Sustainable Management Scheme: Process evaluation and Theory of Change report

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Sustainable Management Scheme: Process evaluation and Theory of Change report

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Glossary

Acronym/Key word	Definition
AONB	Area of Outstanding Natural Beauty
ARAG	Access Reform Advisory Group
CLLD	Community-led local development
ENRaW	Enabling Natural Resources and Wellbeing in Wales
EU	European Union
EoI	Expression of Interest
GIS	Geographic Information System
HAF	Healthy and Active Fund
INNS	Invasive, non-native species
NRP	Natural Resources Policy
NRW	Natural Resources Wales
NGOs	Non-Governmental Organisations
PES	Payments for Environmental Services
PROW	Public Rights of Way
PSB	Public Service Board
SoNaRR	State of Natural Resources Report
SMNR	Sustainable Management of our Natural Resources
SMS	Sustainable Management Scheme
ToC	Theory of Change
WG RC-RDP	Welsh Government Rural Communities – Rural Development Programme
WFGA	Wellbeing of Future Generations Act

1.   Introduction

1.1   OB3 Research, in conjunction with BRO Partnership, were appointed by the Welsh Government to undertake an evaluation of the Sustainable Management Scheme (SMS) which is funded through the Welsh Government Rural Communities - Rural Development Programme (WG RC-RDP) 2014-2020.

1.2   The aim of the evaluation is to review how the SMS is supporting collaborative action to improve natural resources and help achieve ecosystem resilience and to assess its subsequent contribution to sustaining social and economic benefits for communities.

1.3   It is intended that the evaluation explores five key objectives:

- the alignment of projects to the principles of Sustainable Management of Natural Resources (SMNR)

- the management and implementation of the scheme

- the nature and extent of collaboration and what this achieved

- the outcomes of the scheme and action on the policy priorities

- the contribution to the cross-cutting themes, particularly climate adaptation and mitigation.

1.4   The evaluation is being undertaken between January 2020 and October 2022 and includes:

- a first annual update report (November 2020)

- a second annual update report (October 2021)

- a final impact evaluation report (October 2022)

1.5   This first annual update report sets out the theory of change for the SMS and presents the key findings of a process evaluation. It has involved desk-based research, including an analysis of programme documentation and monitoring data, as well as fieldwork with Welsh Government officials, key stakeholders, project leads and other project contributors. It is important to note that this first report has focused on the management and

implementation of the scheme and the nature of the collaboration. Subsequent reports, and the final report in particular will report more fully on programme outcomes and impacts

1.6   This report is presented in ten chapters as follows:

- chapter one: this introduction to the report

- chapter two: outlines the study methodology

- chapter three: provides an overview of the SMS

- chapter four: sets out the policy and strategic context for the SMS

- chapter five: presents a Theory of Change for the programme

- chapters six to nine: present the findings of the fieldwork

- chapter ten: presents the conclusions and recommendations for the remaining programme period.

Annex A provides a brief synopsis of the projects interviewed for this report. Annex B-D include the discussion guides used to gather the evidence.

2. Methodology

2.1 This chapter sets out the method deployed for undertaking the evaluation annual update report, the profile of interviewed project representatives and discusses some of the key methodological considerations in undertaking the study.

Method

2.2 The evaluation activities which were undertaken between April and October 2020 involved the following elements of work:

- an inception stage, which included an inception meeting with Welsh Government officials, a follow-on meeting focused on policy relating to SMS and the preparation of a refined methodological approach and project plan

- desk-based research, which involved an analysis of relevant policy and strategic documents including Welsh Government publications and key legislation, as well as a review of SMS scheme documentation and reports

- preparing a qualitative discussion guide for interviewing Welsh Government officials involved in the design and development of the SMS (set out at Annex B)

- interviewing eight Welsh Government officials to gain their views on the purpose and design of the SMS as well as the intended outcomes and impacts expected

- synthesising the findings of the fieldwork and desk-review to develop a ToC logic model for the SMS, set out at Figure 5.1, Chapter 5

- preparing and distributing an online survey for all successful and unsuccessful applicants to the SMS

- preparing qualitative discussion guides for interviewing contributors as part of the evaluation (set out at Annex C and D) and a supporting Privacy Notice

- undertaking interviews with 26 representatives across 18 SMS projects

- holding online focus group discussions with ten members of the facilitation support service

- interviewing ten additional key stakeholders from Welsh Government and other external organisations including NRW

- analysing and synthesising the findings of the fieldwork and desk-review and preparing this report.

Profile of survey respondents

2.3 A total of 27 web survey responses were received. Of these, 24 responses were completed in English and three responses were completed in Welsh.

2.4 Most (24 responses) were completed by a representative from a project or applicant lead organisation whilst three responses were completed by a representative from a project or applicant partner organisation.

2.5 At the time of completing the web survey:

- five had their EoI turned down by the Welsh Government

- three were having their SMS funding application appraised by the Welsh Government

- one had their SMS funding application approved but their project was yet to commence

- 14 reported that their SMS project was underway

- four had completed their SMS project.

Profile of interviewed projects

2.6 A sample of 20 existing SMS projects were chosen for interviews. These were chosen based on their anticipated end date. The remaining SMS projects will all be interviewed during the evaluation, either during the next annual update report or the final evaluation report stage. Two of the 20 projects chosen declined to take part at this stage due to issues resulting from Covid-19 such as progress on hold or staff currently furloughed. A

brief description for each of the eighteen projects included in the fieldwork for this report is included in Annex A of this evaluation update report.

2.7   Of the 18 interviewed projects:

- nine were from the first funding window (with start dates ranging from October 2016 to January 2017), seven were from the second funding window (with start dates ranging from March 2017 to March 2018) and two were from the third funding window (with start dates ranging from July 2019 to April 2020)

- four projects were led by national park authorities, three were led by a local authority, four were led by a wildlife trust or society and the others were a mix of foundations, third sector charities or partnerships

- in terms of geographical locations, two projects were pan-Wales, three projects worked across several local authority areas and the remaining projects were located in a specific local authority. Of the projects which were not operating pan-Wales, eight were based in North Wales, five in South Wales and three in Mid Wales

- the total grant amount received by projects varied from £200,000 to just under £1 million.

Methodological considerations

2.8   The following issues need to be considered in relation to the methodology adopted for this study:

- the outbreak and subsequent restrictions imposed due to the Covid-19 coronavirus has impacted upon project delivery. Many staff were furloughed during the fieldwork period or those remaining were too busy and declined to take part at this stage. The pandemic has also affected the approach adopted for undertaking this study. Our intention was to visit each of the projects and see some of the project outcomes first-hand. However, due to the restrictions, all interviews were undertaken via Teams or telephone. This inability to visit sites and meeting with a wide range of partners has had a bearing on the level of detail that we have been able to ascertain from case study

projects in particular. As such the case studies in this report are shorter snapshots. In future reports we intend to revisit these projects and gain a deeper level of understanding of the impacts and difference made locally

- the sample of organisations has been drawn from the earlier funding windows (windows one to three). Whilst the survey was open to all projects, this was also mainly responded to by earlier funded projects who are already underway. The survey will be repeated twice more for subsequent reporting windows and will therefore provide an opportunity for further responses from all funded projects. The feedback in this report mainly reflects the early Expression of Interest (EoI) and application stages of the programme and will not provide much information about any changes that might have occurred since, nor will it provide much insight into the facilitation support service that was introduced to later funding windows (window four onwards). Whilst the report can provide some views on the facilitation support service from policymakers and the facilitators themselves, and can offer some headline findings from the survey, it will not be able to 'test' some of the assumptions and findings with the projects who utilised the service in this report. The evaluation will be dependent on gaining this evidence through interviews for the subsequent annual update reports

- at the time of preparing this report only three SMS projects have been completed, and the final project evaluation reports have not yet been received from the projects. As such, this report, as initially planned, is a **process evaluation** aimed at drawing out key findings from the design, implementation, and delivery of the SMS in the early stages. Where evidence of outputs and outcomes has been captured during interviews, these are reported upon in chapter nine, but subsequent annual update reports will be able to provide more detail as further SMS projects reach their end dates and present their evaluation reports for consideration.

- the wide variety of projects and their differing aims and objectives presents its challenges at a programme level evaluation in terms of being able to pull together commonalities and present programme level impacts. However, our methodology for subsequent evaluation reports includes the analysis of Geographic Information System (GIS) data to capture outcomes and impacts.

3. Overview of the Sustainable Management Scheme

3.1 This chapter sets out a detailed overview of the Sustainable Management Scheme (SMS) taking into account scheme level documentation including guidance to applicants and projects.

Introduction

3.2 The SMS aims to support collaborative approaches to land management activities which will improve natural resources and help achieve ecosystem resilience which will sustain the social and economic benefits they provide to communities. The guidance sets out its overall aim as being:

'to support collaborative landscape-scale projects delivering action that improves our natural resources in a way that delivers benefits to farm and rural businesses and rural communities'[1].

3.3 The scheme was designed to provide:

- protection for natural resources such as water, soil, biodiversity, and air

- improved ecological resilience

- improved access to the environment and opportunities to enjoy natural areas

- new opportunities for skills development and job creation

- improved community green space

- reduced risk of surface water flooding

- community and sector climate resilience

- opportunities for exercise and improvements to health and well-being

- better community cohesion

- innovation and entrepreneurship and

- volunteer opportunities and education opportunities for schools.

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[1] [Welsh Government Sustainable Management Scheme - guidance notes (page 3)](#)

3.4   The scheme was designed to contribute towards the implementation of the Environment (Wales) Act 2016 and was aligned to the aims of the Wellbeing of Future Generations (Wales) Act.

3.5   The scheme is required to contribute towards the EU cross cutting themes of sustainable development, equality and gender mainstreaming and tacking poverty and social exclusion. The scheme is also required to contribute towards the RDP's cross-cutting objectives of climate change adaptation and mitigation and innovation.

3.6   SMS places a significant emphasis on the principles of collaboration and engagement, and it was expected that action would be taken at the landscape (such as the catchment), rather than individual farm, scale.

3.7   It was also intended that the SMS supports and facilitates co-ordination with other schemes to undertake action needed to improve the resilience of farm and rural businesses and rural communities to climate impacts.

Scheme design

3.8   The SMS is a competitive grant funding scheme available to individuals and organisations who collaborate as groups to improve Welsh natural resources.

3.9   A prospective budget of £23.3m was allocated to the scheme as part of the Rural Development Programme (RDP) and the first round of funding was made available during 2016. The scheme was originally targeted to fund 30 projects in total and any individual project would be able to apply for a maximum grant of £5 million. The scheme provided funding at a grant rate of up to 100 per cent. The minimum grant threshold set for each project was £10,000. Projects were expected not to exceed, but not limited to, a three-year period within the programme period.

3.10   Guidance issued by the Welsh Government[2] to prospective grant applicants notes that projects should address the natural resources policy

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[2] Welsh Government Sustainable Management Scheme: Specification for the Sustainable Management Scheme Support Service

priorities set out in the Environment Act (Wales) 2016 as well as local opportunities and challenges.

3.11   The guidance also emphasises the importance of collaborative approaches rather than single applicants for funding, and it was expected that scheme funding could be used to help with the development and co-ordination of collaborative groups.

3.12   Eligible applicants included SMEs, large businesses, education or research establishments, farmers, foresters, community, and voluntary groups that operate principally in a rural area and are engaged in agriculture, forestry, or other land management activities.

3.13   Eligible activities were expected to include:

- development and co-ordination of collaborative groups and management of projects

- collaborative actions which would result in the sustainable management of natural resources

- communication and dissemination of project approaches, lessons, and outcomes

- research, technical advice, and feasibility studies

- monitoring and evaluation activities to demonstrate the outcomes achieved.

3.14   Ineligible activities were identified as direct payments to landowners, famers or foresters for capital works carried out on their own land or for ongoing land management activities. They also included investment in the primary production of agricultural or timber products.

Application process

3.15   The selection of projects to be funded was done over two separate stages. Applicants were expected to submit an EoI and successful ones were then invited to submit a full funding application. In order to proceed to the full application stage, those submitting an EoI were expected to demonstrate

how their proposed project would contribute to the aims and objectives of the SMS, and in particular how they met the twin criteria of:

- priorities for action to support the Welsh Government's Natural Resources Policy

- the principles of SMNR

3.16 Second stage applicants were required to develop a project plan and demonstrate:

- need for activity: that outputs were required and would deliver against the European Commission strategic priorities and the Welsh Government priorities; it would add to and not displace/unnecessarily duplicate existing activity; that it was not already funded by another source

- need for funding: it would not proceed without support; that costs would not be excessive for the nature of the activity involved; there was a market failure or funding gap, where applicable

- ability to deliver: viability of the business; legal compliance; financial viability of project and sustainability, including exit strategy; support and commitment of all collaborators; project management, monitoring and evaluation arrangements.

3.17 Second stage full applicants were also required to demonstrate that they addressed additional requirements, including:

- having secured outline planning permission, where required

- having secured other consents, licenses, and permissions, where required

- viability of the project and the organisation, with new organisations required to supply details about their directors

- compliance with various legislation including equal opportunities, environmental, health and safety, animal welfare and protection legislation

- open and fair recruitment of key staff

- technical and management capabilities and skills.

3.18 It was intended that funding be awarded over the life of the scheme, via periodic application rounds. Windows for submitting an EoI were expected to be opened approximately every nine months and each window was to be left open for between two and three calendar months.

3.19 Five funding windows have been administered by the Welsh Government. Table 3.1 sets out the timeline for each funding window and the anticipated delivery timeline for projects funded via each funding window.

Table 3.1: SMS Funding windows timeline

	Window 1	Window 2	Window 3	Window 4	Window 5
Application period opened	February 2016	October 2016	July 2017	July 2018	May 2019
Application period closed	May 2015	November 2016	September 2017	September 2018	August 2019
Projects starting	July 2017 to March 2018	June 2018 to July 2019	January 2019 to September 2019	August 2020 to February 2021	Majority of projects currently being appraised to start in 2021
Projects completing	March 2020 to March 2021[3]	March 2021 to June 2022[4]	Jan 2022 to March 2023	March 2023 to June 2023	June 2023

Source: Welsh Government

Projects approved

3.20 A total of 226 EoIs have been submitted by applicants across the five funding windows to the value of £97m in total, nearly four times the level of grant funding available. The healthy number of applications received during each funding window suggests that there has been good levels of awareness and sustained interest in the scheme, and that promotional efforts have been effective.

3.21 In all, 52 applicants have been selected to proceed to the full application stage, as shown at Table 3.2, although two of these are not proceeding. Of

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[3] There are exceptions to these dates
[4] There are exceptions to these dates

the projects approved at the EoI stage, 46 projects had received full funding approval and the remaining 4 are being appraised.

Table 3.2: Applications and approved projects by funding window

	Window 1	Window 2	Window 3	Window 4	Window 5	Totals
Total Committed Grant at EOI	£6,256,510	£6,445,743	£4,012,123	£4,838,036	£2,995,225	£24,547,637
No of Eols Submitted	63	38	26	54	45	226
Projects successful at Eol	11	13	12	9	8	52
Projects Live (Full project approval)	11	13	12	8	5	46
Projects in appraisal	0	0	0	1	3	4
Projects developing full application	0	0	0	0	0	0
Project not proceeding	0	0	1	0	0	2

Source: Welsh Government (April 2021)

Funding and spend

3.22   As at April 2021, just over £22m grant funding had been committed across the scheme against the overall budget of just under 25m with the value of funding committed in each funding window broadly decreasing over time. Based on data for 52 projects, grant value applied for by individual projects ranged from £70,000 to £934,600, with the average value of grant committed per project being £478,572.

Targets

3.23   The SMS is expected to contribute to two specific indicators:

- total expenditure, which is an RDP programme level indicator, and

- number of cooperation operations supported, which is specific to Measure 16, Priority 4 of the RDP.

3.24   The SMS also has 18 case level indicators to achieve. Individual projects
       are expected to achieve at least two of these case level indicators and were
       expected to select an appropriate target for the indicators chosen. Case
       level indicators are set out at Table 3.3.

Table 3.3: SMS case level indicators

1	Population benefitting from improved services/infrastructure
2	Number of jobs created
3	Number of jobs safeguarded
4	Number of participants in training
5	Number of training days
6	Total public expenditure for training / skills
7	Number of individuals gaining a qualification
8	Number of new markets accessed
9	Enterprises assisted
10	Number of micro small and medium sized enterprises supported
11	Number of networks established
12	Number of feasibility studies
13	Number of stakeholders engaged
14	Number of pilot activities undertaken/supported
15	Number of actions to utilize natural resources for health benefit
16	Managed access to countryside or coast
17	Area (ha) of woodland supported
18	Area (ha) of peatland habitat rewetted

3.25   An analysis of data supplied by the Welsh Government for fully approved
       projects shows that all aim to deliver nature-based solutions and take a
       place-based approach, both being NRP national priorities.

3.26   An analysis of data supplied by the Welsh Government for 46 projects to
       date shows that they intend to achieve combined case level indicator
       outputs as set out at Table 3.4. In addition to these indicators above, some
       projects also propose to achieve other indicators such as area of upland
       restored.

Table 3.4 Progress against combined case level indicator targets by funded projects to date

Case level indicator	Target	Progress to date
Area of peatland habitat re-wetted	86ha	19.7ha
Area of Upland restored to improve carbon retaining condition	46ha	46ha
Area of woodland supported	4720ha	111.6ha of existing woodland managed and 13.91ha of new planting
Enterprises assisted	357	134
Managed access to countryside or coast	125km	12km
Number of actions to utilise natural resources for health benefit	1020	602
Number of feasibility studies	37	31
Number of individuals gaining a qualification	114	108
Number of jobs created	32	29
Number of jobs safeguarded	14	14
Number of micro small and medium sized enterprises supported	327	19
Number of networks established	72	27
Number of participants in training	1166	231
Number of pilot activities undertaken / supported	87	181
Number of stakeholders engaged	7000	2337
Number of training days	540	181
Total public expenditure for training / skills	£176,909	£122,600

Source: Welsh Government (April 2021)

Scheme governance and management arrangements

3.27   The SMS was intended to be led and managed by a small team of up to four individuals from the Environment and Rural Affairs Department within the Economy, Skills and Natural Resources[5] Group of the Welsh Government. The team, headed by up a Senior Implementation Advisor, were tasked to manage the EoI application process, including scheme promotion, assessment of applications, providing feedback to unsuccessful applicants and monitoring of delivery.

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[5] Now called Landscapes, nature and forestry group

3.28   The Welsh Government SMS team was responsible for promoting and disseminating information about the scheme, via workshops and an on individual level.

3.29   It was intended that all EoIs would be assessed by the SMS team at Welsh Government. The process has involved applications being scored by individual team members against published selection criteria and ranked in order of merit via a moderation process. A secondary review was undertaken by a Welsh Government policy lead with responsibility for the area of work proposed by each EoI, to secure their support to the proposals. A further review was undertaken by an independent representative from Natural Resources Wales (NRW). The purpose of this review was to assess the feasibility of the application from a regulatory perspective and to review the need for intervention. EoIs with the highest scores, and supporting reviews, were then invited to submit a full application.

3.30   Once approved, the Welsh Government SMS team continue to manage the scheme in terms of liaison with projects as well as oversee monitoring and reporting requirements. They also continue to provide hands on support to assist with project development, including a half day initiation meeting with each project. As was the case for all RDP administrative functions, the financial management of the SMS was initially undertaken by the Scheme Management Unit before responsibility was transferred to the Rural Payments Team within the Welsh Government.

Support Service

3.31   Part-way through delivery the scheme put in place a support service to guide and advise farmers, foresters and other land managers to develop new project ideas and form new partnerships or groups in order to submit an EoI to the SMS. The service also provides support to projects invited to the second stage of application to help them develop full project plans.

3.32   This service is delivered as part of the Farming Connect service by Menter a Busnes. The service is provided by 15 facilitators who work directly with groups of applicants to develop their SMS project application. Facilitators

were required to apply for these roles via an application process, which also included an interview stage. Facilitators received initial training following their appointment and are required to attend regular progress meetings held by Menter a Busnes.

3.33   Facilitators were allocated up to 30 days to support applicants during the EoI stage and a further 30 days to support successful EOI applicants to develop their full applications. Facilitators have been in place to support applicants from window 4 onwards. Most facilitators have championed a project from within their local area as well as worked with other partnerships to develop their projects.

Practitioner Groups

3.34   Two SMS Practitioner Groups have been established, driven by organisations in receipt of grant funding and supported by the Welsh Government. The two groups cover mid and north Wales. In addition, a Peatland Action Group also exists and whilst not this is not directly related to the SMS, many projects are associated with it.

Project reporting

3.35   Funded projects are expected to submit regular progress reports to the Welsh Government to support each financial claim (which can be made monthly, or less frequently up to annual basis) using a standard WEFO reporting template which requests information on aspects such as:

- progress reporting including activities and achievements to date, results achieved, and any unexpected challenges or delays experienced

- how project has been publicised

- how project is meeting any special conditions expected of them as set out in their approval letter

- assets acquired by the project.

3.36   Projects are also required to prepare a final independent project evaluation report to the Welsh Government.

4.   Policy and strategic rationale for the SMS

4.1   This chapter sets out the funding, legislative and policy rationale for the Sustainable Management Scheme (SMS).

Funding Context

Welsh Government Rural Communities – Rural Development Programme (WG RC-RDP)

4.2   The SMS is funded through the Welsh Government Rural Communities - Rural Development Programme (WG RC-RDP) 2014-2020, a joint Welsh Government and European Agricultural Fund for Rural Development strategy[6]. The scheme supports a range of activities which contribute to the following objectives:

- fostering the competitiveness of agriculture

- ensuring the sustainable management of natural resources and climate action

- achieving a balanced territorial development of rural economies and communities, including the creation and maintenance of employment.

4.3   Activity funded through the WG RC-RDP must align to one or more of six rural development priorities. The SMS is funded via **Priority 4** (Restoring, preserving, and enhancing ecosystems related to agriculture and forestry) within which funding is available for agricultural land measures and forestry land measures. As part of European Commission requirements, activity is mapped to particular Measures which define the type of activity to be delivered.

