are able to buy more locally; however 'local' in this context often means Welsh.

Example of good practice

Bunch of Grapes Pontypridd

An independent pub-restaurant where over 70% of produce used is local. The process of sourcing supplies took considerable time and effort in the early days, but it has become easier as producers have grown in number and expanded and distribution has improved. The meats used are sourced from farms within a 30-mile radius, vegetables are grown in Abercynon and in their own kitchen garden, fish is obtained from sustainable sources on the coasts of Wales and Cornwall. Bread is baked fresh every day in their kitchens for the restaurant and the deli; all cheese used is Welsh; they even brew their own beer. They are passionate about supporting local artisan producers and working with them, keeping the local economy alive and growing local business, and are always on the lookout for independent food producers within a 30 mile radius.

Business support

Gaps in rural business support provision mean that many land based producers and small enterprises that make a living off the land are not always in a position to benefit. This can be due to their capacity, confidence and capability to scale-up, along with limitations in access to the business support infrastructure in Wales.

Toolkits & Guidance

A suite of practical tools and guidance can be developed to enable rural businesses to consider and take practical steps towards innovation.

Suggested topics:-

- Distributing produce to customers,
- Marketing and promoting goods,
- Developing new products and services

Signposting to other sources of assistance

The generic nature of much of the business support provision generally fails to adequately address the needs of land-based producers. Reliance of signposting to local authority or government- sponsored business support provision is not always appropriate. There is more specialised provision available to support the industry. RDP teams need to be fully conversant with what each provides and the best routes of access. See External Support section below.

Training

B2B Mentoring

Mentoring can be a valuable way to help motivate and inspire others. Businesses respond well to other businesses and farmers are accustomed to learning by doing.

Example:- A butcher wanting to source meat locally and is conscious of the barriers that exist for livestock farmers to meet his quality requirements for supply could collaborate with and assist livestock farmers to work through this.

Developing Networks

Activities that stimulate innovation stem from collaborative approaches for distributing produce to customers, marketing and promoting goods, and developing new products and services. The development of appropriate networks or collaborative groupings based on a strategic vision and regional approach is an invaluable form of intervention.

Activities undertaken by **Cywain** demonstrate that there is strong demand for networking from clients who have seen the benefits it brings and this may lead the way to encourage more cooperation initiatives, see Appendix 3 – Summary of Cywain Evaluation.

Agrisgop offers opportunities for like-minded individuals from farm and forest businesses to meet on a regular basis to learn new management skills, access specialist information and explore and develop viable futures for the individual, their families and business with the aim of progressing skills and confidence which will assist them in identifying ideas and opportunities for their business

Engaging with 'hard to reach' stakeholders

There are many complex issues that create barriers to engaging with some stakeholders. These include competitiveness, the perceived value of free support, communication challenges, resource limitations, knowledge gaps and personal motivation.

Themed producer network meetings can help to raise awareness of support available to rural businesses.

Farmer forums could be established to bridge the gap in skills that affect different generations. For example - older generations passing on experience and tips, younger members providing support with new technologies.

Sustainable Food Cities

The Sustainable Food Cities approach involves developing a cross-sector partnership of local public agencies, businesses, academics and NGOs committed to working together to make healthy and sustainable food a defining characteristic of where they live.

The Sustainable Food Cities Network helps people and places share challenges, explore practical solutions and develop best practice on key food issues. Chaired by the Head of Wrap Cymru, the Food Cardiff Council includes representatives from Cardiff Council, Cardiff and Vale University Health Board, Welsh Government, Public Health Wales, Cardiff University, and a wide range of private and third sector organisations. Over the last 18 months the partnership has grown and strengthened and has developed a strong brand and social media presence which has facilitated change both at Local and National levels. Food Cardiff is currently focusing on delivering the Beyond the Foodbank Campaign and in particular developing a model to deliver School Holiday Provision which can be replicable across Wales.

