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Evaluation of the Co-operation and Supply Chain Development Scheme

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Evaluation of the Co-operation and Supply Chain Development Scheme

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Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government

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Glossary

Abbreviation/Acronym	Definition
AMR	Antimicrobial Resistance
CAP	Common Agricultural Policy
CRM	Customer Relationship Management
CSCDS	Co-operation and Supply Chain Development Scheme
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
EIP	European Innovation Partnership
ENRAW	Enabling Natural Resources and Well-being Scheme
Eoi	Expression of Interest
EU	European Union
ERDF	European Regional Development Fund
ERAMMP	Environment and Rural Affairs Monitoring and Modelling Programme
ESF	European Social Fund
GDP	Gross Domestic Product
LAG	LEADER Local Action Group
OPM	Oxford Policy Management
PIMMS	Project Information Monitoring and Management System
RDP	Rural Development Programme
RPW	Rural Payments Wales
SME	Small or Medium-sized Enterprise
SMU	Scheme Management Unit
SoNaRR	State of Natural Resources Report
ToC	Theory of Change
VfM	Value for Money
WRN	Wales Rural Network

1. Introduction/Background

The Co-operation and Supply Chain Development Scheme

- 1.1 Delivered as part of the Rural Development Programme (RDP) 2014–2020, the Co-operation and Supply Chain Development Scheme (CSCDS) sits under Measure 16 of the RDP 2014–2020 — Co-operation (Article 35 of Council Regulation (EU) 1305/2013)¹.
- 1.2 The scheme was designed to support the objectives of the RDP 2014–2020 across all six priority areas with a focus on building capacity, stimulating community, social, environmental and economic well-being for future generations, innovation, and collaboration. It is delivered through a series of sub-measures, each focusing on a particular type of co-operation. The CSCDS provides capital and revenue support from project setup through to delivery, dissemination and evaluation.

The evaluation

- 1.3 The evaluation covered three sub-measures under Measure 16 that were delivered through the CSCDS², namely:
- 16.2 – Support for pilot projects and for the development of new products, practices, processes and technologies
 - 16.4 – Support for horizontal and vertical co-operation among supply chain actors for the establishment and development of short supply chains and local markets and for promotion activities in a local context relating to the development of short supply chains and local markets
 - 16.8 – Co-operative Forest Planning Scheme.
- 1.4 The aim of the evaluation was to provide an independent assessment of the scheme implementation and impact to help inform decisions supporting similar types of domestic schemes in Wales after the RDP 2014–2020 comes to an end.
- 1.5 The key objectives of the evaluation set by the Welsh Government were:

¹ It should be noted that whilst the programme period runs until the end of 2020, spending can be incurred until the end of 2023 as a result of what is known as the N+3 rule, which applies to European-funded programmes.

² Windows 8 and 9 of the CSCDS, which directly funded 22 projects under the RDP Enabling Natural Resources and Well-being Scheme (ENRAW), were covered in a separate evaluation and are not subject to this research.

- to examine the effectiveness of the application (including expression of interest (EoI)), decision and appraisal processes
- to assess the level of engagement with scheme beneficiaries (e.g. businesses/organisations in receipt of grant funding as well as key stakeholders), establishing a beneficiary profile and routes into the scheme
- to assess the strategic fit of the portfolio of funded projects with the overall scheme objectives
- to examine the effectiveness of scheme management, including the claims process, monitoring systems, communications, and the availability of support post-award
- to assess the progress of the CSCDS in meeting targets set for the scheme
- to assess and evaluate the overall impact of the scheme
- to examine and to provide where feasible an economic assessment of the value for money (VfM) of the scheme
- to assess the alignment of projects against the RDP 2014–2020 and Welsh Government and EU (European Union) strategic policy objectives
- to provide recommendations and lessons learnt which will help to form the evidence that will feed into decisions relating to future investment in similar schemes.

Report structure

1.6 The report provides:

- a brief introduction to the CSCDS in Section 2
- an overview of the methodology in Section 3
- an analysis of CSCDS performance in Section 4
- a discussion of the processes adopted in administering the scheme in Section 5
- a VfM assessment by way of conclusion in Section 6
- key lessons learnt and a number of recommendations in Section 7.

1.7 A separate Technical Report has been produced which includes the annexes to this main report, including:

- a list of projects awarded
- the evaluation framework developed for this report
- the research tools
- project case studies.