4.4   The SMS is delivered under **Sub-Measure 16.5** (Co-operation and Supply Chain Development) of this priority which is intended to support joint action that mitigates or adapts to climate change, and joint approaches to environmental projects and ongoing environmental practices.

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[6] Rural Development Programme for Wales 2014 to 2020

4.5   In addition to being funding under Priority 4 of the WG RC-RDP it is also expected that the SMS contributes towards three other priorities, namely:

- **Priority 2**: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests

- **Priority 5:** Promoting resource efficiency and supporting a shift towards a low carbon and climate resilient economy in agriculture, forestry, and food sectors

- **Priority 6**: Promoting social inclusion, poverty reduction and economic development in rural areas.

Background

4.6   The State of Nature Report published in May 2013, by a consortium of 25 environmental Non-Governmental Organisations (NGOs), set out a stark message - that wildlife in Wales was at a crisis point. The report highlighted that over the last 50 years there had been a 60 per cent decrease in species studied, with 10 facing extinction.

4.7   In 2014 the Welsh Government provided £5m to fund the Nature Fund, which would run over 2015/16. Initially 460 ideas, or EoIs, were generated from environmental NGOs, land managers, farmers, woodland managers, SMEs, and local authorities.

4.8   The one-year Nature Fund was invested across seven geographical Nature Action Zones and focused on actions across five priority areas:

- improvements to river catchments

- marine ecosystems

- local environment

- realising the potential in upland areas

- stimulating innovation.

4.9   In all, 20 projects were supported via the Nature Fund. In many ways the SMS built on the lessons learnt from the Nature Fund, particularly the challenges of establishing effective partnerships.

Legislative and Policy Framework

Welsh Government's five-year plan, Taking Wales Forward

4.10 In 2016 the then First Minister announced his Government's priorities[7]. Of relevance to the SMS were:

- **Successful, sustainable rural communities**: working with partners to secure a prosperous future for Welsh agriculture

- **Environment:** making progress towards our goal of reducing our greenhouse emissions by at least 80 per cent by 2050, investing in the skills required for the green economy, promoting green growth and innovation, and continuing to invest in flood defence work and taking further action to better manage water in our environment.

The Environment (Wales) Act 2016

4.11 The SMS sits within a wider legislative framework, and particularly the requirements of the **Environment (Wales) Act 2016**[8]**.** Part 1 of the Act sets out the new framework for the Sustainable Management of our Natural Resources (SMNR) comprising:

- **a definition of SMNR**: The SMNR is about improving the social, economic, environmental, and cultural well-being of Wales by taking an ecosystem approach to managing natural resources. Ecosystems, which comprise of plants, animals, air, water, minerals and soils and the interactions that take place between them, provide us with clean air, water, food, fuel, and opportunities for enjoying the outdoors and supporting our well-being

- **Wales' Natural Resources Policy (NRP)**[9]**:** The NRP sets out four headline opportunities:

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[7] Welsh Government (2016) Taking Wales Forward
[8] Environment (Wales) Act 2016
[9] Welsh Government (2017) Natural Resources Policy

- o supporting successful, sustainable communities

- o promoting green growth and innovation to create sustainable jobs

- o supporting a more resource efficient economy

- o maintaining healthy, active, and connected communities.

The NRP also sets out three national priorities to tackle the challenges and realise the opportunities associated with natural resources:

- o delivering nature-based solutions: nature-based solutions are about using nature and natural processes to address major challenges, such as flooding, air pollution or health issues associated with physical inactivity. They include a wide range of approaches to build resilience into ecosystems and enhance biodiversity; improve infrastructure, land, and water management; support climate change adaptation and mitigation and support our health and well-being. Using biodiverse nature-based solutions also helps build resilience into our natural resources and ecosystems – a 'win-win' solution

- o increasing resource efficiency and renewable energy: reducing the pressures on Wales' natural resources can also provide new jobs and market opportunities. Managing natural resources wisely is a key enabler that drives competitiveness for successful businesses. Currently we are 'drawing down' natural resources by consuming more than can be replenished, creating unmanaged risks in supply chains that threaten the stability of businesses. In a circular economy the value of products and materials is maintained for as long as possible

- o taking a place-based approach: this is about working with communities to shape local priorities and opportunities for natural resources, ensuring that local people benefit fully. Natural Resources Wales' Area Statements are intended to support place-based approaches and working.

- **a key set of principles associated with SMNR**:

  o manage adaptively, by planning, monitoring, reviewing and, where appropriate, changing action

  o consider the appropriate spatial scale for action

  o promote and engage in collaboration and co-operation

  o make appropriate arrangements for public participation in decision-making

  o take account of all relevant evidence and gather evidence in respect of uncertainties

  o take account of the benefits and intrinsic value of natural resources and ecosystems

  o take account of the short-, medium- and long- term consequences of actions

  o take action to prevent significant damage to ecosystems

  o take account of the resilience of ecosystems, in particular the diversity between and within ecosystems; the connections between and within ecosystems; the scale of ecosystems; the condition of ecosystems and the adaptability of ecosystems.

- **State of Natural Resources Report (SoNaRR)**[10]**:** This was a requirement of the Environment Act and the report was published by NRW in 2016. It provides a detailed overview of Wales' natural resources, including animals, plants and other organisms, air quality, water resources, soils, and minerals as well as mountains, grasslands, woodlands, urban, freshwater, and marine environments. A second report is due to be published in 2020.

- **Area Statements**: these were intended to set out the required action to deliver the NRP at a regional level. The Area Statements were

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[10] The State of Natural Resources (SoNaRR) report - 2016

published by NRW in 2020[11] and provide an initial overview of regional environmental priorities.

4.12 The Environment Act also introduced an enhanced biodiversity and resilience of ecosystems duty (the section 6, or s6 duty) which requires that public authorities 'must seek to maintain and enhance biodiversity, so far as consistent with the proper exercise of their functions and in so doing promote the resilience of ecosystems'[12]. To comply with the s6 duty public authorities must embed the consideration of biodiversity and ecosystems into their early thinking and business planning, including any policies, plans, programmes, and projects, as well as their day-to-day activities. Under section 6(7) of the Act all public authorities must, before the end of 2019 and before the end of every third year after 2019, publish a report on what they have done to comply with the s6 duty. The implementation of the SMS demonstrates the Welsh Government's commitment to meet this duty and the need to address biodiversity loss.

Wellbeing of Future Generations (Wales) Act 2015

4.13 The SMS must also meet the requirements of the **Wellbeing of Future Generations (Wales) (WFG) Act 2015**[13] which requires the public sector 'to improve the economic, social, environmental and cultural well-being of Wales in accordance with the sustainable development principle', i.e. ensuring 'that the needs of the present are met without compromising the ability of future generations to meet their own needs'[14].

4.14 Within the Act there are seven goals and five ways of working that all public bodies must strive to adhere to. The seven Wellbeing Goals, which public bodies must work on, are:

- a globally responsible Wales

- a prosperous Wales

- a resilient Wales

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[11] Natural Resources Wales - area statements
[12] Environment (Wales) Act 2016
[13] Well-being of Future Generations (Wales) Act 2015
[14] Well-being of Future Generations (Wales) Act 2015 - a guide to the essentials (P3; P7)

- a healthier Wales

- a more equal Wales

- a Wales of cohesive communities

- a Wales of vibrant culture and thriving Welsh language.

4.15   The five ways of working are of particular relevance to this evaluation of the SMS, since they require public bodies to take into account:

- long term needs

- preventative approaches

- integration between public bodies

- collaboration and the sharing of resources, and the

- involvement of people.

4.16   The SMS is a scheme developed by the Welsh Government which adopts at its heart the principles of SMNR. This, by definition, should map directly to outcomes that deliver against the goals of WFG and contributes to the management of natural resources, for the benefit of future generations.

Other developments

4.17   It is worth highlighting the emerging thinking on Payments for Environmental Services (PES), which is being considered by both Welsh Government and NRW. Some of the SMS projects will contribute towards an understanding of how best to develop PES approaches which form part of environmental management. This will be of particular importance in the context of the post Brexit funding of agriculture and rural development.

4.18   The SMS has been required to operate within an increasingly uncertain climate in light of recent developments relating to the Covid-19 coronavirus outbreak as well as other developments, notably the likely impact of Brexit on agriculture, particularly upland farming. The flexibility of SMS projects and their ability to manage adaptively is tested during the recovery of Wales from the emergency.

Concluding thoughts

4.19   The SMS is clearly an important cornerstone in the development of Welsh Government's approach to the sustainable management of natural resources. It builds on the Welsh Government's 2015 Nature Fund but is now more closely aligned to the objectives of the SMNR, the priorities set out in Wales Natural Resources Policy and other legislative requirements.

4.20   The SMS has been designed specifically to incorporate the new ways of working enshrined in the Environment (Wales) Act 2016 and the Wellbeing of Future Generations (Wales) Act 2015. It is directly aimed at addressing the limitations of previous agri-environment schemes and consider funding and action at a landscape or catchment scale down to farm scale and as such the outcomes from the various projects it has funded will be of wide interest. The SMS has also been designed to re-invigorate the work of existing sectoral and place-based partnerships, providing them with an opportunity to expand their work and to strengthen collaborative partnership working.

5.   Theory of Change Logic Model for the SMS

5.1   This chapter considers the issues that policymakers expected the programme to address as well as the outputs and outcomes which it was hoped that the SMS would achieve. It explores the resources and inputs put in place for the programme and how these were expected to lead to the achievement of short and long-term outcomes. This chapter presents our theory of change (ToC) logic model for the SMS, drawing upon the document review and evidence from stakeholder interviews. The ToC approach also examines the assumptions that underpin the programme and external factors which may have bearing upon its performance.

Theory of Change

5.2   Theory of Change (ToC) is a methodological tool developed at the outset of an evaluation to find out what stakeholders believe a programme is for, and how they think the programme will achieve its outcomes. The resultant ToC logic model can illustrate the outcomes expected from a programme, thereby enabling reflection on whether delivery is working as intended.

5.3   Before setting out the ToC logic model it is important to consider the levers for change that are expected to lead to the outcomes expected. The key assumptions underpinning the theory of change for the SMS logic model are that:

- there would be significant interest from groups of landowners and organisations to apply for funding which could support the delivery of collaborative environmental projects. A simple and straightforward application process would ensure that community groups, landowners and individual farmers would be encouraged to apply for funding support. The adoption of a competitive application process supported by a rigorous assessment process would result in the strongest proposals being selected for delivery, thereby maximising the potential impact of the scheme

- funding a large number of distinct, relatively small projects which are geared to making environmental improvements will eventually lead to

improved ecosystems and help to halt biodiversity decline, thereby contributing to various Welsh Government policies and objectives. Whilst it will be impossible for projects to evidence this impact during their funded period, it is assumed that the changes and activities implemented by individual projects are effective in making a positive contribution to their natural resources and ecosystems

- a less prescriptive, flexible grant funding scheme (i.e. which could be described as adopting a bottom up rather than top down approach) which allows local partnerships to identify their own priorities and solutions is more likely to achieve sustainable outcomes.

- a condition of the SMS funding is that projects are required to meaningfully engage with community members and local organisations to identify and action additional opportunities which could emerge from the environmental intervention. The SMS has been designed to encourage funded projects to identify and implement social, wellbeing and economic opportunities. Projects are required to set and report upon appropriate indicators which reflect this work including indicators such as community use of assets, community members being trained by the project and community members volunteering with the project

- interventions which are funded to embrace and adopt the nine SMNR principles will be more successful in contributing towards Welsh Government policies and objectives for the environment, natural resources, and ecosystems. By adopting funding criteria which assess the extent to which applications can demonstrate that they adhere to SMNR principles, the SMS has been structured to ensure that funded projects adopt sustainable ways of managing natural resources

- interventions which adopt a holistic ecosystem approach are more effective in mitigating chronic decline in biodiversity than a specific species or habitat approach. Applicants are required to demonstrate

that they would adopt a holistic approach to their project as part of the SMS application process

- funding collaborative, place-based landscape or catchment-based interventions generate greater benefits and outcomes than would have been the case had partners or landowners been funded individually, say at a single farm level. The SMS is based on the assumption that funding a joined-up partnership approach will achieve a greater range and scale of outcomes than if members were to operate in isolation and this was a criterion assessed during the application process

- making funding available to partnerships of organisations and landowners provides an opportunity for new partnerships to develop and for existing ones to expand and strengthen over the delivery period. An underlying assumption is that by doing this, partnerships are better placed to continue after the funding ends and to secure other sources of support in the future. Aligned to this is the assumption that partnership working is more likely to be sustained in the long-term, thereby ensuring that SMS outcomes are also sustained.

5.4   Figure 5.1 below sets out a logic model for the SMS to illustrate the overarching ToC and what it is expected to achieve. It identifies the outcomes which were intended to be achieved and the activities which would generate them. It also sets out the inputs which were intended to be put in place in order to bring about change.

Figure 5.1: A Theory of Change Logic Model for the SMS

Input	Aims	Activities	Outputs	Short to mid term outcomes	Long term outcomes
RDP and WG funding (£23m) Environment (Wales) Act 2016 and Wellbeing of Future Generations (Wales) Act Lessons from previous schemes e.g. Nature Fund Funding for up to 50 projects over a 3-year period WG SMS implementation team WG Rural Payments Wales	To test an innovative collaborative and landscape-based funding mechanism, to inform future funding schemes To halt and address biodiversity decline across Wales To deliver a holistic and flexible grant funding scheme, which meets local needs To fund collaborative landscape-scale projects to improve natural resources in a way that delivers benefits to farm and rural businesses and rural communities	Scheme and grant application guidance developed Independent support service for applicants Five periodic competitive grant funding rounds, to include an EoI and full application stage Assessment and approval of highest scoring EoIs SMS practitioners' group Regular monitoring and reporting	Number of EoIs submitted across five funding rounds Number of EoI applicants selected to proceed to full application Number of projects funded Sectoral and geographical range of projects funded Value of grant funding committed Funded projects delivering against their KPIs	Funded projects being led by wide range of lead organisations, groups and individuals Funded projects adopting SMNR principles Project partnerships strengthening and broadening over delivery period Funded projects taking action to improve natural resources, ecosystems and landscapes Funded projects stimulating social, wellbeing and economic activities Effective SMS practice identified and evidenced via robust evaluation	Collaborative and landscape approaches being sustained by project partnerships post funding period Project partnerships securing other funding sources post SMS Improvements to natural resources, ecosystems and landscapes being sustained post funding period Effective SMS practice incorporated into future funding approaches

Externalities

- Adverse weather and natural diseases impacting upon project groundwork
- Match funding, staff capacity and skills issues amongst project organisations
- Brexit creating uncertainty for funded projects and resulting in reduced WG staff resources
- Covid-19 raising issues in relation to uncommitted scheme funds and potential impact upon project groundwork, leading to delays

6.   Design and development of the SMS

6.1   This chapter presents the feedback gathered from Welsh Government officials involved in the design and development of the Sustainable Management Scheme (SMS), on how the scheme was intended to operate and the outcomes which were expected.

How SMS was intended to operate

Drivers to creation of the SMS and key issues designed to tackle

6.2   Policy makers unanimously agreed that there was a need to establish an innovative funding mechanism which would encourage a new sustainable way of managing natural resources. A fundamental principle of this approach was **collaboration** between individuals, groups, and organisations. A key assumption made in designing the SMS was that a collaborative approach between organisations, groups and landowners would bring about bigger gains and outcomes than if these partners were to function in isolation. A second key assumption made was that activities funded in this manner would be more likely to be sustained in the long-term, post funding. Policy makers recognised that robust evaluation evidence would be required to demonstrate that this innovative approach did in fact stimulate a sustainable way of working before it could be used to inform future funding approaches.

6.3   A fundamental issue which SMS was designed to tackle was to mitigate a chronic decline in biodiversity across Wales, as evidenced via the State of Nature Report published in 2013. In this respect, SMS was designed to support projects which would adopt a wider and more **holistic ecosystem** approach rather than those which historically supported specific species or habitat conservation. Policy makers emphasised the importance of SMS supporting larger **landscape scale** interventions and the on-going added value which could be gained from this approach.

6.4   Policy makers referenced the following key legislative developments and Welsh Government natural resources policy as having been the main drivers which informed the design of the SMS:

- the Environment (Wales) Act 2016: it was expected that the SMS would help contribute towards the aims and ambitions of this Act and that it would form a key delivery mechanism to achieve the nine SMNR principles

- the Welsh Government's Natural Resources Policy: the scheme was expected to help contribute towards the achievement of the three priorities set out within this document

- the Wellbeing of Future Generations (Wales) Act 2015: policymakers highlighted the five ways of working as being relevant and useful in encouraging a new approach, such as that being tested via the SMS.

6.5   Policy makers also recognised that whilst the SMS had been designed to help achieve key Welsh Government policy objectives, it had also been tailored to meet the objectives and priorities of the Rural Development Programme (RDP) framework in order to fund delivery. Whilst the RDP placed a significant focus on supporting natural resources and climate change mitigation it also required funded activities to achieve socio-economic objectives, which the SMS was designed to take on board.

6.6   Policy makers also recognised that Area Statements were intended to be used to inform the delivery of the SMS when they became available in 2020. Whilst Area Statements were expected to helpfully define local priorities, projects had to rely on their own intelligence to define local issues prior to their publication.

Key strategic objectives

6.7   Policy makers identified two overall objectives for the SMS, which were summed up by one contributor as 'a landscape collaboration to boost bio-diversity'.

6.8   A clear and consistent objective cited by policy makers was that the SMS was intended to stimulate and support a more sustainable approach to the management of natural resources to tackle the chronic decline in biodiversity. The SMS set out to address broader ecosystems, environmental and climate change issues by establishing an integrated and

holistic approach of managing the environment and landscape, linked to the principles of SMNR.

6.9   The second objective set out by policy makers was that the SMS was intended to establish an innovative and different approach of funding projects to achieve their objectives. In this respect it was argued that the process was equally as important, if not more important, than the immediate landscape improvements delivered by projects, as it represented a different way of working. Policy makers stressed the importance of scheme guidance and funding criteria placing equal emphasis on the 'how' (as well as the 'what') as it was thought that an approach which adopted the SMNR principles stood a better chance of being sustained post-funding. Policy makers described the SMS as 'seed funding' to kick-start a different way of approaching land management.

Evidence about approaches which might be effective / assumptions made

6.10   SMS was intended to build on elements of successful approaches adopted within previous agri-environment schemes whilst also drawing upon any lessons learnt from these provisions. Despite this, it was commonly acknowledged that there was little robust evidence available to demonstrate that the proposed collaborative approach would work, and that robust evaluation evidence was required to address this.

6.11   Existing rural grant schemes were considered to have adopted a prescriptive approach to funding farmers and landowners to undertake work on their land. Unlike SMS, policy makers were concerned that these schemes did not always encourage longer-term sustainable approaches. In contrast, the SMS was intended to be flexible in that it would provide an opportunity for farmers, landowners and other groups and organisations to develop and adopt their own project ideas, often building on and utilising farm agreements, and working over a landscape or catchment area in order to address local needs and circumstances. In this respect SMS was intended to empower rural communities and would require a greater degree of trust in delivery organisations than existing funding arrangements.

6.12   Mixed views were conveyed about the extent to which the SMS had been informed by the Glastir scheme. Some argued that Glastir had been an important predecessor for the SMS, such as projects working with graziers and commoners in a collective manner, via the establishment of formal organisations, to deliver landscape solutions. Others suggested that the approach to be adopted by the SMS was in 'stark contrast' to Glastir, which was thought to adopt a more prescriptive funding approach. Whilst Glastir may have had similar objectives, policy makers were agreed that it had not delivered the environmental benefits expected due to its focus on individual farm units and its prescriptive approach to funding. It was frequently noted by policy makers that the SMS approach had been informed by the assumption that locally designed projects would stand a better chance of being sustained in the long term. The SMS also aimed to 'plug the holes' and looked to join up areas where partnerships had identified a need and where environmental outcomes across a larger, targeted area could be achieved. Projects led by landowners, farmers and foresters would have 'the heart and soul of those who work the land' at their core.

6.13   Some policy makers noted that the SMS drew upon elements of good practice adopted within the pilot predecessor scheme, the Nature Fund, although highlighted key differences in terms of scale, timescale, and structure with this fund. It was reported that the Nature Fund, which had been funded via domestic Welsh Government funds, had not experienced the same level of funding constraints as the SMS. Policy makers felt that the Nature Fund had demonstrated that greater additionality could be gained from adopting a collaborative place-based approach, compared to landowners working in isolation.

6.14   Other policy makers cited that Measure 16 had been designed as a similar approach to that adopted across the LEADER scheme, in that it had placed an emphasis upon collaborative working across communities. However, Measure 16 was also available to non-local authority applicants.

6.15   It was commonly anticipated that a diverse range of projects would be submitted by applicants, given the flexibility of the scheme's guidance in terms of the broad range of activities it could fund. It was hoped that these projects would offer a good geographical cross-section and sectoral spread. It was also hoped that a wide range of 'lead' partners would be involved including Non-Governmental Organisations (NGOs), farmer groups, voluntary or community groups as well as a mix of these partners. Some hoped that funded projects would include a small number of 'trailblazers' which would be transformational and exemplars. Policy makers engaged substantially with stakeholders and aimed to design a scheme which operated a straightforward and simple application process, so that landowners and individual farmers would feel able to apply for funding.

6.16   An initial key concern in designing the scheme was how to ensure that a wide range of organisations would submit funding applications, thereby avoiding a scheme which would be dominated by 'the usual suspects such as the NGOs' who tend to have greater bid writing capacity and expertise, and who were considered to have half-developed proposals ready for submission. In order to address this concern, policy makers stressed the importance of developing scheme guidance which would emphasise the importance for applicants to demonstrate meaningful collaboration with and commitment from a wider range of organisations and individuals and not just light-touch engagement. Scheme guidance also asked projects to demonstrate how they would meet local opportunities and challenges in order to ensure they linked to local authority local action plans and any community-led local developments (CLLD) in the area, for example.

Outcomes and impacts

What success was expected to look like?