Community Foodie Evaluation makes the following recommendations:-

- Programmes of support for these local social entrepreneurs should be created
- A facilitation of this nature should be made available in all localities.
- Networking and awareness raising continues to be facilitated at County and sub-regional level.
- A programme of mentoring by people with expertise from within this community food network, and for others with appropriate experience such as horticultural skills or enterprise development would be desirable.
- If community food growing is to be developed, it will require co-ordinated efforts by many parties. At the local authority level, this will require the parallel buy-in and effort by officers and members with diverse remits, including community development, health and well-being, economic development, environmental management and planning control. A strong policy context and local strategies will need to be developed in each authority.

Innovation

Activities that will stimulate innovation stem from collaborative approaches for distributing produce to customers, marketing and promoting goods, and developing new products and services.

Innovation can be stimulated by tailoring rural development support to meet specific business needs. Farmers and producers want help in considering renewable energy generation, developing tourism-related business, adding value to produce and finding new routes to market. Processors and distributors want help with marketing, new product development, packaging and delivery.

The reduction or removal of risk through pre-commercial testing is a valuable approach to testing product / market alignment, shared facilities or resources and access to markets.

External support

There are a number of organisations across a variety of sectors that are able to provide a wide range of support at various stages of business and community development. RDP officers need to be fully conversant with the support available through their own organisations in the first instance, backed up by an understanding of what can be provided by other organisations.

Business Wales

Business provides businesses in Wales with support to help them at different stages of the business – from start-up to growth.

<http://businesswales.gov.wales/>

Farming Connect

As a gateway to information, advice and support for farmers and foresters in Wales, Farming Connect helps farmers and their families to run their business more efficiently, and to safeguard the future of their farms. This is the main project for supporting farm businesses in Wales.

Farmers must register and be operating as a farm business to receive assistance.

<https://businesswales.gov.wales/farmingconnect/>

Farming Connect's Agrisgop management development programme offers a fully funded action learning programme for groups of 6-10 who meet on a regular basis with facilitated support, encouragement, information and guidance and mentoring.

Total Food Marketing

Total Food Marketing is a specialist service. It brings together a group of highly recommended food and drink specialists to grow Welsh food and drink businesses, providing support to grow and develop through specialist mentoring, training, workshops and practical promotional and marketing services.

<http://www.menterabusnes.co.uk/totalfoodmarketing>

Cywain

The main aim of Cywain is to help and support the agriculture sector to add value to primary produce. This is achieved through developing new products or markets with the emphasis on collaboration. The assistance available involves various support including facilitation, expert advice and a quality mentoring service which has a strong emphasis on adding value. The service is available to both individuals and groups and is focussed on primary producers in Wales.

<http://www.menterabusnes.co.uk/en/cywain>

Horticulture Wales

Horticulture Wales is a project focused on delivering expert support to enhance the efficiency of medium, small and micro businesses involved in both the edible and amenity horticulture supply within Wales.

<http://www.horticulturewales.co.uk/About-Us.aspx>

Sustainable Supply Chains initiative

The Sustainable Supply Chain initiative assists microenterprises to embrace sustainable practices through innovation by developing tools and techniques. It has created a practical framework to help benchmark sustainability in food supply chains.

<http://sustainablesupplychains.org.uk/>

Grow Local Swansea (example)

This initiative encourages communities to grow their own food by funding a range of community-based growing projects which aim to improve access to fresh fruit and vegetables throughout the city, particularly among those on lower incomes. Grant support is available.

<http://www.swansea.gov.uk/growlocal>

Federation of City Farms & Gardens

Offers support and advice to existing and emerging community growing projects, as well as helping share knowledge and skills. They support a variety of community growing models including: community farms/gardens/orchards, allotments, community supported agriculture and community-managed market gardens.

<https://www.farmgarden.org.uk/your-area/wales>

Social Business Wales

Support for social businesses and co-operatives, providing free specialist business support, through a number of specialist advisors.

<http://businesswales.gov.wales/socialbusinesswales/>

Pub is the Hub

Encourages rural pub owners, licensees, and their local communities to work together to support, retain and locate local services, where possible, within the pub, whilst often improving the viability of the business itself.

Provides voluntary advice and guidance with administration support from companies and trade bodies;

<http://www.pubisthehub.org.uk/>

Plunkett Foundation

Helps communities to take control of their challenges and overcome them together. Support is provided to realise the potential they have within themselves to tackle the issues they face. This is done in a number of different ways, for example by proactively promoting the co-operative approach through national and local media work, or hosting and attending community events.