1.8 Where there is reference in this report to information in an annexe, it can be found in the Technical Report.

2. The Co-operation and Supply Chain Development Scheme

Purpose of the scheme

- 2.1 Introduced under Article 35 of the European Agricultural Fund for Rural Development (EAFRD) European Union Regulation³, the Co-operation measure (Measure 16) sought to build on and extend provisions designed to promote and support co-operation during the previous 2007–2013 programming period.
- 2.2 The ‘vision’ for the scheme, as set out in the programme guidelines⁴, was that ‘Businesses, Organisations and Communities should be working together to increase their resilience by tackling issues such as:
- rural poverty
 - financial sustainability
 - climate change and the environment
 - in-work poverty and social exclusion.’
- 2.3 The guidance sets out a focus on:
- building capacity
 - acting as a catalyst for further intervention
 - developing shared visions
 - building on the LEADER principles of innovation and pilot action
 - stimulating community social, environmental and economic well-being for future generations
 - developing a collaborative approach to promote both vertical and horizontal integration in the wider rural economy.
- 2.4 The CSCDS was designed to be broad and work towards all six priorities of the RDP for Wales. The specific examples of activities that the scheme would support provided in the guidelines provide an indication of the broad range of activities eligible for support as part of the scheme:
- supporting co-operative work on new products, new processes or new practices, including those that require technological changes

³ Regulation (EU) No. 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the EAFRD) and repealing Council Regulation (EC) No. 1698/2005 (2013) Official Journal L 347, Available at: [Regulation \(EU\) No. 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development \(EAFRD\) and repealing Council Regulation \(EC\) No. 1698/2005](#) (Accessed: 15/05/2023).

⁴ [Co-operation and Supply Chain Development scheme: guidance | GOV.WALES](#)

- helping small operators in rural areas to find economies of scale together which they lack when acting alone, by supporting the burden of co-operative work on organising joint work processes, sharing facilities and resources
- increasing the profitability and resilience of the individual Small or Medium-sized Enterprise (SME) businesses engaged in the actions through horizontal and vertical co-operation among supply chain actors, for the establishment and development of short supply chains and local markets
- managing soils to help conserve carbon stocks and reduce erosion
- improving water quality, reducing surface run-off, and managing water to help reduce flood risk
- conserving and enhancing wildlife and biodiversity
- managing and protecting landscapes and the historic landscape
- supporting joint approaches to mitigating or adapting to climate change
- supporting joint approaches to environmental projects and ongoing environmental practices
- providing biomass for use in food and energy production and in industrial processes — this stops short of supporting production
- supporting feasibility studies on community-based renewable energy projects
- supporting co-operation actions of a primarily social nature that use farming to deliver various benefits to society through joint action, and thus also to offer new income opportunities to farm households.

2.5 The CSCDS is described as having been designed to ‘make things happen’, with support available for the full scope of a project, from the initial stages through delivery and into dissemination and evaluation, and having supported the development of new networks and clusters engaged in delivering specific projects.

2.6 The scheme was delivered through a series of sub-measures as follows, although only measures 16.2, 16.4 and 16.8 are covered by this evaluation:

- 16.1 – support for the establishment and operation of operational groups of the European Innovation Partnership (EIP) for agricultural productivity and sustainability
- 16.2 – support for pilot projects and for the development of new products, practices, processes and technologies
- 16.3 – co-operation among small operators in organising joint work processes and sharing facilities and resources, and for developing and marketing tourism

- 16.4 – support for horizontal and vertical co-operation among supply chain actors for the establishment and development of short supply chains and local markets and for promotion activities in a local context relating to the development of short supply chains and local markets
- 16.5 – support for joint action undertaken with a view to mitigating or adapting to climate change and for joint approaches to environmental projects and ongoing environmental practices
- 16.6 – support for co-operation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes
- 16.7 – support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture, and education about the environment and food
- 16.8, the Co-operative Forest Planning Scheme, was designed to support joined-up, collaborative action at the right scale, to maximise opportunities to improve the services that Wales’ natural resources provide. Complementing Glastir⁵, it was intended to support projects that encourage planning at a significant and strategic scale for woodland creation, and/or contribute to the delivery of the objectives of the Environment and Rural Affairs Monitoring and Modelling Programme (ERAMMP).