6.17   One indicator of initial success for the SMS, raised by a few policy makers, was a healthy level of interest and awareness in the scheme across a wide range of potential applicants. Policymakers believed that this had already materialised, given the high number of EoIs submitted across the five

funding windows to date. Success would involve a wide variety of projects being submitted by a wide range of different groups, and not only larger organisations who might perceive SMS as means of fulfilling their strategic objectives. Policy makers suggested that proposals received during the initial funding rounds tended to have been dominated by larger organisations, rather than community-led initiatives, but that this was addressed over time.

6.18   Another indicator of initial success was thought to be that high-quality applications which had the potential to deliver upon the scheme's objectives were being submitted to the scheme. Policymakers suggested that the quality of EoIs improved over each funding round, not least because applicants re-submitted applications which took on board Welsh Government feedback from unsuccessful efforts, but also because broader understanding of what the scheme was trying to achieve improved over time due to Welsh Government's communication efforts. The outcome would be that EoIs which best satisfied the scheme's criteria would be approved to progress to full application stage.

6.19   There was a common understanding amongst policy makers that projects funded via the SMS would deliver landscape and environmental improvements and outputs. It was broadly acknowledged that it would be relatively straightforward for the scheme to report upon these activities, although it might be challenging to aggregate outputs since they would be set and defined by individual projects. It was also considered critical that funded projects fully embraced SMNR principles in their way of working and that the scale of change was taking place at a landscape level. Furthermore, policy makers also assumed that bottom-up solutions developed by individual projects would be more likely to address local needs which, in turn would be more likely to lead to enhanced local benefits.

6.20   In addition, policy makers expected the SMS to achieve those outputs which were RDP funded indicators such as programme expenditure and number of projects supported.

6.21   Policy makers had realistic expectations as to the ecosystem and environmental outcomes that the SMS could achieve during its delivery period and recognised that many outcomes required a longer lead in time and needed to be sustained post funding. For instance, whilst a project could demonstrate that bird numbers had increased in an area by the end of the project funding period this change would need to be sustained over a longer period to demonstrate ongoing success. Despite this, an underlying assumption of the SMS is that improvements to natural resources actioned by funded projects, provided they are thereafter sustained, will result in improved ecosystem and environmental conditions.

6.22   Policy makers stressed the importance of social, wellbeing and economic outcomes for the SMS given the criteria for funded projects to demonstrate engagement with communities, users, and local economies. It was expected that meaningful consultation and collaboration with a wider range of organisations and community groups would help to ensure that project activities met local needs and that members of the community would become involved with projects in a range of ways. Amongst the anticipated successes would be improved community cohesion, improved sense of wellbeing, increased use of the countryside by individuals and community groups, increased take up of training as well as new skills and qualifications being gained. SMS projects were expected to demonstrate the link between improving biodiversity and generating wider socio-economic benefits, which would come about with a more holistic ecosystem approach.

6.23   An important outcome for the SMS identified by policy makers related to partnership working. It is expected that SMS funding will help to strengthen and broaden project partnerships over their delivery period and that evidence of this will be available in the way partnerships are governed and managed. In the longer-term policy makers expect SMS funded projects to continue to collaborate post-funding and to secure other sources of funding in the future. Whilst this was acknowledged to be an ambitious objective, it is hoped that projects will become self-sustaining in the long term and that evidence of ongoing collaborative working will be available over the evaluation period.

7.   Findings from the fieldwork: Application process

7.1   This chapter considers the views of surveyed respondents, interviewed projects and policy makers about the application process for the SMS – including the initial promotion of the scheme, the Expression of Interest (EoI) and full application phase, and the support and feedback offered during the process.

Promotion of the SMS

7.2   Survey respondents had come to hear about the SMS via several methods as shown at Figure 7.1, with the most cited being Welsh Government press releases or announcements (seven of the 27 respondents) followed by information events or networks (five respondents).

Figure 7.1: Method of hearing about SMS
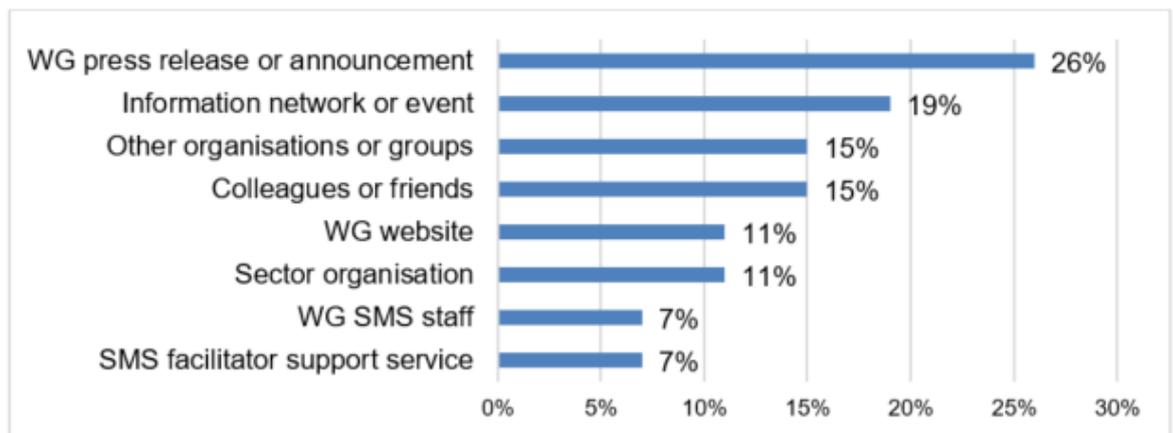
Source: OB3 web survey (27 responses)

7.3   Most (20 respondents) survey respondents thought that it had been either very or fairly easy to access information about the SMS. Some of these noted that information had been 'easy to find on the gov.wales website'. A fifth (six respondents) thought that it had been either fairly or very difficult to source information and some of these offered suggestions for how information about the SMS could have been better promoted and communicated, including:

- clearer communication about the guidance changes implemented from one funding window to the next

- clearer communication that each aspect of the bid would be assessed independently, and that reference to a previous answer to a question was not possible

- the sharing of good practice examples to prospective bidders

7.4   The findings from the fieldwork were slightly different. Bearing in mind that these projects were mainly funded during the first two windows for applications, it is perhaps not surprising that they were well-established groups with many members of the partnerships formed having previously worked together on Welsh Government's Nature Fund projects. As a result, seven of those interviewed had heard about the SMS because they were part of a Nature Fund project and therefore knew that this funding stream was coming. Most of those interviewed also mentioned that they had heard about the opportunity via wider links with Welsh Government or existing, associated channels or networks. Only one project mentioned the Welsh Government website. Two projects mentioned that they had seen information about the scheme on an email circular sent out by Welsh Government. Another project had followed up on information in an article. Generally, interviewed projects felt that SMS funding opportunities had been well-advertised.

7.5   Several contributors felt that the approach by SMS was a positive one, particularly in terms of their desire to invite applications from as wide a range of applicants as possible and commented that there was a genuine wish to see small groups and partnerships applying for funding.

7.6   Figure 7.2 sets out the number of partners which were involved in each SMS application made by survey respondents. Just over half of those surveyed (14 respondents) had up to ten partners involved in their SMS application whilst the remaining half (13 respondents) had more than 11 partners.

Figure 7.2: Number of partners involved in each SMS application
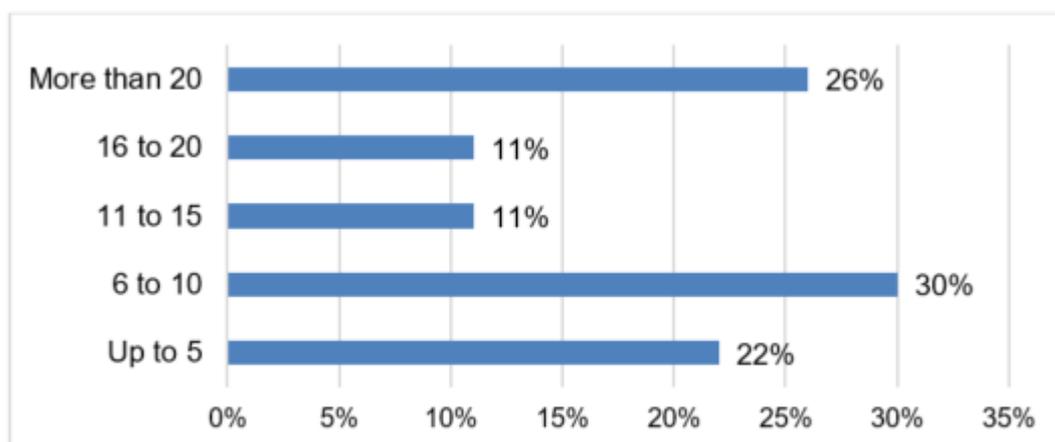
Source: OB3 web survey (27 responses)

7.7 Over half of survey respondents (16 respondents) reported that collaboration was already in place between at least some of the partners prior to them developing their SMS application. Ten respondents noted that there was no collaboration in place prior to the developing their SMS application[15], with three of these being unsuccessful in their EoI submission.

7.8 Survey respondents were asked what steps they took to develop a partnership to apply to the SMS. The most common approaches included:

- establishing contact with farmers, landowners, and community groups

- establishing working groups, project boards and steering groups with representation from key stakeholders

- holding discussions and open meetings with the public to discuss ideas

- approaching a wider range of organisations and groups whom they would not otherwise have thought about.

The SMS application process

7.9 Survey respondents expressed mixed views about the ease of completing both the EoI and the full application, as shown at Figure 7.2. Whilst two-

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[15] One did not respond

42

fifths of respondents found the EoI either 'very' or 'fairly easy', only a third of respondents found the full application easy. Nearly half of surveyed respondents found the EoI difficult and 59 per cent of respondents found the full SMS application difficult to complete.

Figure 7.3: Ease of completing the EoI and SMS application
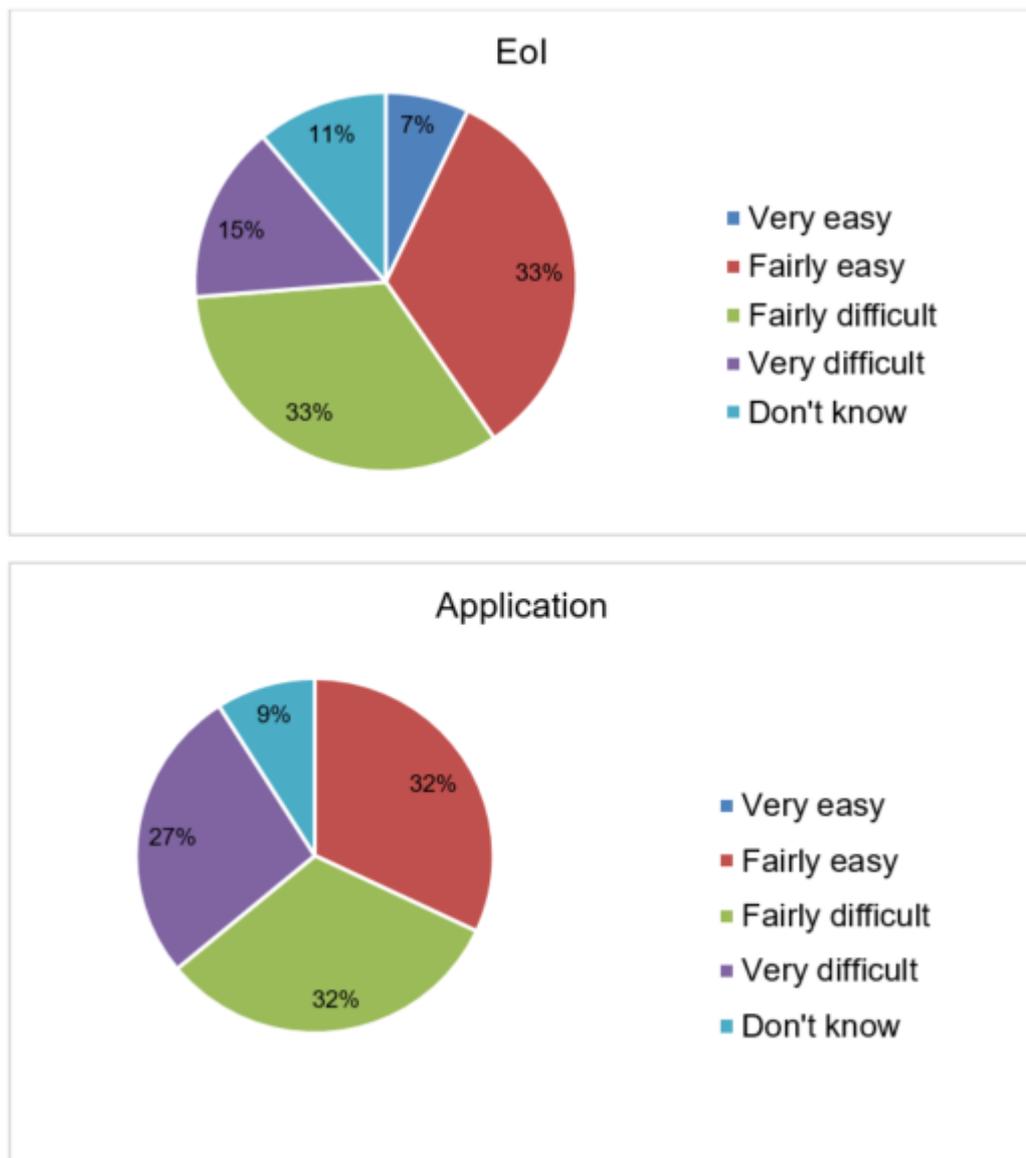
Source: OB3 web survey (27 responses)

The Expression of Interest

7.10   Respondents identified the following strengths of the EoI process:

- that it provided an opportunity for applicants to develop project ideas and 'test' these with the Welsh Government, without having to invest in drafting a full application:

    'it means that, in general, only well thought out projects go through to the next stage'

- the rigour and comprehensive nature of the EoI stage was thought to have resulted in better developed project ideas and plans prior to a full application stage:

    'the EoI enables applicants … to discuss issues fully, carefully plan actions …. and appreciate the focus of the support and the impacts that can be realised'

7.11   Respondents highlighted the following challenges associated with the EoI process:

- not knowing what level of detail was required, in that initial EoIs were not guided by word limits

- the detail required being greater than anticipated, and more akin to a full application than a quick process

- overuse of jargon

- lack of clarity in the advice received about what the project could fund and the outcomes which projects should achieve

- the amount of time needed to develop and prepare the EoI, which was a particular issue for smaller organisations and volunteers

- guidance presentational issues e.g., the guidance could 'be better presented, in a more concise but exhaustive document, without additional sub-documents'.

7.12   However, whilst most projects felt that this level of detail at EoI stage was too onerous, it had made the later application phase much easier, as the

hard, preparatory work was already done. Whilst this was considered a good thing if successful, they did feel that it would be a different matter had all that work to prepare an EoI been to no avail.

7.13 Those projects who had re-submitted EoIs after being rejected during an earlier window, noticed how the process (and scoring) had changed slightly between windows, and felt that this had not been well-signposted. One respondent thought that the process was now improved: 'I believe they've now shortened it and put a limit on it so it's better – they have addressed it'.

7.14 The five unsuccessful EoI applicants who completed the web survey offered comments on the feedback provided by the Welsh Government on their application. Three considered the feedback to have been acceptable in that it was 'satisfactory', 'fairly detailed' and 'comprehensive and useful', despite the outcome being disappointing. The other two would have welcomed a more detailed response to their proposal.

7.15 Of the five unsuccessful EoI applicants who completed the web survey, there had been further collaboration between project partners in three cases. In two of these cases, funding from other sources had already been secured - one via Enabling Natural Resources and Well-being (ENRaW) scheme and the other via the Rural Community Development Fund (RCDF). The third was awaiting to hear the outcome of their recent funding application (to the European Life Project) at the time of completing the survey.

The full application

7.16 Respondents considered the strengths of the full SMS application process as being:

- its thoroughness as this helped to ensure that all partners were aware of their commitment

- the level of detail required ensured that projects are 'well planned' and 'ready to go'

- that much of the work had been completed during the EoI stage

- the clear structure of the application form

- consistency compared with the EoI form.

7.17 The main challenges of the full SMS application process which were noted by survey respondents included:

- that it was demanding in terms of the time commitment and amount of work required to complete the application

- that larger organisations with appropriate bid writing expertise and current knowledge of the policy context were better placed than smaller organisations to meet the application requirements:

  'it requires a professional organisation and/or an agent to write an application likely to be successful…in most cases only professionals working in the field would be familiar with…latest government policy'

- difficulties identifying what the application should focus upon and emphasise being required to repeat information submitted within the EoI (and across the full application itself), particularly in terms of setting out how the project met key policy priorities and outcomes

- that the process took too long and that the decision making moved at a 'glacial' pace, which had implications on morale and implementation. A few respondents observed that delays of 1-2 years meant that budgets were out of date by the time the project was approved and that partners had lost interest during that time: 'from the time we submitted the original EoI in 2016, it took two years before we got approval'

7.18 It was argued by interviewed projects that delays in being able to start and to receive payments were in contrast with the desire of Welsh Government to get smaller groups and partnerships to apply directly for funding. Several organisations mentioned how the delays and funding complexities made it problematic for them to run an SMS project without a larger project sponsor. Smaller organisations concurred with this: 'waiting to hear the outcome took a long time and this made it very difficult to keep afloat'. Another survey respondent described how useful links established between

organisations during the application stage were now at risk: 'sadly due to the 18-month time lapse we have lost several of those links'.

7.19   The iterative process adopted across the SMS had been appropriate in the view of many respondents and had enabled the application process to evolve and strengthen for each funding window. Some however, felt that the application process became less flexible over time with projects funded via the later funding windows being awarded less flexibility to make amendments to their projects.

7.20   Several contributors believed that different individuals were scoring different sections of the application form resulting in applications becoming unwieldly and repetitive to ensure that all the necessary information was included in each section.

7.21   The involvement of NRW in the EoI and application process was also raised by respondents. Whilst NRW had played a part in the assessment of submitted applications, they did not sit on the assessment panel. A few contributors would have wished to see a greater role undertaken by NRW. It was felt that NRW's role was somewhat limited to that of identifying any 'showstoppers' within projects rather than shape and improve projects or comment on how they aligned with other activities or projects that NRW were aware of or working with.

7.22   There was also a view that whilst NRW provided comments which potentially shaped decision making in relation to the success or otherwise of an application, some more formal feedback as projects progressed or an opportunity to NRW to become more involved in the development of projects to full application stage would have been welcomed. Some respondents felt there were some missed opportunities for NRW to link more closely with projects where they were not already active partners and that the level of NRW involvement in projects varies widely. Others felt that there more could be done to ensure that projects also responded to NRW priorities and existing activities.

Funded projects fit with SMS aims and objectives

7.23 Survey respondents were asked about the extent to which their initial ideas for a project met three key SMS objectives. The findings are set out at Figure 7.4 and suggest that project ideas were more likely to bring about benefits to rural communities than they were to bring about benefits to farm and rural businesses.

Figure 7.4: Extent to which initial project ideas met SMS objectives
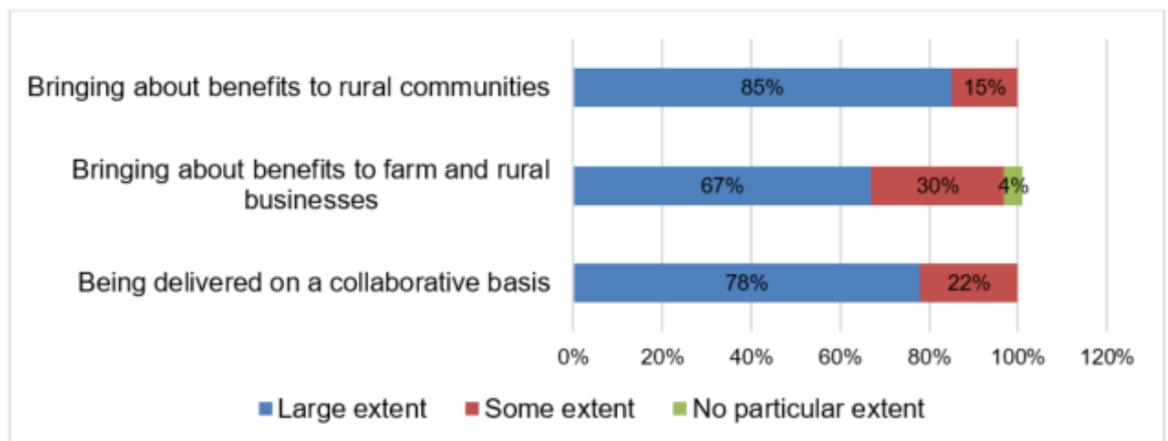
Source: OB3 web survey (27 responses)

7.24 Interviewed project representatives gave a number of reasons as to why they thought they had been successful in their applications including:

- clearly demonstrating a collaborative approach

- close alignment or a good fit with SMS principles and the current biodiversity policy

- strong reputation and track record of the lead organisation (or in some cases, the lead individual) in delivering similar projects previously, most notably under the Nature Fund

- responding clearly to the needs of the local community, backed up by strong and detailed evidence of need

- 'being ambitious, challenging, innovative and risky'.

7.25   Funded projects generally felt their projects aligned well with the objectives of the SMS and the framework of the SMNR principles and felt that it has been relatively easy to demonstrate this. Projects generally prioritised the principles of connectivity and scale and felt that certain practices had to be adopted at catchment-based, landscape-scale to generate the intended impacts. Projects also pointed to their own specific objectives that fitted well across the principles of SMNR such as increasing rural employment, making the landscape more resilient to climate change, and increasing carbon storage.

7.26   Projects felt that working long-term and encouraging co-operation and participation of farmers and communities was a sensible way of looking at the ecological and economic value of natural resources that is enhanced as a result. Projects felt that the sustainability and resilience of ecology, community and economy were built into their approaches as well as co-production with the landowners.