The Foundation helps people tackle a range of issues, from isolation and loneliness to poverty, and come in many forms including shops, cafes, pubs and land-based initiatives, and everything in between.

<https://www.plunkett.co.uk/gettingstarted>

Identification of synergies

Current activities identified by each LAG in their LOGIC tables were used to devise a matrix plotting all current and planned actions relevant to this project. This was then distributed to all project partners to review and amend as appropriate. The amended outputs of the matrix (see Appendix Matrix by LAG area) were then translated into an action plan which is included in this document.

The following action plan has been developed from activities identified by each of the RDP partners in the region. The individual LDS LOGIC tables have been used as the baseline data source.

The process involved the identification of projects within the eight Local Development Strategies and mapping synergies which in turn led to the identification of projects which had resonance across the region, see Appendix Matrix by Topics. This provides opportunities for joint working and adopting a strategic approach to development, implementation and the wider benefits of spreading resources and sharing knowledge throughout the delivery process.

The mapping of activities led to the development of the table below, which clearly demonstrates where there are opportunities for cross regional projects.

Category	Vale of Glam	Vale of Usk	Cwm Taf (Merthyr /RCT)	Torfaen	Powys	Caerphilly / Blaenau Gwent	NPT	Bridgend
Farm Diversification								
Land-based Production								
Hospitality / Food links								
Food events - public								
Supply Chain								
Activity development								
Product Innovation								
Local food promotion								
Developing Networks								
Business Support								
Training								

The above table demonstrates the synergies and where there is potential for a strategic approach to delivery to be adopted.

The table above also demonstrates where there are gaps (the white boxes). These may be intentional, due perhaps to the more advanced stages of RDP programmes in certain areas, previous RDP activities, lack of available support from within the RDP area, or indeed, may be an oversight.

On a cautionary note – because of the way that individual logic tables have been compiled, there is the likelihood that the omissions identified above are purely down to a ‘catch all’ approach to entries in LOGIC tables which fail to iterate specific actions.

However, the conclusions drawn from this activity are based on the information available at the time of writing.

Action Plan

Farm Diversification	Yr1	Yr2	Yr3
Research to identify potential for shared production facilities	X		
Explore potential of new farm diversification projects	X	X	
Pilot schemes to test innovative accommodation and attraction development	X		
Identification of potential funding sources	X		
Develop links with Agriscop and other support providers	X	X	
Hold events sharing best practise of farm diversification activities		X	X
Land-based Production	Yr1	Yr2	Yr3
Mapping of existing works and identification of gaps in market; develop action plan	X		
Mapping of publicly owned land and explore the opportunities for community growing and allotments	X		
Explore opportunities to share or pool resources (e.g. mobile saw sharing project)	X	X	X
Explore potential for joint use of land for renewables		X	X
Pilot project that demonstrate the feasibility of production and use of local products and raw materials, including woodland and community growing schemes	X		
Assess potential of social enterprise model providing wood products to local community businesses for mutual benefit.	X	X	
Develop opportunities for networking, collaboration and knowledge sharing amongst land owners / leaseholders	X	X	X
Food / Hospitality links	Yr1	Yr2	Yr3
Research existing hospitality providers to identify the level of local produce used	X		
Feasibility studies to test potential of cafes, shops and events at major heritage sites	X	X	
Pilot project to trial pop-up restaurants	X	X	
Work with food producers and hospitality to promote local food quality and increase supply of produce.	X	X	X
Extend food related initiatives into the wider territory that integrates experiences and develops unique offers in terms of food heritage and food linked to activity tourism		X	X
Work with local tourism and hospitality businesses to develop initiatives that explore and strengthen a sense of place.			X