Eligible activities

2.7 The following activities were eligible under the scheme:

- Pilot projects – should be understood as referring to a “test project”. A pilot project can, of course, form part of a larger process of “development”. Note that the pilot projects are not limited to any particular sector; therefore, “experimental” projects operating outside of the agri-food and forestry sectors but matching the priorities of rural development policy could be considered for

⁵ A whole farm sustainable land management scheme available to farmers and land managers across Wales, including a specific Woodlands Element that is designed to support land managers who wish to create new woodland and/or manage existing woodlands to provide beneficial outcomes for a range of woodland types, species, soils and water.

support. For a pilot project that is not being carried out on a co-operative basis, then the applicant must agree to dissemination of the results of the funded pilot.

- The development of new products, practices, processes and technologies in the agriculture, food and forestry sectors.
- Animation – revenue costs for people (animateurs) who would broker and facilitate co-operation activities amongst businesses and/or organisations, including associated costs such as travel and subsistence.
- Facilitation and implementation – revenue costs for people, including associated costs such as travel and subsistence, which will directly manage and deliver activities and/or will provide support to businesses and/or organisations and support co-operation activities. This can include the costs incurred by the business or organisation that is acting as the innovation broker for the establishment and subsequent delivery of the co-operation activities.
- Mentoring – revenue costs for people who can provide particular kinds of support to organisations and groups to help them to develop their own skills and expertise within the context of co-operation activities. This is a different approach to training.
- Training – revenue costs to support co-operation partners to undertake training that cannot be provided through any other route. This may be in a formal classroom or lecture room type of setting but not necessarily so. The subject matter to be covered and the intended outcome would have been determined by a skill assessment and a review of already available provisions before the training would be eligible.
- Communication and dissemination – revenue costs to support the communication of the proposed co-operation activities; dissemination of information amongst the external stakeholder communities; ongoing communication within and between co-operation partners; and final dissemination of the outcomes of the co-operation.
- Evaluation – a key outcome of the co-operation and/or pilot activities is to learn lessons and record experiences of the participants who have been engaged in order to help shape future programmes and projects. Therefore, the cost of

having an independent, external evaluation of the pilot and/or co-operation activities is eligible.

2.8 The tables below provide specific details of the measures included within this evaluation.

Table 2.1: Key details of sub-measure 16.2

Aspect	Detail
Target group	Sub-measure 16.2 was open to a wide range of organisations, including small and medium-sized enterprises (SME; for some types of projects, at least one SME had to be part of the project), sole traders, partnerships, limited companies, public sector bodies, forest holders (including associations of owners and community woodlands), educational or research establishments, and community or voluntary sector organisations (must be a legal entity).
Eligible activities	Eligible activities included the core building blocks of actual pilot projects or the development of new products, practices, processes and technologies, as well as associated research and demonstration activities; facilitation & implementation, mentoring, training, and dissemination activities were also eligible for funding, as was an independent, external evaluation.
Financial support	Financial support was available for running costs (e.g. salaries), mapping and gap analysis, specific operations, and promotional activities. A number of capital investments were not eligible under this sub-measure.

Source: Welsh Government (2020), Co-operation and Supply Chain Development Scheme Guidance Notes

Table 2.2: Key details of sub-measure 16.4

Aspect	Detail
Target group	Sub-measure 16.4 was open to sole traders, partnerships, limited companies, public bodies, educational or research establishments, community groups, social enterprises, producer organisations, producer groups, and co-operatives where they are involved in the supply chains of the agriculture, forestry, food and hospitality sectors (except for fisheries or aquaculture products) or more generally contributing to the objectives and priorities of rural development policy. At least one SME had to be involved in co-operations seeking CSCDS funding.
Eligible activities	Horizontal and vertical co-operation among businesses and/or organisations in the supply chains of the agriculture, forestry, food and hospitality sectors (except for fisheries or aquaculture products) for the establishment and development of short supply chains and local markets was at the heart of sub-measure 16.4. As for sub-measure 16.2, facilitation and implementation, mentoring, training and dissemination activities were also eligible for funding, as was an independent, external evaluation.
Financial support	Financial support was available for running costs (e.g. salaries), supply chain mapping and gap analysis, specific operations, and promotional activities. As for 16.2, a number of capital investments were not eligible under this sub-measure.