The SMS facilitator support service

7.27   The SMS facilitator support service was put into place for farmer or landowner led community groups during funding windows four and five. Facilitators felt that their role was to 'work with those who would not normally apply – foresters, landowners, farmers or those who were unfamiliar with working together – and try to get them to consider developing an idea that looked more at the wider landscape and on the community'.

7.28   The management of the facilitation service by Menter a Busnes was seen as crucial to its success and the regular and open dialogue between facilitators and Welsh Government had ensured that supported projects were in keeping with SMS programme objectives and met its requirements.

7.29   The role of the facilitator was described by those who had undertaken the role as:

- describing the 'ins and outs' of the SMS and its underlying purpose, including explaining the principles of SMNR:

'we are dealing here with very practical people – they work on the land and with farm animals, so they are not well-rehearsed in policy and terminology. That is where our expertise comes into play'.

- encouraging and explaining the collaborative nature of the scheme and the associated requirements

- explaining terminology

- actively supporting the development of groups – for example: arranging meetings, chairing discussions, taking notes, progressing follow-up actions

- keeping up the motivation and flow of communication between group members, particularly given the slow pace of approving bids

- ensuring that ideas involved money getting spent locally by projects and suggesting how to expand initial project ideas

- developing stronger bids, particularly in terms of ensuring that applications adequately demonstrated meaningful collaboration with their community.

7.30   Facilitators found that their local knowledge helped to recruit members to their groups. Gaining trust and building relationships with members was then crucial in taking the groups forward. Facilitators felt that they played an important role in ensuring greater parity of access to SMS funds and that their strength was in their ability to mediate with farmers in a language that they understand – that farmers and landowners were able to relate to them, and that facilitators could act as 'an independent and honest broker…we have no agenda and people are prepared to open up to us'.

7.31   Facilitators noted some of the barriers and challenges they faced whilst working with groups including the need to manage expectations and ensure that the concept of landscape scale was fully understood. One of the biggest challenges faced was around that of funding rules – and ensuring that groups understood that they would not directly benefit financially from their involvement with SMS and that certain activities could not be funded. Many of the groups in receipt of facilitation support were not used to

preparing such applications and thus the language used in documentation and the limited understanding and knowledge at grass-roots level around the policies underpinning the SMS also had to be overcome.

7.32   In all, ten survey respondents had been in contact with the SMS facilitator support service. Of these, four thought that they would have either definitely (two) or possibly (two) submitted an EoI whilst three did not think that they would have done so, had they not accessed this support. The remaining three were either unsure or did not respond to the question. Two of the ten who had been unsuccessful with their EoI had received facilitation support.

7.33   The feedback provided on the facilitator support service was very positive. Of the nine who responded:

- all nine rated the communication and facilitation skills of the facilitator as excellent
- seven rated their organisational skills and level of information as excellent
- six rated their knowledge of the subject as excellent.

7.34   Survey respondents highlighted the value of support provided by the facilitators during their application stage. In two of these cases, respondents argued that their experience of applying to the SMS a second time with the support of a facilitator had been much easier than their first experience without such support:

'we had the help of a facilitator with one application and this was a great help'.

7.35   Contributors to the fieldwork also mentioned how the facilitators had played an important role in bringing groups together to discuss ideas, provide recommendations about how to go about it and to support them with the process of preparing the written documents.

7.36   Due to the highly competitive nature of the SMS by funding windows four and five, the success rate for SMS facilitated groups was low even though high-quality applications had been submitted. Expectations had proved difficult to manage and the experience had been 'demoralising' for smaller

groups of farmers and landowners after the huge amount of work that had been undertaken to prepare EoIs.

7.37   However, most of the successful applications had indeed been supported by facilitators and this was attributed to the key role of the facilitator in helping real partnerships navigate the application system. It was felt that the facilitators had 'levelled the playing fields' or had offered a 'democratisation of the application process' for these types of projects to compete fairly with larger organisations and potentially gain access to the funding. Facilitators were also deemed to have played a key role in developing better communication and improving relationships across partnerships. The facilitators themselves were unanimously of the view that their groups would not have been able to submit applications without the facilitated support provided.

7.38   The strengths of the SMS facilitator support service was identified by survey respondents as being:

- their ability to turn ideas into a written application
- their ability to keep partners on board
- having a dedicated resource to prepare the application
- having an additional resource to help with the research
- the quality of their advice and their sound knowledge of the SMS process and latest policy considerations
- the importance that they were independent and at 'arm's length from the government'.

7.39   The only suggestion from the survey feedback for improving the facilitator support service was to extend the role to support project post approval i.e. 'mentoring right the way through to project start'. The facilitators themselves also felt that the SMS may benefit from giving facilitators time to undertake a hand-over to funded projects – until a project had recruited and appointed its own project manager for example. Such individuals might benefit from a facilitator-led induction and handover process. There were examples of facilitators having done so for a few SMS projects on a pro bono basis. Similarly, it was suggested that unsuccessful applicants could

also maintain the support of a facilitator post-application to allow some time to find other funding opportunities and manage the next steps to consolidate partnerships and develop project ideas so that they are not completely abandoned.

7.40   Facilitators felt that their groups gained many opportunities from being part of an SMS application. Contacts and networks were widened which helped ensure additional support to group members during a period of uncertainty in the farming sector. The facilitation support service had been crucial in:

'bringing communities together to form a cohesive plan to solve the area's key challenges through better use of natural resources. These projects can deliver great returns on investment for the public if there is an effective facilitator and a shared vision'.[16]

7.41   The process also allowed group members, and land managers particularly, to take a step back and review local issues on a landscape scale and consider the sustainability of their systems and the impact of their actions on a wider catchment area. The process also provided group members with a solid introduction to Welsh Government's aim to move to a more holistic approach to the management of natural resources.

Welsh Government SMS team support

7.42   As shown at Figure 7.5, around two-thirds of survey respondents considered Welsh Government SMS team support to have been helpful during the application process. A similar proportion also considered that the advice received had made a difference to their application.

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[16] Menter a Busnes (2020), SMS Final Report, Page 11

Figure 7.5: Survey respondents' views on (a) helpfulness of Welsh Government support and (b) the difference it made to their application
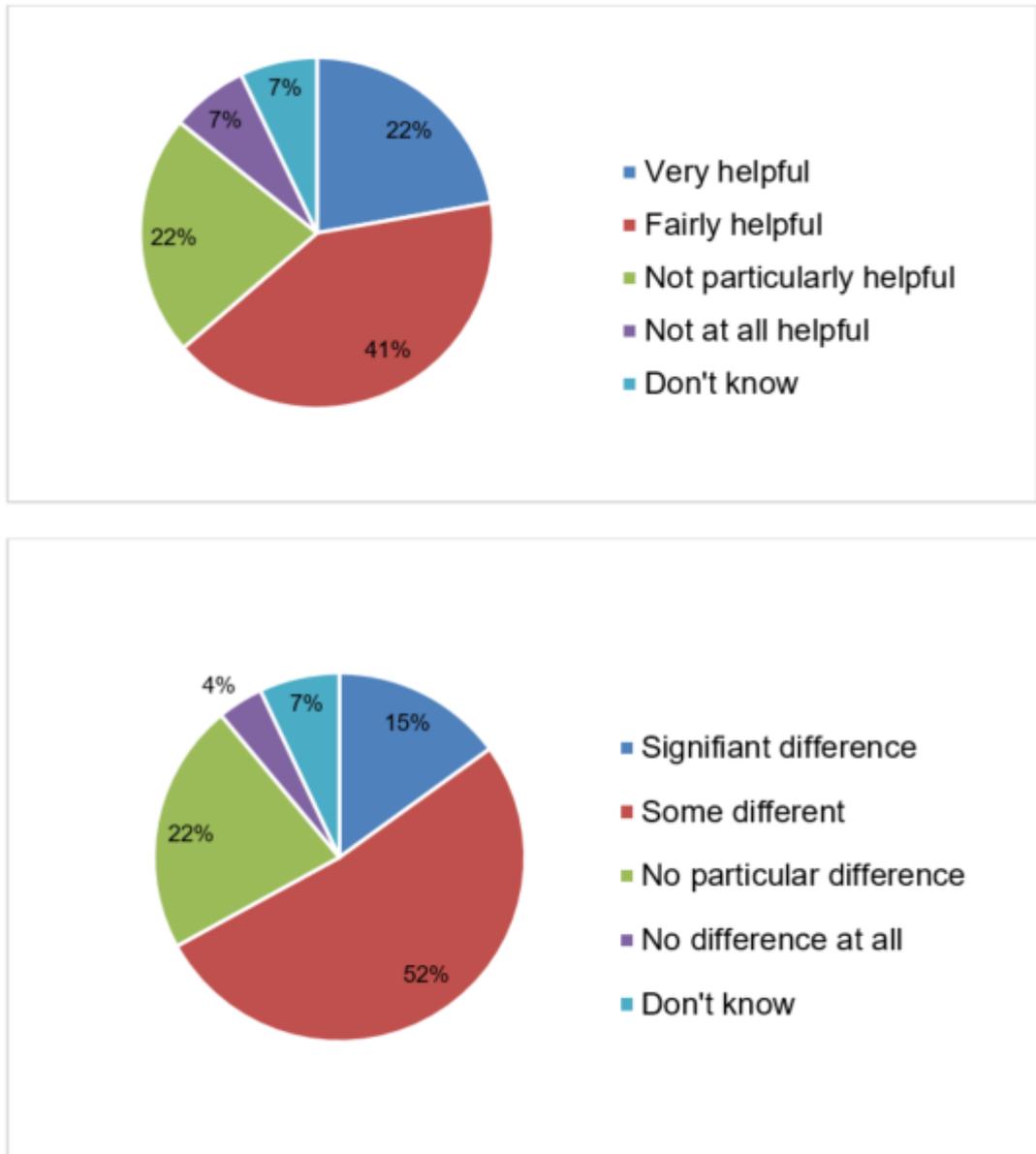
Source: OB3 web survey (27 responses)

7.43 The main ways in which respondents thought that the advice provided by the Welsh Government SMS team had made a difference to their application included:

- encouraged them to be more innovative

- encouraged the applicant to engage properly with partners and stakeholders

- ensured that the applicant had a better understanding of what Welsh Government wanted to see delivered by projects

- improved their proposed approach to monitoring

- removed elements which would not be funded because of EU regulations

- gained an insight into key criteria and policy to better demonstrate outcomes which could be achieved

- advised them to re-draft particular sections, using more appropriate terminology, to better demonstrate strategic fit.

7.44   One survey respondent added that the support from Welsh Government officers had given them 'complete confidence in very unknown territory. They were BRILLIANT'.

Ways of improving the SMS application process

A few suggestions were offered by respondents for ways to improve the SMS application process. In addition to the need for simplification and a faster application process, there was also a call for:

- a faster application process, from the EoI stage to full application, and from full application to final approval

- greater examples of good practice projects made available to applicants (although it was recognised that this was now in place given that information about successful projects has been made available)

- a dedicated, single point of contact within the Welsh Government to deal with application queries, and to improve the flow of communication

- a more transparent process post application, particularly in terms of requesting further information with a clearer plan setting out 'what happens next - how they are assessed, further evidence that might be needed, how we could prepare in advance'

- an SMS facilitation support service from the outset.

7.45   Some suggested that the scheme could have benefited from greater flexibility with a greater emphasis on Welsh Government staff site visits to assess project ideas rather than a paper-based application exercise.

7.46   The main issue raised by interviewed projects that required improvement was also in relation to the lengthy delays experienced, particularly from finding out that an application was successful, to receiving the first payment. Several projects had been told to proceed 'at risk', and whilst some had done this, they generally felt that it had been to their detriment and that it had, at times, made life very difficult:

- 'from the time we submitted the original EoI in 2016, it took two years before we got approval'

- 'windows and dates were known, but these dates were never adhered to'

7.47   One respondent felt that whilst the Welsh Government has to ensure that projects align with the Environment Act and the Well-being of Future Generations Act, that requiring projects to demonstrate how they contribute to all the various requirements around health, social inclusion and equalities ran the risk of making it a 'tick box' exercise rather than ensuring a meaningful programme as a whole.

7.48   One suggestion for a more suitable approach in future that would better align to regional priorities was to allocate funding regionally, with an application process assessed by a regional panel which could include a Welsh Government official, an NRW representative, a member of the local area of outstanding beauty (AONB) or national park (where relevant) and some panel experts (around health and well-being, economic benefits, ecology etc).

8. Findings from the fieldwork: Implementation

8.1 This chapter provides feedback in relation to the management of the SMS and the associated financial and monitoring requirements. It also considers the evidence around the partnership approaches of the SMS projects and the benefits and challenges of working in collaboration. It includes evidence gathered from the survey and from fieldwork with projects interjected with specific case study examples.

Overall SMS experience

8.2 Survey respondents were asked to rate their experience of the SMS scheme from 1 to 5 (with one being very poor and 5 being excellent). Figure 8.1 points to a mixed picture in that some two-fifths (11 respondents) rated their experience as either excellent or very good whilst just under a third (eight respondents) rated their experience as poor or very poor.

Figure 8.1: Overall experience of the SMS scheme
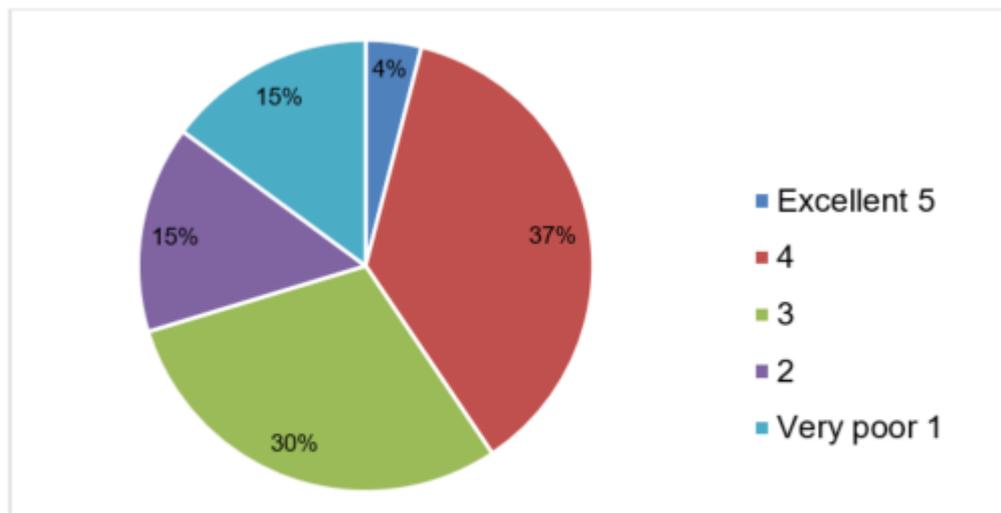
Source: OB3 web survey (27 responses)

Management of the SMS

8.3 Generally, projects interviewed as part of the fieldwork for this evaluation were complementary of the SMS team at Welsh Government. The team was described as 'supportive', 'likeable', 'helpful' and 'encouraging'. Projects mentioned that it was apparent that the SMS team really cared for

the sector, were always on hand to respond to queries and were fighting hard for the experimental approach of the SMS.

8.4 There was some suggestion by policymakers that in designing the SMS, the core implementation team could have benefited from greater resources, and that the workload involved in managing the scheme had been underestimated by the Welsh Government.

8.5 Nearly all projects raised concerns about the financial claims reporting and management aspect of the SMS. The comments and issues raised during interviews about this aspect of the SMS are vast and detailed. Projects held very strong views that the current situation was not acceptable:

8.6 Indeed, concerns were raised that the payment system was unsuitable for a large and complex scheme such as the SMS and that the level of detail required was inappropriate for complex, multi-agency activities such as those funded via the SMS. Concerns were also raised by some of the larger NGOs and organisations interviewed that whilst they had managed to cope with some of the cash flow issues, that some smaller NGOs and farm partnership led projects had really suffered and were taking a significant financial risk and that it was a 'big ask' for them to operate under such requirements and delays. it's a highly frustrating financial claims system which accompanies the SMS, and it has caused incredible problems for us'.

8.7 Some of the specific issues raised in relation to the scheme management unit Rural Payments Wales included:

- *a lack of communication*:

  'questions submitted to the team would go unanswered'

- *no single point of contact*:

  'we dealt with a different person for each claim'

- *a lack of clarity in terms of the requirements*

- *a lack of flexibility* in WEFO's financial management system WEFO, including an inability to show when projects exceed targets:

- *a lack of a timely response to queries*:

  'we revised one financial forecast and it took nine months to get an answer. It is then difficult to manage cashflow'

8.8 Projects also gave some very serious examples of the impact of payment delays and uncertainty on their organisation's governance and on project delivery, particularly as 'by their very nature SMS projects were always going to be seasonal in their nature and delays have had a huge impact' e.g.:

- two projects mentioned that the payment for their first year was now 12 months overdue

- an expected start date in January for one project ended up being October by the time they were 'given the official green light – the upshot was we lost a whole season to deliver'

- another project was told it could start but it was another nine months before they could make a claim. This caused huge cash flow issues to the degree that someone had to put their own savings into the organisation to get over the hurdle.

Monitoring requirements

8.9 Over half of survey respondents (12 of 22 respondents) were finding the Welsh Government SMS reporting requirements for their project to be either very or fairly straightforward, as shown at Figure 8.2, whilst over a third (eight of 22 respondents) were finding them very challenging.

Figure 8.2: Views on Welsh Government SMS project reporting requirements
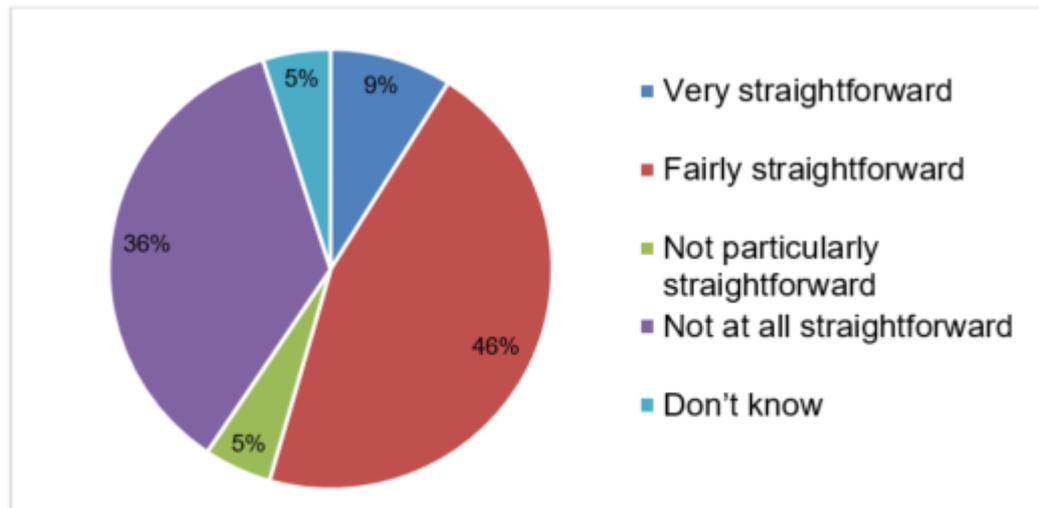
Source: OB3 web survey (22 responses)

8.10   Interviewed projects generally concurred that whilst the Welsh Government claims process required a lot of information to be pulled together, most projects had found the monitoring requirements to have been clearly communicated. In particular, the guidance provided was deemed to be clear and included all the necessary information needed to support monitoring submissions.

8.11   The main changes which respondents would like to see made to the SMS reporting requirements included:

- having a single, dedicated point of contact to deal with their claims process and queries

- receiving visits from a Welsh Government officer to observe progress and advise on reporting issues

- introducing a single reporting platform for the scheme to cover progress monitoring and financial reporting

- having monitoring and evaluation guidance in place from the start for projects

- having a digital programme portal where projects could upload photographic evidence and digitally recorded content.

8.12   Several of the earlier funded projects remarked that there was a lack of clarity initially in terms of the monitoring information that might be required of them, and that Welsh Government had been a little late in communicating their monitoring and evaluation requirements of projects, possibly 'working it out as they go along' somewhat, but that this had been addressed and was now much improved. However, a few projects stated that they would welcome some further clarity and workshops on this.

8.13   A couple of projects mentioned their frustration that whilst the WEFO system allowed for the reporting of quantitative targets and outputs, the information required to explain any under-achievement of targets appeared to be overly onerous. Similarly, projects would welcome the ability, over and above the claim form, to report on those targets that they were able to exceed.

8.14   Several projects mentioned that they had recently or were currently in the process of appointing external evaluators or had built in evaluation support into their initial bids to support them in developing evaluation plans and capturing their evidence of wider outputs and outcomes, and thus felt that they would be able to respond to the requirements set by Welsh Government.

Collaborative partnership arrangements

8.15   Most of the interviewed projects had a governance and management approach that involved either a steering group or Board which met regularly – on at least a quarterly basis. Projects commented on the wide range of organisations and representatives on their respective steering groups and generally felt that partnership arrangements were working effectively with such meetings described as useful for problem solving and acting as a 'critical friend'.

8.16   A few projects mentioned that they had Memoranda of Understanding in place, and three of the interviewed projects had utilised structures already in place for previous projects. Others did not have such formalised procedures or structures in place.

8.17 Three of the partnerships were very well-established with relationships built up over time. This was deemed to have been particularly useful in dealing with some of the issues regarding funding:

- 'this partnership has a long, successful track record in devising and delivering projects and this is underpinned by a strong foundation of trust and open communication. It takes time and effort to establish such working practices and for a partnership to become effective'.

Case study: partnership and collaboration

The Fferm Ifan partnership is a farmer-led collaboration. Eleven farmers are part of the community interest company, all of whom are National Trust tenants. It is a well-established partnership that has worked on various projects in the past. They have employed a dedicated project manager and work closely with the National Trust, Snowdonia NPA, NRW, UK Centre for Ecology and Hydrology, Bangor University and the RSPB.

The partnership meets regularly (every two months or so) and require a quorum of five. There is a core group that is more involved in the day-to-day arrangements including the Chair, Secretary and Treasurer. Snowdonia NPA monitor the capital works. The lack of wider governance arrangements has enabled the partnership to be more flexible and fleeter of foot: 'it's easy, there's no bureaucracy at our side, we have some simple systems in place that work'.