Create local business clusters to improve continuity and volume of supply of goods into retail and hospitality		X	X
Study tours and information sharing opportunities enabling producers to increase the supply of goods.		X	X
Food Events (public)	Yr1	Yr2	Yr3
Mapping of all significant events	X		
Research into successful events in other areas to identify potential innovative actions	X		
Pilot project to trial pop-up events along the coast	X		
Pilot project to trial pop-up events at historic venues	X		
Pilot projects to test out new ways to grow long term financial sustainability for new and existing events	X		
Support for events that enable visitors to experience local products and experiences	X	X	X
Facilitate food producers' attendance at local and regional festivals and events.	X	X	X
Collaborative marketing of events, festivals and markets		X	X
Develop and maintain a regional Producers directory		X	X
Hold local producer events		X	X
Supply Chain	Yr1	Yr2	Yr3
Audit of potential supply chain projects	X		
Identify potential retail outlets and supply chains for food-producers to sell their produce		X	X
Pilot innovative approaches to supply chain development	X	X	
Piloting the integration of local supply chains with identified market sector needs	X	X	
Pilot intermediary food body/business collaboration to bring local food to local outlets in effective and productive ways	X	X	
Investigate new ways of developing the sales market for local land based products and food	X	X	
Build local networks between food and drink producers, processors and local outlets in support of local use of local food and drink products.	X	X	X
Explore community hubs as potential places to distribute and collect products that meet specific local gaps in services and ensure accessibility for all		X	X

Explore opportunities for local producers to add value to their business through business to business collaboration, co-branding and local retail.		X	X
Provide sector specific support in terms of short supply chain development, marketing, B2B and clustering local enterprises through digital mediums	X	X	X
Provide opportunities for networking amongst local producers, and retailers	X	X	X
Activity development (outdoor)	Yr1	Yr2	Yr3
Audit of potential new outdoor activity opportunities	X		
Supporting the growth of the tourism sector across rural areas, increasing visitor footfall and spend, encouraging diversification, partnerships and networking		X	X
Utilise natural / cultural assets to build connections to local facilities / amenities.		X	X
Developing new activities related to our natural environment and heritage.		X	X
Integrate local history, culture and food into trails using new technologies.		X	X
Piloting new outdoor activities with communities using the promotion of loops and links between villages and towns	X		
Piloting new forms of interpretation and marketing of the natural environment and heritage.	X		
Pilot project - explore adapting accommodation and hospitality providers to offer facilities for wet and muddy gear.	X		
Develop business networking and collaboration to support accommodation and food providers connecting with outdoor provision; including business mentoring and Ambassadors		X	X
Produce a variety of (food) activity packages for hotels in surrounding areas		X	X
Increase links with conference hotels to offer away days, staff rewards and activity sessions			X
Test feasibility of activity packages linking into business and inward investment		X	
Product Innovation	Yr1	Yr2	Yr3
Survey of catering outlets to identify demand for different food crops	X		
Research and pilot innovative new food products	X	X	
Research to identify potential for shared local production facilities	X		
Identify gaps in market in relation to produce to help provide evidence of need and support future pilots/projects.	X		

Pilot project investment to test alternative crops - with view to mainstreaming if successful	X		
Support pre-commercial and enterprise development for food and drink, art and craft, through linking local produce to local markets	X		
Create commercial kitchen for testing new products and large scale commercial production	X	X	
To share knowledge on developed initiatives such as community transport, local food, digital apps with new rural communities through network events and pilot projects	X	X	X
Facilitate networking, knowledge transfer, shared services and collaborative approaches	X	X	X
Local Food Promotion	Yr1	Yr2	Yr3
Identify gaps in market to help provide evidence of need and support future pilots/projects.	X		
Develop regional shared promotional activities that raise awareness of the benefits of buying local goods, eating fresh, local food and reducing transportation miles, and nurture a culture of taking pride in local produce		X	X
Showcase local products, services, knowledge and solutions through community hubs by physical engagement and virtual on-line sharing		X	X
Establish a promotional campaign for local food and provide award scheme / endorsement		X	X
Establish a call for innovative 'apps' that provide better food related information and service to visitors; run a campaign to persuade tourism providers to link to 'apps'		X	
Undertake promotional activities that work within the rural areas to explore and strengthen local heritage and sense of place			X
Developing Networks	Yr1	Yr2	Yr3
Map existing works through a feasibility study and gauge local interest in joint working and networking	X		
Develop sector specific rural business networks that provide support and forums for exchanging ideas and joint action	X	X	X
Develop quarterly 'Super-Network' events to work collectively in addressing cross-sector issues and practices		X	X
Develop a cross-boundary tourism network to support the growth of tourism in rural areas		X	X
Create a community led peer network to support the sustainable management of key physical heritage sites through shared services agreements, etc.		X	X
Business Support	Yr1	Yr2	Yr3
Develop innovative ways to address the barriers to growth for rural businesses.		X	
Pilot projects which facilitate the employment of local people especially the long term unemployed	X		