Fferm Ifan is the first project of its kind where all the key stakeholders are farmers, and it is no mean feat that the project has achieved what it has – particularly in the context of recent weather and Covid 19 challenges.

Being a small group of farmers, ownership of the scheme and the plans within it is high and there is a genuine desire to get things done. A dedicated and capable project manager has also been crucial in enabling progress and continuing the pilot schemes. The Fferm Ifan group is fortunate that a few key members of the group have a background in policy and project management of public funds.

8.18   Most of the funded projects interviewed were managed by a public sector host organisation, and this was deemed to provide several benefits. A couple of projects mentioned that having such an organisation with the ability to manage cashflow issues was critical. Two other projects praised how dedicated project officers, often in early career job roles, had been recruited or developed within their SMS projects, and that these individuals had been able to access HR and development opportunities within such a set-up that will be beneficial to the sector more widely in the future:

'the project has provided a brilliant opportunity for a local young lad in his first job. The nature of the role has given him a valuable experience of working with challenging stakeholders and with contractors. It's given him a real breadth of experience'

8.19   An executive committee or access to wider senior, executive support was also seen as a benefit of being hosted by a public authority, particularly when there were technical issues to be resolved in relation to funding.

8.20   A couple of the funded projects were collaborative approaches led by a cooperative or small third sector organisations. Projects such as these with a long-established relationship had managed to deliver the SMS project's requirements but had found it hard. In both cases they had relied heavily on support from larger organisations that were members of their partnership and were very grateful for that guidance and support.

Extent of collaboration within SMS projects

8.21   The main additional value which survey respondents considered were achieved by adopting a collaborative approach between projects partners were:

- ensuring that activities were driven by local people, ideas and needs: 'they know the land best, and this has given them a platform on which to have their voices heard and make decisions about the landscape'

- being able to access a wider range of knowledge, expertise, experiences, and capacity from across a wider network of members

- gaining greater commitment and buy-in from those involved and affected by the project: 'we feel all in it together by working collaboratively'

- gaining input from sectors and organisations who would not have otherwise been involved: 'collaboration between the arts, health and well-being, environment and farming' as well as 'farmers, supply chain, regulators, policy developers, local authorities, farming unions and wildlife organisations partnerships'

- improved relationships and cohesion between landowners and local communities: 'farmers feel part of a wider group community…hopefully farmers will be better understood…people have blamed farmers unjustly for far too long. Collaboration is the only way to build relationships'

- ensuring that activities would be delivered at a 'landscape scale' given the involvement of landowners, businesses, and organisations and that these were more likely to be sustained than individual actions

- making sure that SMS funded projects did not duplicate existing provision: one survey respondent noted that their engagement with other organisations had been helpful to ensure that 'there is no duplication – we can complement rather than repeat what is happening locally'.

Case study: partnership and collaboration

The Black Mountains Land Use Partnership (BMLUP) was established in 2015 and delivered a project under the Nature Fund. The BMLUP is a cross border initiative which brings together a large partnership including: the Black Mountains Graziers Association, major landowners such as the Glan Usk estate, regulatory bodies including Welsh Water, NRW, Natural England and the Brecon Beacons National Park Authority (BBNPA), as well as community groups and representatives.

Establishing the BMLUP has been a significant step forward in raising awareness of the environmental and recreational issues in the area, as well as stimulating discussions of possible solutions leading to more sustainable land uses.

The delivery of the SMS project has helped strengthen the BMLUP, through fostering increased trust and collaboration between the different stakeholders. A key part of this is maintaining communication between the different organisations and individuals involved. The role of the independent Chair of the Partnership is also acknowledged as a key factor in fostering transparency and trust amongst stakeholders.

As one partnership member put it: 'the partnership has pulled together really well under the chairmanship of [the Chair] …I am particularly impressed with the way the Partnership has allowed an equal voice to all landowners and graziers. Equally some of the larger landowners…have been very supportive and put forward…creative solutions.'

One of the key lessons from the collaboration is the time it takes to develop trust between partners – particularly between graziers and statutory organisations. This requires a sensitive and transparent approach and the BMLUP is an excellent example of how this can be achieved.

The experience of the BMLUP is that it takes time to establish an effective partnership, particularly one covering such a large area and with a diverse set of interests. The Partnership was in existence before they secured SMS funding, and this has helped. Nevertheless, it has been a challenge to balance the pressures of delivering the project, whilst maintaining good relationships between stakeholders and at the same time planning for the future.

8.22   Project representatives interviewed during the fieldwork generally described partnerships and collaborative approaches that demonstrated a real sense of joint working, mutual support, and commitment sustainable development. Well-established partnerships or those who had experienced a long lead-in

time (due to originally developing ideas as part of another bid) felt that their collaborative approach was better as a result as it had enabled close relationships to develop between partners and had allowed for sufficient preparation and planning – particularly when there was a great deal of large-scale plant work to be undertaken.

8.23   Several benefits of working collaboratively were cited by projects. The ability to work on a landscape scale was particularly welcomed by landowners and farmers:

- 'the collaboration of the 20 landowners has been excellent and each has been able to contribute to their own local farm plans as part of the project'

- 'this is where there is strength in being a group of farmers – being able to work on a landscape scale'

- 'there is a lot of interest from farmers. They find the idea very appealing. The economic aspect is important but is not the 'be all and end all' for them. They welcome the opportunity to take positive action, to have the value of woodland acknowledged and to be recognised for doing something positive towards climate change and mitigation'

8.24   Bringing a wide range of organisations and stakeholders together also meant that projects were able to access local knowledge and expertise on species and environmental strategies that they would not necessarily be able to access: 'without the involvement of others, we would not get a shared responsibility nor the ability to plan for sustainability. We alone cannot protect the environment'.

8.25   Most of the projects interviewed had NRW involvement in their projects ranging from a full or main partner role with a legal contract to a more policy advisory role. Several contributors felt that the involvement of NRW had proved useful for members of the wider partnership and NRW alike and their engagement had helped shaped the project's desired outcomes. In one project, NRW's involvement had caused problems which had disrupted the project's ability to deliver.

8.26   Most projects felt that members of their partnership were involved and committed to the work:

- 'the partnership is very much a round table – we meet and discuss what needs to be done, by whom and when. The Partnership also allows smaller organisations to have an equal voice and this also helps to embed trust and a cooperative approach'

Case study: partnership and collaboration

One of the unique elements of the Dunes 2 Dunes partnership is the enthusiastic involvement of the two golf courses nestled in the dune system to the west of Porthcawl: the Pyle and Kenfig Golf Club and the Royal Porthcawl Golf Club. Both clubs were keen to work with the project. They were motivated to achieve GEO Certification, a prestigious environmental award for Golf Courses[17]. The golf clubs have undertaken a considerable amount of work including:

- creating new sand features to help reinstate the links nature of their course. This has created new habitats and reprofiled the landscape to a far greater degree than would normally be expected
- removing brush and scrub to improve biodiversity
- reprofiling bunkers to a more natural appearance
- improving boundary features to assist connectivity

The improvement works to both clubs have been well received by their members and has also allowed both clubs to be some of the first in Wales to achieve the GEO Certification.

Involvement in the Dunes 2 Dunes project allowed the two golf clubs to think differently about their course management and provided them with access to free specialist advice they wouldn't normally have. The connections made with NRW also gave them the confidence the work they were undertaking was appropriate.

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[17] GEO Certification is an Environmental Management System for Golf Courses that once implemented led to environmental improvements, contributing to the overall success of the project.

8.27   Projects mentioned some of the challenges they had faced in working collaboratively with partners. Several projects highlighted that landscape scale activity is dependent on all landowners within the catchment area being involved and committed to the development. A few projects felt that the inability to include one or two landowners either diminished the impact of their activity or prevented further opportunities to make improvements. For example, in one project 17 farmers were willing to sign up and two did not, including a farmer who kept free-range animals on a hill farm, which resulted in considerable effluent run-off into water courses.

8.28   Other challenges more specific to the projects concerned were also highlighted:

- one project mentioned that having a farmer's union on board from the outset would have helped establish relationships with local farmers earlier

- another project would have benefited from a legal contract with NRW

- another project felt that there was some disconnect within the organisations represented on their partnership with individuals not necessarily joining the dots within their own organisations, resulting in a lack of continuity, or having to cover the same ground when different members of staff attended meetings

- one project considered that they could have become more democratic in their decision making from the outset although they now had a transparent decision-process in place

- a few projects felt that some partners were more involved than others and highlighted the importance of continuing community engagement throughout.

8.29   Despite the complexities involved with delivering landscape scale projects, and the administrative issues already raised in this report, the projects interviewed generally felt that their delivery models were effective and efficient and that there was confidence in the capabilities of project leads to deliver as intended.

8.30   Several projects spoke of the impact of delays on project delivery – with some projects losing a full year or season of delivery. The Covid-19 pandemic and the flooding suffered in parts of Wales had compounded these issues in some cases. There was a feeling that requests for extensions for funding were slow to be processed and could sometimes lack an understanding of the knock-on impact in environmental based projects (i.e., that a project plan cannot simply be moved forward by three-months). Training and community or educational engagement were specific aspects that several projects could no longer deliver because of delays.

Extent of collaboration with other SMS projects

8.31   In all, 13 of the 22 survey projects reported that they had, whilst nine had not, been involved with other SMS funded projects. The main benefits of collaborating with other SMS funded projects were:

- developing useful contacts for the future (11 respondents)

- an opportunity to gain insight into other projects (11 respondents)

- access to valuable advice from other projects (nine respondents)

- better understanding about what the SMS funds (eight respondents)

- gaining insight into other land management approaches (seven respondents).

8.32   The main difference which collaborating with other SMS projects had made to their own project were identified as:

- learning about good practice (e.g., around evaluation methodologies), innovative delivery approaches and pitfalls which were thought to have led to time and resource savings for projects

- gaining access to professional development opportunity for project managers

- an opportunity to complement each other, explore synergies and avoid duplicating efforts

- gaining access to moral support and an opportunity to discuss common challenges, particularly around the SMS claims process: 'it

has been helpful talking to other SMS projects in the same position [and] share the miseries of trying to work on SMS projects with little support from Welsh Government'.

8.33   Evidence from interviewed projects suggests that collaboration with other SMS projects has happened on an informal basis, particularly between the several peatland restoration projects funded during funding windows one and two. These projects shared ideas and collaborated closely, even sending individuals to help control a fire at one destination. These projects have also looked at sharing techniques in relation to peat bog restoration.

8.34   Several interviewed projects pointed to the SMS North Wales Practitioner group in particular, as one that had brought SMS projects in the region together. This group has met regularly over the last two years and provided opportunities to discuss common problems and concerns, and to share good practice.

8.35   Some projects recalled a pan-Wales network of SMS projects meeting usually in Cardiff or Swansea, in the early stages. These meetings had been useful, and several contributors suggested that more opportunities to network, to visit projects and to enable peer-to-peer support would have been useful. A few contributors mentioned the establishment of a Yammer group for the SMS projects which although had potential, had been limited in its value as it was not used by enough people.

8.36   Several projects had not collaborated with any other SMS projects. Some felt that there had not been enough encouragement to do this, whilst others had not pursued this due to time pressures or because they did not feel that there were similar projects funded via the SMS that were doing the same work at the same scale.

8.37   Some examples were provided of SMS projects working with a wider network of projects not funded directly via the SMS. For example, some SMS projects with a PES element had worked closely together via a PES stakeholder group to share learning. They were currently in discussions to develop a collaborative governance system for PES in Wales. Two projects

mentioned that they were also sharing expertise on PES approaches with projects in the Republic of Ireland and that this was proving beneficial.

8.38   A couple of SMS projects were engaging with Glastir projects funded under the RDP or were operating several RDP projects themselves alongside the SMS project and were therefore able to bring together collective experience and good practice. A few projects pointed to collaborative working underway with other local projects in their area or catchment (e.g. local LEADER projects) or with a local FE college.

Sustainability of collaborative arrangements

8.39   All but one of the survey respondents anticipated that collaboration between project partners would be sustained after the funding period. The remaining one did not know. They anticipated that collaboration between project partners would be sustained via:

- existing partnership working arrangements given partners' eagerness to continue to be involved

- continuation of project activity beyond the end of the funded period, including via volunteer input

- formalised partnership agreements, including the establishment of legal entities for project partners

- other funding applications and project opportunities, including in one case the potential to roll-out the SMS project on a wider landscape area

- a change in mindset and attitudes: 'once you have been part of an SMS you really do feel a little ashamed of how you have operated before. It's not all about you, it's about everyone and life can be great fun by doing stuff together'

- expanding the number and coverage of partners involved in future activities.

8.40   Funded projects interviewed during the fieldwork were asked how sustainable they thought their collaborative arrangements were for the

future (post SMS funding). Over half of the projects interviewed conveyed a strong desire to continue with their partnership but often did not have specific plans in place yet:

- 'ultimately, we want to see the partnership having its own structures - and this is beginning to take shape'

- 'we have not formed any official association [or] applied for any further funding but there's a sense of community between us'

- 'we will continue after SMS. The members are adamant. We are in discussions with an eye to the future'

8.41   A further five projects strongly believed that they are sustainable beyond SMS and that this would be achieved due to the skills and expertise developed within projects and because financial sustainability had been built into the process. For example, a project working with local businesses was securing future contracts for the cost of environmental work or ongoing management of works. Another woodland-based project was looking to secure income generation via a portfolio of schemes including via contracts for furniture, investment in machinery that would enable work to continue, and the levering of additional investment into the area for discrete and specific activities (rather than running another large-scale project). A peatland management project described opportunities for hill-farming training based on a pilot in Scotland which could sustain the project via farmer-led activities.

8.42   Several projects mentioned their desire to apply for Glastir funding in future whilst at least four were looking to achieve payment for ecological services (PES) contracts to bolster the rural economy and environment by the end of the project. Some partnerships described how they were also currently researching new funding opportunities as it would be difficult to continue without on-going funding. Other projects interviewed were less certain of their sustainability in the longer-term:

- 'the future of the project is currently uncertain'.

- 'there are questions on the long-term future of the partnership'.

9. Findings from the fieldwork: Achievements and outcomes

9.1 This chapter considers SMS's performance to date, some initial observations about the early outcomes being achieved, and lessons learnt so far. It draws upon the views of stakeholders, and those of interviewed project leads and other key individuals who have engaged with the SMS programme.

Performance to date

9.2 Only three SMS funded projects have reached their end date at this stage therefore it is too early to report on detailed performance against outputs across the programme. However, the projects interviewed during this stage of the research who were nearing the end of their funding period generally reported that things were progressing well. These projects were on target to hit or exceed most of their outputs or environmental targets such as fencing, tree planting, replacing hedges, scrub clearance, creation of scrapes and corridors for wildlife, building culverts or firebreaks. Some specific and quantifiable examples were provided during interviews including:

- successfully managing 8ha of heather habitat

- reaching the target for planting hedges

- undertaking over 320ha of bracken management works

- re-wetting and re-vegetating over 60ha of peatland

- constructing 18km of fencing and 9km of new or replaced hedging

- planting 3ha of new trees and protecting a further 5ha of existing trees

- restoring 100ha of woodland (against a target of 18ha)

> **Case study: Benefits and impacts**
>
> The Dunes 2 Dunes project covered the National Nature Reserve sand dune systems of Merthyr Mawr and Kenfig as well as the farmland and golf courses in the area. The two now unconnected dunes systems were once part of a far larger system that ran from the Ogmore estuary to the Gower peninsular. Over time they have become overgrown and disconnected with the seaside town of Porthcawl now separating them.
>
> One key element of the project was to improve field and farm boundaries between the two dune systems to secure wildlife corridors and allow species to travel between the two areas. 66 m of stone wall were repaired, and 250 m of hedge re-laid.
>
> Another important element was habitat improvement. This involved the clearance of scrub and the creation of new loose sand habitats. As a result, the endangered Fen Orchid, found only in a handful of places in the UK, and only at Kenfig in Wales, has seen a resurgence in numbers rising from around 200 in 2011 to over 4000 in 2019. Additionally, the creation of new slacks has generally increased the number and variety of wildflowers present and increasing the number and varieties of insects, especially bees. Of note is the Shrill Carder Bee, another endangered species only found in 5 areas of the UK. By improving habitats and connectivity this solitary bee can now thrive and extend its territory and foothold. 72 Shrill Carder Bees were recorded in 2019.

9.3   Other projects who were still in their first year of delivery were still organising activities, allocating budgets, and arranging contractual work. A few projects mentioned that they were behind schedule or had underspend and were requesting an extension of a few months to complete the works.

9.4   Some targets relating to activities such as training, running workshops or undertaking stakeholder engagement, school visits and other community activities in some projects had understandably not been delivered as expected, mainly due to the impact of Covid.

Case study: Benefits and impacts

Wrexham Industrial Estate has around 350 businesses, employing around 10,000 people. It's based on 550 hectares and is one of the largest industrial estates in Europe. The rural setting is known for its specific biodiversity that includes the Grizzled Skipper, the Bee Orchid, the Great Crested Newt, badgers, otters, swift, brown hare, club-tail dragonfly, black poplar as well as ancient woodlands.

The Biodiversity means Business project, led by the North Wales Wildlife Trust has worked with Wrexham CBC, NRW and its previous legacy organisations, businesses, specialist organisations Bug Life, Butterfly Conservation Wales, Amphibian & Reptile Conservation, British Dragonfly Society, Chester Zoo, as well as landowners, volunteers, students, community groups, ecological consultancies, and contractors.

The collaboration of business is unique within the delivery model for the Biodiversity means Business project. Getting to know the right people and having a shared vision have been key. Mitigation sites for habitat loss with companies having to compensate for new developments has also been a useful lever. These have all translated into tangible results that include:

- Hauck UK are working to help the rare, grizzled skipper butterfly. The area has been improved for the butterfly as well as preserving bee orchids, and swift boxes are being installed to help this declining bird species

- Hoya Lens UK have worked with the project to create a new nature reserve and new pathways and habitats

- Rowan Foods collaborated to undertake improvements to benefit both workers and wildlife, creating a picnic area, barn owl box, daffodil planting, and grounds management

- Village Bakery are co-working on several projects including a new mitigation site.

As one business owner described: 'We were keen to improve biodiversity for customers and staff; we're conscious that we're substantial users of resources as a company and want to make a positive contribution to sustainability… it's added positive benefits for staff as well. We have over 1000 people coming on site every week and we know they notice the environmental changes as they come into work, the wildflower verges, hedgerows, picnic tables. We want people to think about their locality and to think differently; to feel part of a community on the industrial estate.'

Outcomes and impacts being achieved

9.5 Whilst it is not an objective for this theory of change and process evaluation report to capture the impact of the programme, it is worth exploring the evidence gathered to date about the contribution SMS is making to expected programme outcomes.

Environmental outcomes

9.6 Interviewed projects were able to provide examples of how SMS funded activity was:

improving natural resources by:

- reducing the impact of nitrates getting into water courses, helping farmers understand the impacts of their activities and improving water quality

- working with 24 farms in three catchments to provide specialist advice and business planning so that they can farm more cost effectively and efficiently as well as to the benefit of the environment

- undertaking riverbank restoration using timber and brash bales to address soil erosion

building connectivity between ecosystems by:

- creating clear corridors in moorland for wildlife including protected birds and mammals

- pollarding trees and taking out parts of hedges has helped improve the ditch system

- establishing a permanent meadow

- installing bird boxes in pollards to help the bird population until the pollards start to grow again

increasing the size/scale of ecosystems by:

- creating additional wetlands

- cleaning out ditches to increase their capacity

- controlling invasive non-native species (INNS) such as Himalayan balsam and Japanese knotweed

improving the health/condition of ecosystems by:

- improving the health of heather habitats so that they are better for ground nesting birds

- rejuvenating traditional orchards, removing brambles, and planting new trees

- promoting moorland biodiversity – and identifying 70 different bird species.

Case study: Benefits and impacts

The work undertaken by the Golygfa Gwydyr project in Conwy has incorporated some educational and interpretation work. They have staged theatrical productions, open days and other events in the forest which has contributed significantly to connecting the local community to the forest.

Having a varied programme has helped them connect to different groups and to increase social cohesion. For instance, selling logs locally allowed them to engage with different individuals and to inform them of the other activities they were carrying out in the forest. Also, running one activity sparked interest in something else; for instance, the Men's Shed built wooden planters which led to a Ladies Whittling and Woodwork group being established and producing wooden spoons.

By employing local residents to work on the project they have helped them gain skills and confidence.

Golygfa Gwydyr has been heavily involved in supporting groups and individuals with mental health issues. For instance, they have worked with groups such as Aberconwy Mind and Bangor University and organised Mindfulness sessions. The SMS funding has also led to new initiatives being established, for instance a Nature Therapy Group, which now runs sessions in the forest. Ultimately this will become a self-financing group.

Golygfa Gwydyr demonstrates that a small social enterprise can not only undertake forestry management to a high standard, but they can also make a very significant contribution to social, health and well-being objectives. The project team feel that the SMS has undoubtably helped them become more established and increased the effectiveness of their outreach work.

Social benefits

9.7 Interviewed projects were able to provide several examples of social benefits generated by SMS project activity. They included:

- building physical interventions such as boulders and firebreaks reducing the severity of wildfires and seeing a reduction in crime and anti-social behaviour in the area

- working with a panel of users to develop suggested walking routes, creating a new parking area and improving signage so that visitors can make use of the area but keep to a suitable track

- providing greater access to areas of land and engaging with the local community to explain activities and promote responsible use of the land to improve their well-being

- mindfulness activities offered to the community including nature therapy and group counselling to improve mental health

- setting up a food bank during the Covid outbreak to help vulnerable people in the locality

- providing skills, training and volunteering opportunities e.g. training 56 local businesses and tourism providers to become Mountain and Moorland Ambassadors

- re-opening an important heritage centre that can be visited again and used by local people. It is already being used for meetings and guided tours

Case study: Benefits and impacts

An important aspect of the South East Wales Rural Uplands project is to reduce the landscape crime activity on the moorlands. For years, issues with fly tipping, arson and ill-legal off-roading have blighted the area: 'There is a disconnect between the land and the people – they are not valuing the landscape, but we are trying some innovative ways to improve this'.

The project is a partnership approach working with the police, fire services and others with close links to a Landscape Crime group led by the local MP.

The project has introduced several physical interventions – boulders and fire breaks on a wide scale to reduce the severity of any wild-fires. Farmers are now equipped with body cameras and perpetrators, when caught, are shown first-hand the impact of their activity on the farm.

The local community is already making greater use of their local landscape, helped in part by the impact of the pandemic in getting people to explore the countryside on their doorstep. The clean-up of the area has made it more pleasant for locals to enjoy. The project intends to continue to phase 2 and will continue to focus on landscape crime issues.

Economic benefits

9.8   Some innovative and interesting developments were also described by interviewed projects as potentially generating an economic impact. Several projects highlighted how they were contributing to increased spending in the local community by using local contractors such as mechanics, builders' merchants, and web designers for all possible activity under the auspices of SMS. This additional spending was claimed by projects as adding a much-needed boost to the local economy. Some projects described how undertaking capital projects should reduce the likelihood of flooding thereby reducing the impact on homes and local businesses in the future. Other projects felt that the improvements made to the landscape would attract more visitors and thereby increase local spend. One specific project was able to describe how it had secured a PES agreement with Heathrow Airport Holdings that would bring in £20,000 to the local economy and were in discussions with Iceland Plc and Marks and Spencers also to further develop opportunities to ascertain further PES agreements. Another project described how SMS had allowed them to identify ways of bringing private sector companies such as Tesco to work with them. This was deemed to be 'ground-breaking', with the potential for substantial added value for farmers.

Case study: Benefits and Impacts

The Powys Moorland Partnership (PMP) set out to accelerate the bottom-up enhancement of approximately 20,000 acres of moorland, stretching from Llanthony Valley in the South to Beguildy Common in the North. At the core of the project was a team of full-time moorland keepers, creating valuable rural employment and bringing back long forgotten skills to these moors.

A *Hooftrek* venture was established to promote the use of feral Welsh Mountain ponies as pack animals for those hiking in Mid Wales. Ireland Moor Conservation Limited is unique in maintaining old original bloodlines of Welsh mountain ponies, some dating back 1000s of years. The herd graze various plants that the sheep do not (such as young gorse) thus contributing to the open dwarf shrub habitat of these Sites of

Special Scientific Interest (SSSI). The ponies were once in huge demand across the country, but with the ever-increasing cost of micro-chipping and passports for the feral ponies, the colt foals, in particular, have very little value and numbers were dwindling on the moor. By working with *Hooftrek* they have found a new future for the breed, and a market that could be investigated by other areas such as Exmoor and Dartmoor to help save their indigenous ponies as well.

The group have worked with local beekeepers to allow them to maintain hives on the moorland to make the most of the heather habitat and produce specialist local honey. By working with the beekeepers, they have ensured that the hives are placed in suitable locations away from busy walking routes and more sensitive parts of the moorland.

Cross-cutting themes

9.9   Survey respondents were asked to note the contribution they expected their project to make to three RDP 2014-2020 cross-cutting themes as well as the Welsh Government's Welsh language strategy, Cymraeg 2050. The findings are set out at Figure 9.1 and show that, perhaps unsurprisingly, all but one expected their project to make a positive contribution to the theme of sustainable development. Whilst the majority considered their project would make a positive contribution to the other two cross-cutting themes, it is worth noting that a third (nine respondents) did not expect their project to have any particular impact upon the theme of equal opportunities and gender mainstreaming. Around two-thirds expected, whilst a third did not expect their project to make a positive contribution towards the Welsh Government's Welsh language strategy, Cymraeg 2050.

Figure 9.1: Expected contribution of SMS projects to cross-cutting themes and the Welsh language strategy, Cymraeg 2050
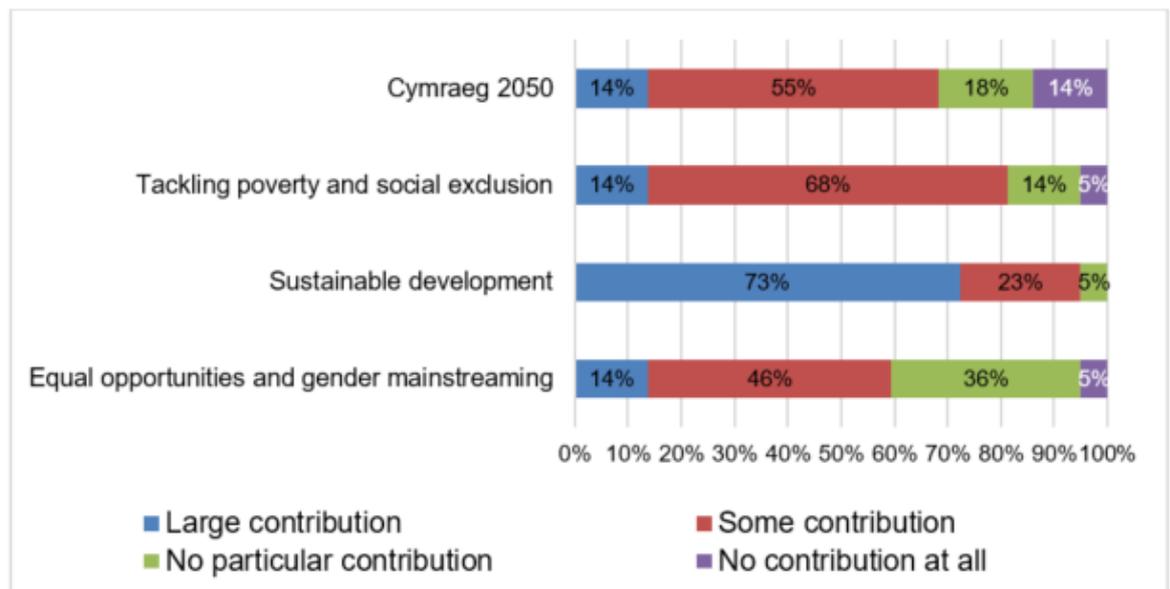
Source: OB3 web survey (22 responses)

Cross-cutting themes

9.10   Evidence provided by interviewed projects suggest that the SMS is embracing and delivering against the three RDP Cross-Cutting Themes (CCTs) of

- Equality of Opportunity

- Sustainable Development and

- Tackling Poverty and Social Exclusion.

9.11   In terms of the equality of opportunity CCT, specific examples included:

- the employment of women with chainsaw skills in a woodland project

- the employment of apprentices and young people in several projects

- improving access to the outdoors in a deprived community and

9.12   Several contributors felt that the 'Sustainable Development' CCT was engrained in the SMS, with many comments received suggesting that 'everything we have done contributes to this' with projects aiming to contribute to the fulfilment of the economic, social and environmental needs

of today without damaging these needs for the future. Projects highlighted examples such as:

- enhancing woodland and finding sympathetic economic outcomes

- flood resilience activity e.g., improving dune systems and peatland conservation

- a sustainable approach to the management of uplands

- developing new economic models for farming to make it more sustainable.

9.13   The tackling poverty and social exclusion CCT was also one that projects felt they were able to respond to. Many of the projects work in deprived areas or in rural areas with pockets of deprivation, low income, and social isolation. As such, projects felt that this CCT was a high priority for them with many of their activities contributing to supporting these areas in developing social and economic benefit as part of their day-to-day work. Examples included:

- employing local people to ensure that 'money goes back to the local economy' via contracts. One project mentioned that over fifty local businesses had benefitted from project spend

- working with local contractors wherever possible to support the local economy

- creating new economic opportunities for farmers who manage woodlands

- improving access to outdoor spaces or the coastline

- connecting farmers in an upland area to reduce isolation and encourage more resilience and co-operation amongst residents

- contributing to a school holiday engagement programme.

Contribution to the Welsh Language

9.14   Several projects provided examples of how they were compliant with their Welsh language policy and that signage, websites and promotional

materials and publications was always produced bilingually. A few projects also mentioned that they operate bilingually and actively seek opportunities to deliver their work through the medium of Welsh.

9.15   Many projects operate in areas where there is a high proportion of Welsh speakers and as such projects would operate naturally in Welsh, with conversations, meetings and communication with landowners and other stakeholders often taking place through the medium of Welsh, with translation services provided when needed.

9.16   Several of the projects working with farming and rural communities, particularly in North West Wales, described how the SMS project provided an opportunity to strengthen the economic viability of Welsh speaking farming communities and was able to support the language by bringing Welsh speaking farmers together, strengthening ties and potentially creating new employment opportunities which would enable Welsh speakers to stay in their rural communities in the future.

9.17   One project described how all contractors were local and Welsh speaking thus the SMS was boosting the local economy and retaining Welsh speakers within the locality. Another project was undertaking all its administrative activity on the SMS through the medium of Welsh and highlighted how integral the language was in their area. The project had undertaken school engagement activity where the Welsh terms for plants and birds had been discussed. The project manager had also contributed to a UK conference on peatlands management through the medium of Welsh.

RDP Objectives

9.18   Interviewed projects were also asked about the extent to which their outcomes contributed to the RDP cross cutting objectives of environment; climate change adaptation and mitigation; and innovation. Some positive early findings were highlighted.

9.19   The environment RDP cross cutting Objective was deemed to be at the core of SMS as an approach and therefore all projects were, in their very essence, delivering against this objective. However, projects did highlight specific activity including:

- managing the SSSI heather habitat to ensure it is in a favourable condition and preserving a rare moorland environment of which few are left thriving in Wales today

- managing the uplands in a sustainable way – particularly through bracken control and peatland management

- extensive areas of woodland now enhanced or managed sustainably

- improvements to water quality through activities such as ditch recasting already showing results with indicator species appearing

- the creation of new ecosystems or better maintained ecosystems resulting in an increase in the number of snakes and a huge increase in the number of very rare Orchid in sand dunes.

9.20   Climate change adaptation and mitigation was another RDP objective to which projects could point to early outcomes. At least a third of the interviewed projects referred to activities that would aid flood prevention – through the management of uplands or woodland to reduce rapid run-off, increasing ditch system capacity or improving flood water storage in peatland and moorland. Adapting the management of the land to reduce fire risk, improve water quality, ensure cleaner air, increase carbon storage or protect against soil erosion were all cited as further examples of SMS outcomes against this objective.

9.21   In terms of innovation, most projects felt that their approach was innovative – managing their landscape, at scale in a way that was bottom up and community led. Some of the projects felt that the SMS scheme as a whole – with its focus on generating social and economic outcomes alongside the expected environmental ones, was itself innovative. A few mentioned how specific partners in their approach were able to support them as they looked for innovative solutions or looked to roll-out innovation.

9.22   Specific examples included an upland area that was the first to have their own twitter account and now have a greater following than some of the more well-known, larger moorland areas. A moorland project also highlighted an Instagram account and website and the use of QR codes in

its interpretation work. Two projects were using new land management techniques, employing volunteers alongside consultants to undertake the work or to manage the land in a way that could balance business and biodiversity.

9.23   Four of the projects felt that the PES element of their project made them highly innovative and relevant. One project was taking a cross-border approach to regulation and working with the private sector to bring in new elements and was sharing the lessons learnt with River Trusts across Wales. Another PES element within a project was around undertaking experimental work with the National Trust and sharing the learning with another project based in Yorkshire. A further project was exploring and developing an idea for PES and had already identified landowners who would be able to better manage their land for flood alleviation and were trying to devise ways of linking them with 'buyers'.

External factors

9.24   Two main external factors were highlighted as having impacted projects' ability to undertake their work as planned. Unsurprisingly, the outbreak of the Covid-19 pandemic had been the main factor to have negatively impacted on the ability of projects to undertake their activities. Several projects had furloughed staff and were therefore working on reduced capacity. A lot of capital or groundwork by contractors had been able to continue, but activities such as events and training had to be cancelled. A few projects had requested an extended timescale for delivery to make up for the impact of the pandemic.

9.25   Most did not feel that Brexit was an issue for SMS projects in the short term, but an uncertain future or a potential economic downturn might have an impact. Several projects felt that Brexit could provide positive opportunities – for example, an increase in staycations, greater potential for diversification for landowners and more creative thinking by the farming community.

9.26   Contributors felt that the replacement scheme for Glastir could impact their work and future funding for farming that looked at developing collaborative

partnership approaches working on a landscape scale could evolve from initial SMS activities. In the absence of European funding, the PES scheme was also seen as a 'vital, more useful model for subsidy replacement'.

9.27   The weather had impacted on a few projects – particularly storms Ciara, Dennis and George and the flooding in early 2020. For example, one project reported on lower number of Grouse and waders due to dry summers and lower number of lapwings because of snow in the Spring.

Sustainability

9.28   Almost all the projects interviewed felt that without SMS funding it would have been unlikely that their activities would have taken place. Their outcomes would not have been achieved without the funding unless another source of funding would have been secured. One project commented that receiving 100 per cent funding for a project was rare and 'allows for a level of freedom and creativity'. Another project felt that they would have achieved what they did without the SMS funding, but it would have taken longer. However, they did feel that the SMS had 'inspired in us a new way of working, with less siloed thinking and far more community engagement'.

9.29   In terms of the sustainability of the activities undertaken, projects felt that it was difficult to comment but most had built in exit strategies for the future maintenance of their capital infrastructure. Many projects had ensured that capital contracts included clauses for maintenance by landowners for five, ten or fifteen years. Other projects felt that the improvements made under SMS funding should be self-sustaining for a decade or more. Some projects felt that they could carry on in a reduced form with new funding and potentially replicate their activities in other areas.

Lessons learned to date

9.30   Interviewed projects were asked about the key lessons learned from the delivery of SMS to date. Many of the issues raised, around the application process and the claims process have already been discussed in this report and are not repeated here.

9.31 Two additional lessons learned were raised by several projects and policymakers which could inform future programme delivery. Firstly, offering grants over a longer period –five-year, seven-year or ten-year+ period was suggested by various contributors. Projects felt that the three-year delivery period was very tight and whilst partnerships that had been in existence for a while could hit the ground running, relatively new partnerships required more time for set-up and delivery. Projects also mentioned that longer term, flexible funding would allow projects to grow, adapt to unforeseen circumstance, switch direction, or take on new partners. A few projects also made the case for funding such as SMS to be core WG funded.

9.32 Secondly, several projects suggested that a mentor role – an individual allocated with specific days to support each project would be useful. Some projects recognised the important work that the facilitators had done in supporting some partnerships to develop applications, but it was also felt that a mentor during the delivery phase would be useful. Two projects referred to an approach by the Heritage Lottery Fund which had an effective service for supporting individual project and encouraging peer-to-peer shared learning. A development phase followed by a delivery phase, such as that used by the Heritage Fund would also be welcomed.

9.33 In a similar vein, projects felt that having a designated main contact within Welsh Government with responsibility to support project leads to navigate different departments would be useful. Such an individual could develop a more in-depth understanding of the project and its needs. It was suggested that such individuals should have the authority to deal with requests. Building a relationship with an individual within the Sustainable Management unit – with more regular contact and visits to the project, over and above the current progress meetings would be particularly welcomed.

9.34 Several projects felt that it was important for lessons learnt from evaluation reports to be taken on board and suggested that some of the recommendations from the predecessor programme – the Nature Fund, had not necessarily been embedded into the design of the SMS in terms of processes and systems. Projects referred specifically to the flexibility that

existed within the Nature Fund which enabled more innovation and 'freedom to fail'.

9.35 Other lessons learned highlighted by projects included:

- partnerships are vital and are the only way to bring different sectors together and thus develop a deeper understanding of issues and possible approaches that can then generate long-lasting environmental benefits

- collaboration seems to work best on a catchment basis for environmental issues rather than operating within political boundaries

- collaborative projects require a longer lead-in time to get established which needs to be reflected in the funding approach

- co-production from the outset is very important with a 'bottom-up' approach with direct involvement of farmers and landowners alongside NGOs, the public sector and community groups

- clarity and support on GIS requirements, monitoring and evaluation is needed and a training session with WEFO and the Rural Payments team might help improve communication and understanding

- more time and support from Welsh Government for networking and peer-to-peer interaction would be welcomed so that projects could share their learning.

9.36 Other contributors to the evaluation felt that there were lessons generated through the SMS that needed to feed into future funding approaches for farming, particularly in relation to the work on PES and in ensuring that adequate financial support for partnership working is incorporated into the framework of future funding for farming.

9.37 Contributors felt that there was certainly the drive within rural communities to manage natural resources sustainably, and to develop their own innovative ideas. It was felt that there was scope for a similar approach to SMS to work in the future but that there was a need for it to 'stop trying to be everything'. There was a strong view that landscape catchment area funding was an important funding approach that was right in principle and

should be maintained but that it should not replace direct funding to landowners: 'collaborative action between landowners is brilliant. It works. But there is room for both. SMS will not continue at the expense of the other approaches…but can offer added value' particularly if other policy areas are involved (e.g., tourism, food) to ensure it achieves the greatest value and impact.

9.38   Some contributors mentioned that future collaborative activities needed to be informed by, and aligned with, the strategies set out within the NRWs' Area Statements. However, some respondents felt that the current area statements were limited in their ability to build local collaboration or helping to identify priorities and that future iterations of the documents needed to facilitate the co-design of practical and sustainable land management approaches: 'the recent publication of the long-awaited Area Statements by NRW were a bit underwhelming to say the least'. One respondent felt whilst the area statements outline what the priorities should be, they needed to be underpinned by datasets and socio-economic data which would show the issues facing the local communities.

9.39   Contributors acknowledged that collaborative projects require additional support and funding to be delivered effectively but have the ability to achieve greater outcomes – they can be 'greater than the sum of their parts' when established correctly and when working effectively. However, there was a strongly held view that future funding schemes should include this collaborative element to incentivise landscape scale environmental activity.

9.40   Whilst the SMS was seen as being a step forward in ensuring a range of partners – particularly environmental NGOs, public sector organisations and landowners together – there were greater opportunities in future to include the business sector (for example insurance firms working with partnerships dealing with flood issues or better connections with food suppliers to connect projects with the local markets).

10. Conclusions and recommendations

10.1 This chapter returns to consider the key objectives set for this first annual report phase of the evaluation and presents our conclusions and issues to be considered over the remaining delivery period.

Rationale for the scheme and alignment of projects to the principles of SMNR

10.2 The SMS has clearly been designed and developed by Welsh Government in a way that builds on the Nature Fund, but which adopts at its heart the principles of SMNR. The landscape scale approach to funding, as opposed to farm scale, allows for place-based project partnerships that can generate much wider, community level benefits. It provides an opportunity for such partnerships to expand their work and strengthen their collaborative ways of working. The Welsh Government is to be commended for developing and delivering a scheme that is based on these sound principles.

10.3 The funding criteria and application had the SMNR principles firmly embedded within the process, requiring projects to demonstrate their adoption of a holistic ecosystem approach. Place-based or catchment-based interventions have been funded that are attempting to generate greater benefits and outcomes. Making funding available to partnerships of organisations and landowners, and, in the latter stages, funding a facilitation support service to enable the establishment of such partnerships, was also very much aligned to the SMNR principles and Wellbeing of Future Generations Act's ways of working.

10.4 The feedback received from projects suggests that they understood the aims of the SMS and the principles of SMNR and felt that they delivered against these. However, requiring an in-depth understanding of environmental policy priorities and principles is a challenging ask of locally grown partnerships. The SMS recognised this during the early funding windows, and as such, the provision of a facilitation support service seems to have played a crucial role in explaining the principles of SMNR to landowners and farmers who would not necessarily be as familiar with these as NGO staff might be.

Management and implementation of the scheme

10.5   The SMS has proved to be a popular funding scheme, receiving a total of 226 EoIs across the five funding windows. This healthy level of interest and awareness of the SMS across a wide range of potential applicants is a strong initial indicator of the need for and the success of the SMS.

10.6   The SMS has also, to some degree, become a victim of its own success. The sheer demand for the scheme, the level of detail required within the EoI template and the high quality and number of EoIs submitted has meant that whilst the quality improved over each funding round, the competition increased. As a result, many projects in the later funding windows, have not been able to proceed to application stage. A number of unsuccessful (yet high quality) projects have been left feeling downtrodden with unrealised expectations.

10.7   Whilst the decision-making process for the SMS was robust and largely appropriate, there is a strong case for simplifying and reducing the length of the forms, particularly in terms of the information requested at the EoI stage. In addition, given the length of time taken to approve applications and award funding, there is a need to streamline and speed up the process should a similar scheme be made available in the future. Based on the feedback gathered, there is also an argument for adopting a more holistic approach to the assessment process, to avoid unnecessary repetition within applications. Evaluation feedback also suggests that closer involvement with policymakers, NRW strategic staff and those with an understanding and overview of regional priorities would improve the process.

10.8   Evidence for this first annual evaluation report is mainly gleaned from projects funded via the first three funding windows when no facilitation support service was on offer. However, early indications and initial feedback via the survey and other contributors suggests that this service has been highly valued and has enabled collaboration and achieved greater parity of access to SMS funding.

10.9 The issues highlighted in this report seem to point to an administration capacity issue within Welsh Government which hindered their ability to undertake the assessment process within the initial timescales set. The SMS team has been praised for its support and helpful approach, but the pressure on their time and demands would suggest that their on-going support function may benefit from greater resources to help manage a heavy workload.

10.10 The rigid and unclear requirements for financial claims reporting, and the lack of communication and timely response to queries does not seem to be in keeping with the adaptive management approach embedded in the SMNR. These issues have been numerous and widespread, hampering progress and causing severe issues for several of the partnerships funded via the SMS, particularly smaller third sector organisations or landowner-led partnerships. Immediate improvements are clearly needed to the financial claims' procedure. There is a contradiction between the SMS encouraging local landscape-scale partnerships to apply for funding but in doing so, presenting them with a complex system which they are not (and should not be expected to be) equipped to deal with. It is difficult to see how such partnerships can continue to be encouraged to lead bids, without the significant support of NGOs or public sector systems and processes, within the current reporting system.