Support initiative that promote and develop sustainable or community tourism based on heritage assets or local natural and cultural resources	X	X	X
Provide sector specific business advice for new start-ups	X	X	X
Providing businesses with access to information in an innovative way, utilising digital technologies		X	X
Create a series of toolkits for rural business innovation, including how to sell, how to market, how to produce, cost effective savings etc		X	
Provision of a personal “on the ground” rural economic service, connecting businesses and individuals to local partnership mentoring services and WG schemes and support	X	X	X
Develop business networking and collaboration; including business mentoring and thematic Ambassadors	X	X	X
Provide advice and support on digital technology in terms of on-line development, sales, linking to complementary businesses and developing local clusters		X	X
Mentoring programmes to enable individuals to become more entrepreneurial and innovative		X	X
Implement a Business to Business mentoring scheme.		X	X
Create ‘Rural Champions’ in a variety of fields through training the trainers Scheme	X	X	
Establish close working links with local authority business support teams.	X		
Training	Yr1	Yr2	Yr3
Undertake an audit of skills and expertise that could be used for Mentoring and the exchange of best practice.	X		
Develop a referral mechanism with training providers in the area. E.g. Welsh Government, Working Skills for Adults	X		
Pilot training activity to underpin greater food and drink processing and use	X		
Pilot projects utilising the natural environment to provide training and employment opportunities	X		
Develop and implement a programme of training for rural businesses		X	X
Capacity building to enable business opportunities to be realised		X	X
Facilitate visits to successful projects within other rural settings to learn best practice		X	X
Develop activities that help to increase the knowledge of local attractions and activities among tourism providers.	X	X	X
Encourage cross-network collaborations, learnings and information exchange through workshops, presentations etc	X	X	X

Develop innovative ways to address skills shortages in rural areas.	X	X	
Support businesses creating quality offers to exploit the sense of place		X	X
Run courses/surgeries/121 to increase use of social media by local businesses, especially tourism businesses, to be 'proactive' on social media, but also up-skill to 'reactive' so that businesses can respond to Trip Advisor for eg. (if food related)		X	X
Provide internet marketing and social media training for farmers to develop the skills to promote their new businesses		X	X

Conclusions and recommendations

The need for cooperation across the region clearly emerges from this research work and would bring added value to any local knowledge and experience. We therefore strongly recommend a cooperative bid is submitted under the RDP. The proposed bid should identify networking and collaboration between producers and buyers including the mapping of the SME base across the relevant sectors including land based producers, retailers, hospitality and tourism businesses. To provide support to develop opportunities together to enable capacity building and create new market opportunities assessing the feasibility of piloting a range of proposals.

From our analysis of the previous programmes, initiatives and strategies going forward from the region, we conclude that it is essential that any new activities should be built on the experience and success of previous initiatives so that a long term sustainable network can be built with private sector ownership.

Good communications across RDP programme areas in the region are key to ensuring a co-ordinated approach works for the benefit of all, avoiding duplication, utilising each other's strengths and learning from each other.

There is much information, data, skills and knowledge across the regional RDP programme area which should be capitalised on. We have put together a database of the resources we have been able to find in order to assist in shared learnings, but we feel that there is considerably more available for sharing across the partnership. Partners should commit to completing and maintaining this resource which would provide a library of resources available for each to access.

Management Structure

To ensure the success of the project we recommend that the involvement of the private sector be reviewed. Recognising past difficulties in engagement with this sector we propose a mechanism is put in place to ensure the full involvement of the sector.

It is proposed in the EOI that a **Stakeholder Partnership** will act as the steering group with agreed Terms of Reference in preparation for becoming a formal partnership. We would recommend that the partnership structure should be realigned with a greater involvement of the private sector to ensure an effective mechanism for sharing experience and knowledge in an active and creative environment with limited bureaucracy.