10.11 The SMS places a significant emphasis on the principles of collaboration and engagement at landscape scale with an expectation that funded projects demonstrate meaningful collaboration and commitment from a wide range of organisations and individuals. Most of the funded projects that formed part of the fieldwork reported a level of existing collaboration prior to developing their applications. Whilst the SMS has strengthened these partnerships and broadened their impact, there is less evidence available to date that it has stimulated new, sustainable collaborations.

10.12 Whilst projects found NRW input and involvement helpful, there does not appear to be a consistent level of engagement with projects across Wales. Similarly, it appears that there are additional opportunities for greater cohesion between the SMS and NRW at a more strategic level with a real

opportunity to link SMS projects more closely with the emerging priorities of the now published Area Statements.

10.13   The evaluation identified some collaboration between SMS projects which had enabled learning about good practice and helped avoid duplication of effort. Projects were generally keen to see more opportunities to collaborate with other SMS funded projects and there is a sense of a missed opportunity here, where the programme could have done more to directly facilitate such opportunities for sharing experiences and learning. Again, this suggests a lack of capacity within the WG staff structure to fully support projects as they would have wished.

10.14   The key emerging lesson is that successful collaborative land management takes time - to develop trust between partners and to build up ideas. A transparent approach is required with regular communication. In this respect, and particularly for landowner-led partnerships, the evidence suggests that a significant development phase is important for the design of a funding scheme such as the SMS. A 'hand-holding', mentor role for the early days of the delivery phase might be useful, possibly extending the facilitator's role.

10.15   It is encouraging to see that some SMS projects are already contributing towards an understanding of how to develop PES approaches within environmental management. Indeed, several projects were also looking to Glastir funding or PES contracts as part of their sustainability plans. There is also a real opportunity for the lessons generated from the SMS to be taken on board by policymakers as future funding approaches for farming are developed.

Outcomes of the scheme and contribution to cross-cutting themes

10.16   Whilst early indications suggest that the SMS is delivering against its aims and objectives and projects are generally achieving their targets and outputs, future update evaluation reports will need to consider and analyse data to assess this more robustly. The strength of the SMS' approach is its flexibility, and although each project is required to meet set criteria, to a large extent they have been able to define and set their own targets. It is

important that SMS projects themselves fully understand the requirements to undertake their own project level monitoring and evaluation, and use this opportunity to highlight the achievement (or over-achievement) of targets and any evidence of impacts and benefits at this stage. The programme level evaluation acknowledges the difficulties in trying to aggregate and report on key programme level outputs and achievements but subsequent reports will aim to do this as much as possible. This work will be aided by current efforts by the Welsh Government to develop common aggregated indicators for the programme. This is crucial in order to ensure the programme can capture, demonstrate and communicate more widely the outcomes it has achieved.

10.17   It is also the case that the very nature of the SMS means that only direct and immediate outputs can be reported upon at this stage (e.g., number of trees planted, or hectares restored) rather than the wider, longer-term ecosystem benefits and socio-economic outcomes that can take several years to fully materialise. Future evaluation update reports will need to remain mindful of this and consider what the implications might be for project level evaluations so that as many of these wider outcomes are captured and reported upon.

10.18   This quandary also suggests that the design of a scheme such as the SMS may benefit from considering a much longer delivery period of at least five years to enable its desired outcomes to be fully realised and the evidence of its impact to fully emerge.

10.19   It is promising to see such a strong contribution by SMS projects to the cross-cutting themes, the RDP cross-cutting objectives and, to the aims of the Welsh Government's Welsh language strategy.

10.20   Even at this early stage, the evaluation has generated evidence that should be utilised to inform the way in which future funding programmes facilitate the co-design of sustainable land management approaches and align more closely with regional priorities and needs.

10.21   We offer a series of recommendations below for Welsh Government to consider. Some of the recommendations can be implemented during the

remaining delivery period for the SMS programme. Other recommendations reflect on some of the key lessons from the SMS, particularly in terms of its design, and early roll-out, which might help inform any future funding approaches:

- **Recommendation 1:** Key lessons in terms of policy design for landscape scale collaborative projects should be taken on board in any future funding mechanisms. The findings and early results of this evaluation report should be shared with Welsh Government policy officials who are currently drawing up the structure for the future funding of farming in Wales.

- **Recommendation 2:** The Welsh Government should continue to ensure that future funding mechanisms for agri-environment schemes build on the innovative and flexible collaborative approach of the SMS but consider adopting a 5+ year delivery timescale for such grant schemes in future.

- **Recommendation 3:** Several key learning points have emerged from the SMS' EoI and application process that need to be considered when developing an application process for any future funding scheme, including:

  - a need for a shorter EoI process (no more than 15 pages long)
  - a six-to-12-month development phase prior to a full three-year delivery phase
  - an assessment process that assesses the whole application rather than individual sections
  - greater involvement of NRW in the assessment process, to ensure alignment with regional priorities
  - dates for funding windows to be outlined from the outset and adhered to
  - swift turnaround from successful application to awarding of funding

- **Recommendation 4:** The facilitation support role should be provided from the outset of a funding scheme in future and its remit extended to help projects bridge the gap and make the transition from application to delivery phase. Facilitators could undertake a quasi-project management role within collaborative projects that are not led by a public authority or NGO until the project management team are appointed.

- **Recommendation 5:** Regional peer-to-peer networking between SMS projects to share learning and experiences needs to be facilitated and encouraged by Welsh Government. These sessions should be regular sessions (at least quarterly in each region), held on-site where possible, and include both Welsh Government and NRW input.

- **Recommendation 6:** Opportunities for greater engagement between the SMS and NRW should also be fully explored. A policy seminar for NRW staff to disseminate the early lessons from the SMS would enable a greater understanding of the scheme. Welsh Government should also consider ways of encouraging a more consistent level of engagement of NRW with all SMS projects across Wales.

- **Recommendation 7**: Capacity within Welsh Government should be increased so that the sufficient staff time and resources are made available to deliver the support required for such a range of complex and varied SMS funded projects for the remaining period.

- **Recommendation 8:** The current claims procedure needs to be reviewed and adapted immediately so that it can be more responsive to the needs of the SMS. Training should be arranged to ensure all Welsh Government staff involved with claims understand the nature of landscape scale grant schemes and the implications of delays on delivery. Consideration should be given to establishing a dedicated team within RPW, to allow more streamlined assessment and

approval processes, and a dedicated individual allocated to each SMS project to respond promptly to queries.

Annex A: Brief descriptions of the 18 interviewed projects

WINDOW 1 FUNDED PROJECTS

Managing Resources Sustainably in the Black Mountains

Lead organisation: Brecon Beacons National Park Authority

Grant Award: £1,004,155

Location: Black Mountains, Brecon Beacons National Park

A collaborative project from the Black Mountains Land Use Partnership, engaging local landowners, graziers and regulatory bodies. The project aims to bring about positive social, economic and environmental change through sustainable land management across the Black Mountains Landscape. Project activities will include bracken management, heather regeneration and the protection of peat resources. Planned improvements to livestock access will help with stock management and provide a better visitor experience to the area.

The focus will be on peatland and bracken management in tandem with improving the visitor experience in the area and engaging local communities who will be involved through developing a rural skills programme, engagement with schools and the creation of employment opportunities.

The partnership aims to improve the resilience of ecosystems in the project area, alongside sustainably managing for grazing livestock, to look at the protection of natural capital such as water and soil, wildlife and biodiversity, and the wellbeing and economic health of those who live and work in this iconic area. Phil Stocker, BMLUP Chair, "Achieving a balance that meets the needs of graziers, tourism providers and landowners, while at the same time protecting the landscape for future generations can only be done through collaboration.

Collaborative Sustainable Natural Flood Risk Management on the River Clwyd

Lead organisation: Cadwyn Clwyd Cyfyngedig

SMS Award: £ 330,000 Location: River Clwyd, Pwllglas, south of Ruthin to Bod Petryal, outskirts of Clocaenog forest

A landscape scale project to reduce peak flows into the river Clwyd and improve biodiversity through natural land based interventions and understanding their wider benefits if applied across the larger catchment. The longer term aim is to better understand the opportunity for collaboration between farmers, landowners and the public in habitat creation, reducing flood flows and improving water to benefit the local area. The project will be aim to help deliver longer term solutions to the flooding issues effecting people and businesses in the area.

The collaborative group of farmers in the area are planting and restoring hedges, creating small woodlands and building leaky dams on hillside streams to hold back floodwater surges in the upper reaches of the rivers Clwyd and Elwy rivers.

Capital works have been carried out with over 3.5 kilometres of hedgerows planted, and 1,400 trees planted in the strategic small woodland areas with individual trees

planted at intervals within the new hedgerows. Much of the planting being done by local volunteers as part of the community engagement work.

The Project focuses on actions, which stimulate grass-root participation, partnership working and innovation, supporting rural communities and sector groups. Working directly with local communities to assist in the development and implementation of projects, which benefit the area's local economy.

Realising the Natural Capital of Welsh Peatlands

Lead organisation: Snowdonia National Park Authority

Grant Award: £ 924,956

Location: Pan Wales

A project, taking collaborative action with stakeholders, including communities, to transform and improve peatlands across Wales. Improvements include ecological stability and long-term sustainable management of peatlands. It is hoped to deliver the project on spatial (e.g. catchments) and sectoral (e.g. protected sites) scales, as well as developing the expertise and capacity of partners to deliver peatland restoration.

This project will help deliver the 2020 target to bring peatlands into sustainable management. Coordinated action will deliver multiple environmental benefits through collaboration with existing mechanisms together with capital works covering the current 'difficult to do' sectors of peatland restoration, leading to longer term sustainable management supported through Payment for Ecosystem Services (PES). Other critical activities will lead to more coordinated and coherent approaches covering external funding, training, education, PES procurement, monitoring and research activities relevant to Welsh peatlands.

On behalf of the Welsh Peatland Action Group, the project is led by Snowdonia National Park Authority, in partnership with Brecon Beacons National Park Authority, Centre for Ecology and Hydrology, IUCN UK Peatland Programme, Montgomeryshire Wildlife Trust, the National Trust, Natural Resources. Wales, and Swansea University. The crux of this project is to secure sustainable management of our peatland resource across Wales, thereby maintaining or setting habitats on the path to good favourable condition; to identify the benefits of building resilience to these ecosystems and deliver a range of critical ecosystem services.

The project provides a strong opportunity to extend on progress with erosion restoration, focussing on re-vegetation, hydrological manipulation to prevent persistent drainage along erosion features, bracken control and visitor management.

Some 3500 hectares of these peatland habitats are found between the Carneddau peaks in the north of Snowdonia, with large blanket bogs on the slopes of Llwytmor and Foel-Grach. Historically, these peatlands have been heavily grazed which, when combined with the natural drainage off the mountains, has led to significant erosion and loss of carbon. Large peat 'haggs' – bare, cliff like formations that expose the underlying peat soil – have formed on the blanket bogs, draining the peat and triggering a huge release of greenhouse gases.

Nowadays, the mountain landscapes of the Carneddau are grazed at much lower levels, with protections in place for delicate montane habitats and, of course, the iconic Carneddau ponies.

To reverse the effects of erosion work will be undertaken to re-vegetate vulnerable areas, slow the flow of water and restore the peatland. The work will greatly reduce the greenhouse gas losses as well as improving water storage in the surrounding peatland.

Building Resilience In Catchments (BRICs)

Lead organisation: PLANED

Grant Award: £609,549

Location: Pembrokeshire

A project, led by PLANED, delivering landscape scale collaborative action, bringing together partners from across the supply chain including land managers, industry, land managers and communities in three catchment locations to develop climate change mitigation plans, take action to improve soil and water management, and related habitat measures. It is hoped work will be undertaken in three diverse sub-catchments involving approximately 100 farms to deliver actions on climate change mitigation by improving soil and water management and related habitat measures; further benefits include the protection of drinking water intake

Delivering Payments for Ecosystems Services: Pumlumon

Lead organisation: Montgomeryshire Wildlife Trust

Grant Award: £269,319

Location: Cambrian Mountains

A collaborative project bringing together local communities, land managers, statutory agencies, and businesses to reconnect them socially and economically with the natural environment of their area. By building in a process of collaborative learning with other PES projects and organisations around Wales and beyond, it is hoped this project will deliver significant additional value. The step to securing tangible PES agreements is one that many pioneering schemes and projects are yet to make; by pooling knowledge and sharing learning from this project with other PES pioneers, this project can make a real contribution to progress on PES more widely. Building on previous work this project will explore and research new approaches to establishing Payment for Ecosystem Services (PES) agreements as a long-term and self-sustaining support mechanism for the SMNR.

Fferm Ifan Ecosystem Service Improvement Scheme

Lead organisation: Fferm Ifan

Grant Award: £696,352

Location: Upper Conwy catchment

A collaborative farmer led project taking landscape scale action on land management to improve ecosystem resilience and the services they provide. Fferm Ifan is a cooperation of 11 tenant farmers based on the Ysbyty Ifan estate. Fferm Ifan farmers seek to improve and manage natural resources in a more sustainable and efficient way. The project covers approximately 2,456 Ha and includes new targeted land management actions which will also deliver socio-economic benefits to the 11 farms and to the wider rural community Fferm Ifan live within. The farmers have grazing rights to the Migneint, one of the largest areas of blanket bog in Wales, which is designated as a Site of Special Scientific Interest, Special Area of Conservation and Special Protection Area.

As part of the work the Centre for Ecology and Hydrology (CEH) are providing guidance on catchment sensitive planting. They will be planting more farmland trees and hedgerows along streams to help protect riverside habitats, reduce soil erosion and alleviate flood risk downstream. Ditch blocking on the Migneint will continue and help raise the water table, store carbon and will also reduce flood risk in the Conwy Valley.

The farmers are also taking part in grazing trials to encourage more biodiversity and wildlife in the peatland. As part of the grazing trials, cattle have been introduced to the Migneint for the first time in living memory and there are plans in place to restore habitat to encourage more lapwings and curlews to breed successfully in the area.

The group is also working closely with a number of partners including the National Trust, Snowdonia National Park Authority, RSPB, Centre for Ecology and Hydrology, Bangor University and Natural Resources Wales in order to share ideas and learn from the expertise and experience of the partners.

Golygfa Gwydyr: People and Forest

Lead organisation: Golygfa Gwydyr

Grant Award: £232,478

Location: Conwy

Golygfa Gwydyr is a social enterprise based in Llanrwst, North Wales. They are a non-profit, community led organisation. Within the context of local community and place, their aim is to enhance social, environmental and economic resilience and to provide opportunities for personal growth and vibrant community relations.

This project has restored, developed and managed a 3 hectare arboretum and sustainably manage an 11 hectare mono-culture conifer plantation (Caerdroia) plot delivering multiple benefits for the environment and the local community. This project is a community focused project which is hoping to build on the skills, development and capacity building started and achieved under the Welsh Government's Nature Fund. At its heart is the management and usage of land resources to improve biodiversity, create resilience of our ecosystems while improving recreation facilities, access, and build communities with enhanced wellbeing and sense of place.

The need of the project stems from the wide floodplain of the Conwy Valley it mostly accommodates increased flows, but in times of very high rainfall, run-off from the north-east of Gwydyr Forest it can accumulate on the Afon Conwy flood plain between the river and B5106 road contributing to increased instances of flooding in this area of the Conwy Valley.

The project will use innovative solutions to slow down the flow of water from the forest by attenuation by natural flood risk management measures such as woody debris dams. Success will be indicated by reducing the quantity of water reaching the valley floor over a given period of time. The project will aim to use natural forest resources, felled trees and brash, and design and create areas for water retention.

The aim of this SMS project is to increase the biodiversity within the site by managing the woodland with a greater focus on amenity and biodiversity as opposed to the production of timber. This will create a valuable community/tourism facility delivering resources for wellbeing and economic return for the community.

The predicted community, health & wellbeing outcomes of the project are; to increase individual and community participation in projects by addressing barriers to participation, to promote and develop skills within the community, to support social inclusion, to provide opportunities for advancing individual and community wellbeing, to provide opportunities for volunteering and training, to further the principals of Social Forestry in Wales.

Powys Moorland Partnership

Lead organisation: Ireland Moor Conservation Ltd

Grant Award: £600,000

Location: Powys

A large landscape scale project to encourage moorland restoration through bottom-up collaborative action driven by communities living and working on and around the moors. It seeks to realise multiple benefits including public health, skills sharing and education. Key stakeholders including landowners, farmers, and communities have created a vibrant moorland environment to boost biodiversity, delivering economic and social benefits. The project aim was to create an exciting strategic initiative in Powys and realise the full potential of nearly 20,000 acres of moorland stretching from the Llan Valley in the South to Beguildy common in the North. This area is enjoyed by local communities as well as tourists.

The project was built around four main aims; to promote moorland biodiversity, to better manage heather habitats, to balance moorland recreation with natural resources and wildlife and to engage with local communities.

The decline in the moorland biodiversity was due to a combination of factors and through a series of moorland management practices and new conversations with the surrounding community, the aim was to reverse that decline through a collaborative approach.

The project put a management plan in place to restore the health of the landscape. Red grouse are a key indicator species on the heather moorland and are in fact the only wild indigenous bird to live there 12 months of the year. Not only can the condition of the moorland be restored to improve the breeding opportunity for ground nesting birds, brown hares and multiple invertebrates, but it also aimed to deliver ecosystem services including carbon sequestration, water retention and flood risk alleviation.

Typically the vegetation on these moorlands comprises a mosaic of dwarf shrubs such as ling, bilberry, crowberry, and bell heather interspersed with bracken, common sedge and gorse. In the wetter areas cross-leaved heath, purple moor-grass, bog asphodel, cotton grass and the insectivorous sundew can be found with an under storey of mosses, often including carpets of sphagnum species.

Cynllun Dalgylch Yr Afon Eden Catchment Project

Lead organisation: Snowdonia National Park Authority

Grant Award: £815,444

Location: Eden Valley, Gwynedd

A farmer led project centred on the improving ecological quality of the Afon Eden and its tributaries at catchment scale by planting and managing native deciduous trees; further benefits include improved natural habitats, erosion prevention, a reduction of greenhouse gases and less fossil fuel use. It is planned that a group of up to 22 farm businesses, in this area of special conservation will collaborate on the project. The overarching theme of this project is improving the river catchment, particularly about the conservation of the endangered freshwater pearl mussel. This will be achieved by working with farmers and engaging the local community to undertake a range of measures which will improve ecological resilience and provide sustainable land management.

WINDOW 2 FUNDED PROJECTS

Tir a Môr Llŷn – Land and Sea

Lead organisation: Cyngor Gwynedd Council

Grant Award: £700,000

Location: Llŷn Peninsula

This collaborative project led by the Llŷn Landscape Partnership brings together statutory, environmental, economic and social groups. The project is centred on addressing the challenges impactingon the natural resources in the area that communities within the Llŷn Peninsula rely on.

The landscape of the Llyn pennisula is recognised as An Area of Outstanding Natural Beauty (AONB). This designated exceptional landscape with it's distinctive character and natural beauty is of significant importance and is to be safeguarded in

the national interest. Despite this, the coastal belt has become progressively pressured over the decades in the face of several changes, including agricultural improvement, abandonment of grazing on common land, visitor pressure and environmental factors including climate change.

The Tir a Môr Llyn project has counteracted some of these threats and has developed and delivered targeted actions to maintain and expand an extensive continuous strip of diverse habitat around the coastline. This will provide an invaluable resource that will help to safeguard the marine and terrestrial environments as well as developing a significant economic and social resource when aligned with the development of the Wales Coast Path.

The partnership has developed a collaborative and cooperative approach on a local level, allowing all involved to engage, develop and implement practical work plans. Time will be spent on engaging the wider community through holding local events and engaging local schools to raise awareness of the benefits of the work.

The Project will also be exploring the concept of 'payment for outcomes' with the help of three National Trust tenant farmers. The aim is to create a model and encourage the wider community to pilot and run the new approach.

This project trials different interventions such as herbal leys and hay meadows, making the case for undertaking further strategic action to protect, restore and connect this vulnerable habitat in partnership with landowners and graziers in the future.

The Payment for outcomes'model, with the help of three National Trust farms, aim to create a model and encourage further farms to pilot and run the new approach, it is hoped this will result in implementing a whole farm result based agri-environmental scheme that rewards farmers for delivering environmental outcomes and benefits.

Empowering farmers to develop, implement and self-monitor their actions to deliver economic, environmental and social objectives on their farms to sustain their business. Implementing multi-agency delivery models to improve water quality on river catchments that bring wider benefits to the marine and coastal environment.

The project really aims to disseminate lessons learned from the project to a wide variety of stakeholders, using traditional and digital methods.

Uwch Gwyrfai Common Community Links

Lead organisation: Snowdonia National Park Authority

Grant Award: £418,010

Location: Caernarfon, Gwynedd

This project operates in the geographically varied area of the Uwch Gwyrfai Common stretching from an area of 'urban' fringe to the remote summit of Mynydd Mawr. It incorporates a variety of habitats, with large areas of heath along with acid grassland, a lake, flushes, and some mire as well as abandoned slate quarries and

some sites of archaeological interest. This innovative project seeks to transform the Uwch Gwyrfai Common by reconnecting it with local communities. It aims to enable graziers to work better together to graze the Common to both improve biodiversity and benefit the local rural economy. Practical activities will focus on reducing fire risk in the area through scrub removal and management; it will also improve stock management and grazing regimes to help improve habitats, soils, and water quality. The project aims to bring local community groups, school children and community councils together to identify what needs to happen to improve and increase access and recreational use of the common, creating educational opportunities, areas for enjoyment and physical activities and contribute to creating a sense of place. Connecting Communities with Nature:

Biodiversity Means Business

Lead organisation: North Wales Wildlife Trust

Grant Award: £ 388,438

Location: Rural Wards of Holt and Marchwiel

The focus of this project is centred on the large (550ha) rurally located Wrexham Industrial Estate and its surrounding rural communities. Through a collaborative approach involving businesses, landowners, famers and community groups the aim is to improve the resilience of the ecosystems across the landscape while making the area positively attractive to businesses and providing easily accessible areas for people to enjoy a range of leisure activities and engaging with their local environment. The project will prioritise both on the ground improvement activities as well as developing a strategic plan for the landscape to help sustain and deliver improvement and benefits into the future. A focus on green infrastructure including planting wildflowers, restoring public footpaths, planting native trees, encouraging the use of sustainable drainage and demonstrating soft engineering techniques will help with surface water retention and improve wildlife corridors as well as creating a nicer place to work for employees working in the area. Engaging with the surrounding local communities and offering volunteering opportunities to become involved with the project are part of the projects long term approach and way of helping create a sense of ownership of the landscape by those working, living and enjoying the leisure opportunities of the area.

Increasing Resilience in Iconic Welsh Woodlands

Lead organisation: Coed Cymru Cyf

Grant Award: £ 563,400

Location: Several locations across Wales

This project aims to focus on and improve our iconic Welsh woodland habitats and build up resilience to sustain the benefits and business opportunities these woodlands provide to their surrounding communities. As most of these iconic and ancient woodlands are held in private ownership collaboration between landowners, managers and users is key to success. The project will build on the existing engagement and partnership working happening in a number of woodland sites across Wales. This will enable the sharing of ideas and knowledge across these sites to ensure the right actions are taken forward to tackle threats such as invasive species and diseases. The project will also help increase timber production sustainably, explore other income generating opportunities and test options for post Brexit support for woodlands to help move towards self-sustaining models of support.

Our River Well-being: Nature Based Solutions in the Dee Catchment

Lead organisation: North Wales Wildlife Trust

Grant Award: £700,000

Location: River Dee catchment in North Wales

The focus of this project spans the entire Dee catchment in North Wales including several rivers, lakes, and reservoirs. The area encompasses five local authorities, the National Park and includes several designated land areas. Covering both urban and rural communities, the quality of the natural resources in the catchment can impact on many people. There are numerous challenges facing the catchment from flooding, soil erosion and water quality issues through to long term unemployment and social deprivation. Recognising this, the project aims to take actions to improve the natural resources across the catchment and in doing so provide opportunities for people, including long term unemployed and disabled individuals, to learn about and actively take part in land management improvements. The project will develop a 'River Guardian Scheme' to help achieve this. The project has already developed a group of collaborating organisations including Dee Valley AONB, Natural Resources Wales, Wildlife Trusts, the Clwydian range and National Park. The main land management activities will be based around helping to improve the non-native invasive species problem across the whole catchment that is having a huge impact on the quality of the natural resources and the services these provide. Through a comprehensive baseline survey, the project will then be able to focus and prioritise its activities to tackle this challenge.

South East Wales Resilient Uplands

Lead organisation: Torfaen County Borough Council

Grant Award: £399,000

Location: Torfaen, Caerphilly and Blaenau Gwent

The upland landscape across Torfaen, Caerphilly and Blaenau Gwent faces several challenges from landscape crime, loss of habitats and key species to poor infrastructure and fragmented communities. Building on previous wide scale community engagement the project will take forward new collaborative action to improve the uplands, support farm enterprise, improve visitor experiences and create more resilient communities. The project's collaborative approach includes input from the three local authorities, the police, fire and rescue services, commons associations, action groups, farming unions and Brecon Beacons National Park. The initial focus will be on land management to improve soils and water quality, biodiversity, and carbon storage. Strengthening relationships between stakeholders and commoners to support upland communities, building capacity through volunteering, training, and community engagement, increasing farm competitiveness and viability through diversification and the development of innovative business opportunities will also be the project aims. The tackling of the underlying causes of upland degradation caused by poor land management and antisocial problems such as fly-tipping, arson and illegal off-roading and providing opportunities for quiet recreation and enhancing the area's tourism offer will all be explored.

Dunes to Dunes: Sustainable Management of Bridgend Coastal Landscape

Lead organisation: Bridgend County Borough Council

Grant Award: £312,541

Location: Kenfig National Nature Reserve, Bridgend

The focus of this project spreads across and between the dune landscapes of the Kenfig Burrows and Merthyr Mawr Warren dune systems in South Wales. The projects aims to build a lasting collaboration of land and reserve managers, landowners, users and beneficiaries to help achieve the sustainable management of this coastal landscape to improve biodiversity and provide benefits to the local community. Habitat management works will help improve the resilience of the dunes' ecosystem with increased biodiversity, better connectivity and stability being the main focus. The project will improve the look and accessibility of the area for visitors and enhance their experience through better signposting and advertising of walking routes and attractions. The project aims to maximise the health and well-being opportunities of the area through accessible well-maintained walking routes and quality green spaces. The project will also work collaboratively with local businesses such as the Golf club supporting them with their ongoing sustainable performance with the ambition to achieve the GEO Certified Eco label. Work will also include woodland planting and harvesting and exploring the potential to use the wood as a renewable fuel source.

WINDOW 3 FUNDED PROJECTS

Farming the Gwent Levels Sustainably

Lead organisation: RSPB Wales

Grant Award: £ 554,953

Location: South East Wales Wetlands

This collaborative project includes RSPB Wales, Natural Resources Wales and the Gwent Wildlife Trust working closely with farmers and other partners to develop the understanding, knowledge, skills and experience need to deliver the sustainable management of natural resources within the Gwent Levels. Participating farmers and project partners will take action to improve the natural resources in the area, particularly water and soil management. Actions to deliver these outcomes include habitat improvement and creation, offering significant potential to improve soil condition, and establishing habitat strips for pollinators, which will also act as buffers alongside water courses. Taking advantage of the flat geographical nature of its area the project seeks to maximise opportunities for traffic free cycling, as well as existing access and recreation facilities on farms, and creation of new facilities.

Wye Ithon & Severn Ecosystems (WISE)

Lead organisation: Wye and Usk Foundation

Grant Award: £ 530,215

Location: Llandrindod Wells to Knighton

This collaborative project will work with an established catchment partnership, including landowners and local communities to improve the natural resources in four smaller and three larger catchments covering a large landscape travelling down a stretch of the Wye catchment. Action will be taken to improve soil quality in agricultural land, create woodland to maximise the potential for reducing flood risk, habitat improvement for better biodiversity and water quality and improved infrastructure on farmyards to reduce pollution. The project aims to involve the rural communities and agricultural businesses in the area to help them understand and take action to ensure long term improvement of ecosystems and understand the services these ecosystem provide that are vital for helping address the impacts of climate change and flooding, and in turn providing opportunities for improved health and well-being. The project will also explore the potential for private investment to deliver benefits for water quality and carbon storage. Activities undertaken by the project will be supported by a comprehensive monitoring programme during the active project phase and after completion.

Annex B: Theory of Change Discussion Guide

A: Background and introduction

1. What is your current job role?

2. Please describe your role in relation to the SMS and/or policy related to the environment and well-being.

   Prompts:
   - Nature and scope of role, length in post, prior positions/responsibilities
   - How involvement came about; at what stage joined proceedings
   - Role in SMS: scoping/research, design, development, commissioning, funding, establishing implementation systems, managing implementation/roll out
   - Government policy/strategy areas

B: Intention and design for the SMS

3. As you see it, what were the most important drivers to the creation of the SMS?

   - Probe for the key concerns from their perspective.
   - Probe for key policy drivers (e.g. Rural Development Plan; Environment Act & nine principles of SMNR; Natural Resources Policy; Well-being of Future Generations Act).

4. In your view, what are the key strategic objectives for the SMS?

   - What key issues was it designed to tackle?
   - Why did it have this focus?
   - Probe for RDP objectives: fostering competitiveness of agriculture; ensuring sustainable management of natural resources; climate action; achieving balanced development of rural economies and communities (including creating/maintaining employment)

5. How would you describe the type of projects that the scheme hoped to support?

   - What type of activities did you expect them to undertake? (nature and scope of interventions; length of intervention)
   - What type of stakeholders did you expect to be involved?
   - What type of outputs/outcomes were you looking for?

6. In broad terms, what key issues is the SMS designed to tackle?

   - Probe for RDP priorities e.g. innovative farm technology, sustainable management of forests, enhancing agriculture/forestry ecosystems;

promoting resource efficiency; low carbon; climate resilient economy in agri/forestry/food sectors; promoting social inclusion, poverty reduction and economic development in rural areas

7. Was any evidence informative about the approaches which might be effective in achieving the SMS's aims?

- *Prompts:* Sources of evidence (e.g. evaluations of similar interventions)
- Lessons learned (e.g. from previous initiatives)
- the focus on collaborative development and its mandatory nature in SMS
- Potential approaches that were discounted and why

C: Outcomes and impacts

8. When the policy was designed, what did you expect 'success' to look like (i.e. what outcomes would you expect to see being achieved)?

- Prompts:
  - o improvements to natural resources
  - o improved ecological resilience
  - o improved access to the environment / improved community green spaces
  - o skills development/job creation/entrepreneurship/innovation
  - o climate resilience e.g. reduced risk of flooding
  - o improved well-being
  - o better community cohesion

9. What short or medium outcomes would you expect from SMS projects?

10. What longer term outcomes would you expect from SMS projects?

11. Are there particular types of projects where you might expect to see benefit from the SMS?

Prompts:
- e.g. type of lead organisation; type of partner organisations; geographical location/scale
- what benefits or outcomes have come about as a result of collaborative working?

12. What elements of the projects were expected to make the biggest difference in achieving the expected outcomes?

- Probe re: alignment to principles of SMNR; level of funding; management and implementation; length of project delivery period; nature and level of collaboration

13. Are there any conditions or circumstances that are necessary or would be helpful in allowing projects to achieve the intended outcomes?

    Prompts:
    - Which conditions or circumstances?
    - How and why would they impact upon the achievement of outcomes?

14. What externalities could a) have affected and b) will affect the achievement or otherwise of the SMS?

    Prompts:
    - Ask specifically about Brexit and the Covid-19 coronavirus outbreak

15. How can the outcomes be maintained in a sustainable way post-SMS funding?

D: Lessons learned

16. Are there any lessons about the design and development of the SMS that you would highlight?

    Prompts:
    - Is there anything to suggest that assumptions made during the design phase of the SMS were flawed in any way?
    - To what extend do the funded SMS projects reflect what was anticipated?
    - To what extent has the collaborative element been successful/problematic?
    - To what extend do you expect the funded projects to deliver the outcomes expected?

17. Have these emerging lessons affected/altered the delivery and design of the SMS?

18. If you were designing the SMS anew, what would you do differently?

19. How (if at all) will the design and delivery of the SMS be utilised in in the development of future sustainable management schemes post Brexit/CAP?

20. Is there anything else you would like to raise about the service, its design or operation that we did not cover?

Annex C: Key Stakeholders Discussion Guide

A: Background

1. Tell me about:

   - Your role

   - Your organisation

   - Your involvement with the SMS

B: Aims and Objectives of the SMS

2. What do you understand to be the aims and objectives of the SMS?

3. What are the policy drivers for the SMS?

   - Probe for key policy drivers (e.g. Rural Development Plan; Environment Act & nine principles of SMNR; Natural Resources Policy; Well-being of Future Generations Act).

   - What contribution has the SMS made so far to achieve some of the aims of these key policies and strategies?

4. What are the key issues that the SMS is trying to tackle?

   - What difference do you expect the SMS to make in tackling some of the key issues?

5. How appropriate has the SMS scheme design been in your opinion?

   - To what extent has the SMS been aligned to the principles of SMNR[18]?

   - To what extent has the design of the SMS been aligned to the new ways of working in the SMNR?

   - How has the design of the scheme been in exploring the possible nature of collaboration in relation to future funding mechanisms?

6. How effective has Welsh Government been in designing and developing the SMS?

   - What are the strengths of the design of the SMS?

   - What could it be improved?

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[18] Managing adaptively; appropriate spatial scale for action; collaboration and cooperation; public participation in decision-making; taking account of evidence; taking account of benefits/value of natural resources; action to prevent damage to ecosystems; take account of short, medium and long term consequences of actions; take account of resilience of ecosystems.

C: Management and Implementation of the scheme

7. How effectively has the SMS been communicated and promoted in your opinion?

    - What role was played by sector or umbrella organisations?

8. What are your views of the EoI process developed for the SMS?

    - How clear was the guidance?

    - How appropriate was the selection criteria?

    - How has it evolved and why?

    - How effective was the process in ensuring EoIs met SMS' aims and objectives?

    - How could it be improved?

9. What are your views of the application process (post EoI) for the SMS?

    - How appropriate was the communication and instructions/guidance provided to applicants by WG?

    - How appropriate were the processes and structures for approval?

    - How has it evolved over time and why?

    - How effective was the process? (Probe: re timescales for responding, windows for applications)

    - How could it be improved?

10. [WG only] What were the main reasons for projects being successful?

    - What were the key strengths?

11. [WG only] What were the main reasons for projects being unsuccessful?

    - What challenges did they face?

    - Which aspects of the EoIs were weakest?

    - Do you know if any of the unsuccessful applicants have applied or secured funding from elsewhere (If yes, probe for details)

12. [WG only] How useful was the facilitation support service in enabling projects to submit bids?

    - What aspects of the support were most useful to projects?

    - What aspects of the support made the most difference?

    - What were the strengths of the facilitation support service?

    - What were the limitations of the facilitation support service?

    - How, it at all, could the SMS facilitation support service be improved?

13. [WG only] What are your views on the Welsh Government's management of the SMS?

- Probe re: project management; monitoring; financial management processes

- What are the key strengths?

- What benefits are there from the interactions and relationship between projects and the SMS central team?

- How does the SMS team communicate with projects the feeling of being part of a bigger programme (if at all)?

- How does the SMS team help projects increase understanding of WG priorities and understanding of other projects (if at all)?

- What could be improved?

14. [WG only] How robust are the monitoring and reporting processes?

- How are project progress reports verified?

- How effective are the monitoring systems at measuring progress?

- What could be improved for the future?

D: Nature and extent of collaboration

15. What would you identify as good practice in terms of the following aspects across successful funded projects?

- Governance arrangements

- Management

- Partnership approach

16. What is the extent and nature of the collaboration within projects in your opinion?

- How involved are the partners?

- What is working well?

- What added value is being secured from this collaboration?

- What are the challenges?

17. How sustainable are the collaborative arrangements for the future (post SMS funding) in your opinion?

- Why do you say that?

- Are you aware of any examples of ongoing collaboration already in place or being discussed? (If yes, prompt for further details)

18. What lessons have been learned from the approach for successful collaborative land management (if any)?

- What good practice have you seen/experienced?

- What are the pitfalls to be aware of?

E: Achievements and Outcomes

19. What have been the key achievements of the SMS to date?

- How is progress against the workplan and projected spend?

- What has been working well?

- What have been the challenges and barriers?

20. What impact has the programme had to date on:

- Improving natural resources

- Connectivity between ecosystems

- Increase in size/scale of ecosystems

- Health/condition of ecosystems

21. What contribution has the SMS programme made to the local communities in terms of:

- social benefits?

- economic benefits?

22. What is the extent and nature of any collaboration <u>between</u> SMS projects?

- Probe for examples

- What are the benefits or added value from these collaborations?

23. How does the SMS programme link with other RDP schemes or other grant-funded projects?

- Probe re: which other schemes and projects

- What is the added value (if any) of these linkages?

24. What external factors or pressures could affect the achievement or otherwise of the SMS/your project?

- Ask specifically about Brexit and the Covid-19 coronavirus outbreak

25. How sustainable will it be to maintain these outcomes and impacts post SMS funding?

- What have we learned from the SMS that can be taken and added into any future collaborative funding mechanism and the Sustainable Funding scheme (CAP replacement)?

F: Cross Cutting Themes

26. How is the SMS scheme contributing to the Welsh Government's cross cutting themes (CCTs) of:

    - Equality of Opportunity
    - Sustainable Development
    - Tackling Poverty and Social Exclusion?

27. How is the SMS scheme addressing the specific cross cutting objectives of the Rural Development Plan namely:

    - Innovation
    - Environment
    - Climate change adaptation and mitigation?

28. How is the SMS scheme contributing to the Welsh Government's Welsh language strategy, Cymraeg 2050?

G: Lessons Learned

29. If you were designing the SMS anew, what would you do differently?

30. What are the key lessons learned that need to be captured so that the SMS improves for the remaining delivery period?

31. Is there anything else you would like to raise about the service, its design or operation that we did not cover?

Thank and close

Annex D: Project leads and key individuals - Discussion Guide

A: Background

1. Tell me about:

   - Your role

   - Your organisation

   - Your involvement with the SMS

2. Tell me about:

   - Your group

   - You partner organisations / who is involved

   - How you came to work together

B: Aims and Objectives of the SMS funded project

3. What is your project aiming to achieve (i.e. what are your aims and objectives)?

4. What are the key issues that your project is trying to address?

   - What difference do you expect your project to make in tackling some of the key issues?

5. How well does your project fit with the aims and objectives of the SMS in your opinion?

   - To what extent has the SMS been aligned to the principles of SMNR[19]?

   - What are the key strengths of your project's approach?

   - What could be improved?

C: Management and Implementation of the scheme

6. How did you hear about the SMS?

   - How effectively was it promoted to potential applicants like yourselves?

   - What role was played by sector or umbrella organisations (if any) in raising your awareness of the scheme?

   - During which window did you apply?

7. How was your group/partnership established?

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[19] Managing adaptively; appropriate spatial scale for action; collaboration and cooperation; public participation in decision-making; taking account of evidence; taking account of benefits/value of natural resources; action to prevent damage to ecosystems; take account of short, medium and long term consequences of actions; take account of resilience of ecosystems.

- What role was played by sector or umbrella organisation (if any) in supporting this?

- What role did the facilitation support service (if any) play in supporting this?

- How familiar are the partners in working together?

- What previous experience of working in partnership do you have (if any)?

8. What are your views of the EoI process developed for the SMS?

- How clear was the guidance?

- How appropriate was the selection criteria?

- How effective was the process in ensuring EoIs met SMS' aims and objectives?

- How could it be improved?

9. What are your views of the application process developed for the SMS?

- How appropriate was the communication and instructions/guidance provided to applicants by WG?

- How appropriate were the processes and structures for approval?

- How has it evolved over time and why?

- How effective was the process? (Probe: re timescales for responding, windows for applications)

- How could it be improved?

10. Why do you think your project was successful?

- What were the key strengths?

11. [If relevant][20] How useful was the facilitation support service in enabling your group to submit a bid?

- What aspects of the support were most useful to projects?

- What aspects of the support made the most difference?

- What were they strengths of the facilitation support service?

- What were the limitations of the facilitation support service?

- How, it at all, could the SMS facilitation support service be improved?

12. What are your views on the Welsh Government's management of the SMS?

- What on-going communication and interaction does your project have with the SMS team?

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[20] Note that those projects funded in Window 1, 2 and 3 would not have received the facilitation support service therefore these questions will not be relevant.

- How effective is the day to day project management of the SMS at WG?

- How effective have the financial management processes been undertaken?

- What are the key strengths of the relationship between WG and you as a project?

- What benefits are there from the interactions and relationship between your project and the SMS central team?

13. How clear are the monitoring and reporting processes required by Welsh Government?

- How effective are the monitoring systems at measuring progress?

- What could be improved for the future?

14. What communication and interactions are there between your project and other projects funded by SMS?

- How does the SMS team communicate with you about being part of a bigger programme (if at all)?

- How does the SMS team help you increase understanding of WG priorities and understanding of other projects (if at all)?

- What could be improved?

D: Nature and extent of collaboration

15. What governance and management arrangements are in place for your project?

- How well or otherwise do these work?

16. What is the extent and nature of the collaboration within your project?

- How involved are the partners?

- What is working well/what are the benefits?

- What added value is being secured from this collaboration?

- What are the challenges?

17. How effective is your project's delivery model in your opinion?

- Have there been any significant changes or adjustments to what was originally proposed?

- How does the collaborative approach contribute or added value to the project's aims and objectives (if at all?)

18. How sustainable are the collaborative arrangements for the future of your project (post SMS funding) in your opinion?

- Why do you say that?

- How likely is the collaboration to continue?

- Is this being discussed or agreed at the moment? (If yes, prompt for further details)

19. What lessons have been learned from the approach for successful collaborative land management (if any)?

- What good practice have you seen/experienced?

- What are the pitfalls to be aware of?

E: Achievements and Outcomes

20. What has your project achieved to date?

- How is progress against the workplan, targets and projected spend?

- What has been working well?

- What have been the challenges and barriers?

21. What impact has your project had to date on:

- Improving natural resources

- Connectivity between ecosystems

- Increase in size/scale of ecosystems

- Health/condition of ecosystems

- [also probe re: any specific targets that projects have agreed with WG – identified in progress reports]

22. What contribution has your project made to the local community in terms of:

- social benefits?

- economic benefits?

23. Has your project collaborated with any other SMS funded projects?

- If yes, which ones?

- what is the extent and nature of the collaboration?

- What benefits or added value (if any) has this collaboration achieved?

24. Has your project linked with any other RDP schemes or other grant-funded projects?

- Probe re: which other schemes and projects

- What is the added value (if any) of these linkages?

25. What external factors or pressures could affect the achievement or otherwise of your project?

- Ask specifically about Brexit and the Covid-19 coronavirus outbreak

26. How likely would these outcomes have been achieved without SMS funding? Why do you say that?

27. How likely is it that your project will be able to sustain these outcomes and impacts post SMS funding?

- What have we learned from the SMS that can be taken, and added into any future, collaborative funding mechanisms and the Sustainable Funding scheme (CAP replacement)?

F. Cross Cutting Themes

28. How is your project contributing to the Welsh Government's cross cutting themes (CCTs) of:

- Equality of Opportunity

- Sustainable Development

- Tackling Poverty and Social Exclusion?

29. How is your project addressing the specific cross cutting objectives of the Rural Development Plan namely:

- Innovation

- Environment

- Climate change adaptation and mitigation?

30. How is your project contributing to the Welsh Government's Welsh language strategy, Cymraeg 2050?

G. Lessons Learned

31. If you were designing the SMS anew, what would you do differently?

32. What are the key lessons learned that need to be captured so that the SMS improves for the remaining delivery period?

33. Is there anything else you would like to raise about the service, its design or operation that we did not cover?

Thank and close