Delivery mechanism

The diverse nature of the objectives highlighted in the individual strategies clearly leads us to conclude the need for a focal point for the delivery of the initiatives which cover the region. This focal point could either be an SME if an appropriate one could be identified or an organisation or company which could be appointed through an open tender process.

Supply Chains

The Regional Engagement team need to identify and develop local clusters and map potential new routes to market. Engaging with the retail and hospitality sectors should yield better results by grouping similar producers together, improving capacity to supply, maximising economies of scale and being better prepared to meet the demands of wholesale buyers. The Welsh Government Business Development Programme aims to enable Welsh businesses to create jobs and sustainable economic growth by supporting Welsh food and drink producers to grow through the provision of specific support. The newly established Cluster programme is an example of this support with sector specific cluster for Welsh Seafood, Fine Foods, High Impact Business and Nutri Wales. Proposed regional business networks should be integrated into these existing clusters.

Supply chains that work together in open and equitable partnerships are the basis of a sustainable food system and collaborative action should be fostered across supply chains.

Supply chain efficiency should be interpreted beyond economic cost and benefit to include social and environmental considerations and capabilities throughout the supply chain should be enhanced so that the sector delivers products that are competitive, match consumer needs and are produced in a sustainable manner

The three year programme –outline headings

Year 1 – establishing an SME partner, developing regional business networks, stakeholder engagement by a regional engagement team, establish regional network of business partners and clusters, research and mapping, feasibility and consultation activity, tracking mechanism of delivering evaluation programmes, implementing taster and pilot projects

Year 2 – utilising research and mapping, introducing themed networking events, capacity building with SME's, continuation of taster activities and pilot projects and other projects identified by the LAG's, monitoring

Year 3 – continued work on focussed activity, evaluations, dissemination of activities and jobs created, consolidation and closure

Performance indicators

These suggested Performance Indicators have been developed from the submitted Expression of Interest (EOI) and indicate the data that needs to be collected throughout the programme.

Activity	Indicator
Spatial and thematic mapping of the region's land-based producers and intermediaries	Number of mapping exercises undertaken
Development of regional action plans based on research, consultation, in-depth engagement and feasibility studies	Number of Regional Action Plans developed
Preparation of potential co-operative projects	Number of bids researched, prepared and submitted for co-operative projects
Identify and develop short supply chains project initiatives and / or proposals through engaging with producers, stakeholders and LAG partners at networks, meetings, events and development activities	Number of projects / initiatives developed
Create a regional SME network of land-based producers, retailers and tourism/hospitality providers that meet on a regular basis to encourage potential collaborative action.	Number of Regional Land-based Producer Networks created Number of collaborations formed
Host and deliver regional networking events, annually, that inform stakeholders and land based producers of opportunities and to build capacity and resilience that provide producers and intermediaries to better access markets and shorten supply chains co-operatively.	Number of networking events organised Number of sub-regional capacity building workshops organised Number of attendees Number of collaborations formed
Attend and inform LAGs and project partners of key activity areas, progress and opportunities to create shorter supply chains and collaborative working.	Number of LAGs visited per area in each year
Engaging producers / buyers	Number of enterprises assisted
Delivering support	Number of businesses receiving tailored support
Organise food events	Number of established food events
Beneficiaries	Number of Farm Holdings benefitting Number of Businesses benefitting Number of Communities benefitting Total numbers engaged

Dissemination of activities	Number of disseminations undertaken
Job Creation	Number of jobs created
Network / hub creation	Number of networks / hubs created and sustained
Awareness of support provision, information and advisory services for those operating in the co-operation region.	Mapping of: Support provision Activities Research
Awareness of regional quality marks/food brands across the sector for SMEs and consumers/visitors.	Mapping of area-based marketing activities SWOT analysis of approaches Recommendations for future unified activities
End of programme research	Independent research to identify:- <ul style="list-style-type: none"> •Increased availability and awareness of the area's land based produce throughout the region. •Strengthened and more resilient land based product sector accessing new routes to market. •A stronger visible presence for local land based products across the SE Wales region particularly in the hospitality and retail sectors •A sustainable regional food economy with effective working partnerships and collaborative approaches. •SE Wales is recognised as a destination for high quality distinctive local products.