Source: Welsh Government (2020), Co-operation and Supply Chain Development Scheme Guidance Notes

Table 2.3: Key details of sub-measure 16.8

Aspect	Detail
Target group	Sub-measure 16.8 was open to a wide group of organisations engaged in agriculture, forestry or other land management, including SMEs and large businesses, educational or research establishments, farmers, foresters, public landowners (e.g. local authorities, National Parks, utilities), investment companies, community or voluntary groups (inclusive of all non-governmental organisations) and associations of owners and community woodlands, and trusts.
Eligible activities	Eligible activities were notably the development and co-ordination of collaborative groups and the management of projects to take forward activities for the sustainable management or creation of woodland as part of the wider sustainable management of natural resources, the improvement of ecosystem services, and the mitigation of and adaptation to climate change, but also wider collaborative actions, communication and dissemination, research, technical advice and feasibility studies, as well as monitoring and evaluation activities.
Financial support	Financial support could cover revenue costs for the setting-up and running of a collaborative group, the communication of proposed collaborative activities, and the running costs of a project as well as promotional activities. Again, a number of capital investments were not eligible under this sub-measure.

Source: Welsh Government (2018), Co-operation and Supply Chain Development Scheme, Measure 16.8, Co-operative Forest Planning Scheme, Guidance Notes

Implementation

- 2.9 The project period under all sub-measures was limited to a maximum of three years for investment projects and seven years for a co-operation activity project.
- 2.10 Responding to periodically opened application windows with indicative overall budget allocations and a specific thematic focus, all CSCDS applications underwent a competitive two-stage application process. An initial EoI providing an outline of project activities and objectives would allow an initial eligibility assessment with input from Welsh Government policy teams. Only once this assessment had been completed would applicants be invited to submit a full project application for the second stage.
- 2.11 The first EoI window was open from August to October 2015. There were then a series of windows (as noted below) until the scheme was closed as the new scheme ‘Enabling Natural Resources and Well-Being Grant in Wales’ (ENRaW) was introduced. No further rounds were anticipated at that time (source: PMC update, September 2018). The scheme was, however, then reintroduced and the Welsh Government held a series of EoI windows relating to the COVID-19 response and recovery:
- Window 1: Co-operation (M16.2 & 16.4), closed October 2015

- Window 2: Co-operation (M16.2 & 16.4), closed May 2016
- Window 3: Co-operation (M16.2), closed December 2019
- Window 4: Co-operation (M16.2), closed April 2017
- Window 5: Co-operative Forest Planning Scheme (M16.8), closed April 2017
- Window 6: Co-operation (M16.2), closed December 2017
- Window 7: Co-operative Forest Planning Scheme (M16.8), closed April 2018
- Window 8: Pilot actions for community cohesion and green recovery support, closed October 2020
- Window 9: OCVO – antimicrobial resistance, closed November 2020
- Window 10: Food tourism, December 2020
- Window 11: Innovative approaches to collaborative growing, closed January 2021
- Window 12: Food Covid Recovery Plan, closed February 2021
- Window 13: Pilot actions for green growth and the circular economy, closed February 2021.

2.12 All Eols received per application window were scored and ranked in order of merit according to the published selection criteria and the available funding allocated on that basis. The Eol assessment criteria used were:

- stakeholder engagement
- barriers to engagement
- additionality and strategic compliance
- communication
- evaluation
- outputs/outcomes
- value for money.

2.13 Project proposals that had passed the Eol stage would then be invited to submit a full application for their proposed project. It is at this stage that full due diligence appraisals and eligibility checks would be undertaken. The intention was to complete the appraisal of full applications within 90 working days of receipt of the full application.

2.14 All successful projects were required to report progress against a number of agreed indicators. The set programme-level indicators were:

- for 16.2: Number of co-operation operations supported
- for 16.4: Number of co-operation operations supported and number of holdings participating in supported schemes
- for 16.8: Number of co-operation operations supported.

2.15 They were combined with case-level indicators, with at least two to be selected for each project (e.g. number of holdings/beneficiaries supported, number of jobs created, number of training days, number of feasibility studies, number of stakeholders engaged, number of information dissemination actions/promotional and/or marketing activities undertaken to raise awareness of the co-operation project and/or its outcomes).

2.16 Projects were required to provide targets for each of the indicators selected, broken down over the duration of the project so that progress could be measured at various points during the lifetime of the project.

3. Methodology

3.1 The evaluation combined an analysis of available monitoring data and evaluation evidence for completed CSCDS projects with primary research to arrive at an assessment of scheme outputs, outcomes and impacts. The research was conducted between September 2022 and April 2023, followed by the analysis and reporting tasks from May 2023 onwards.

Evaluation framework

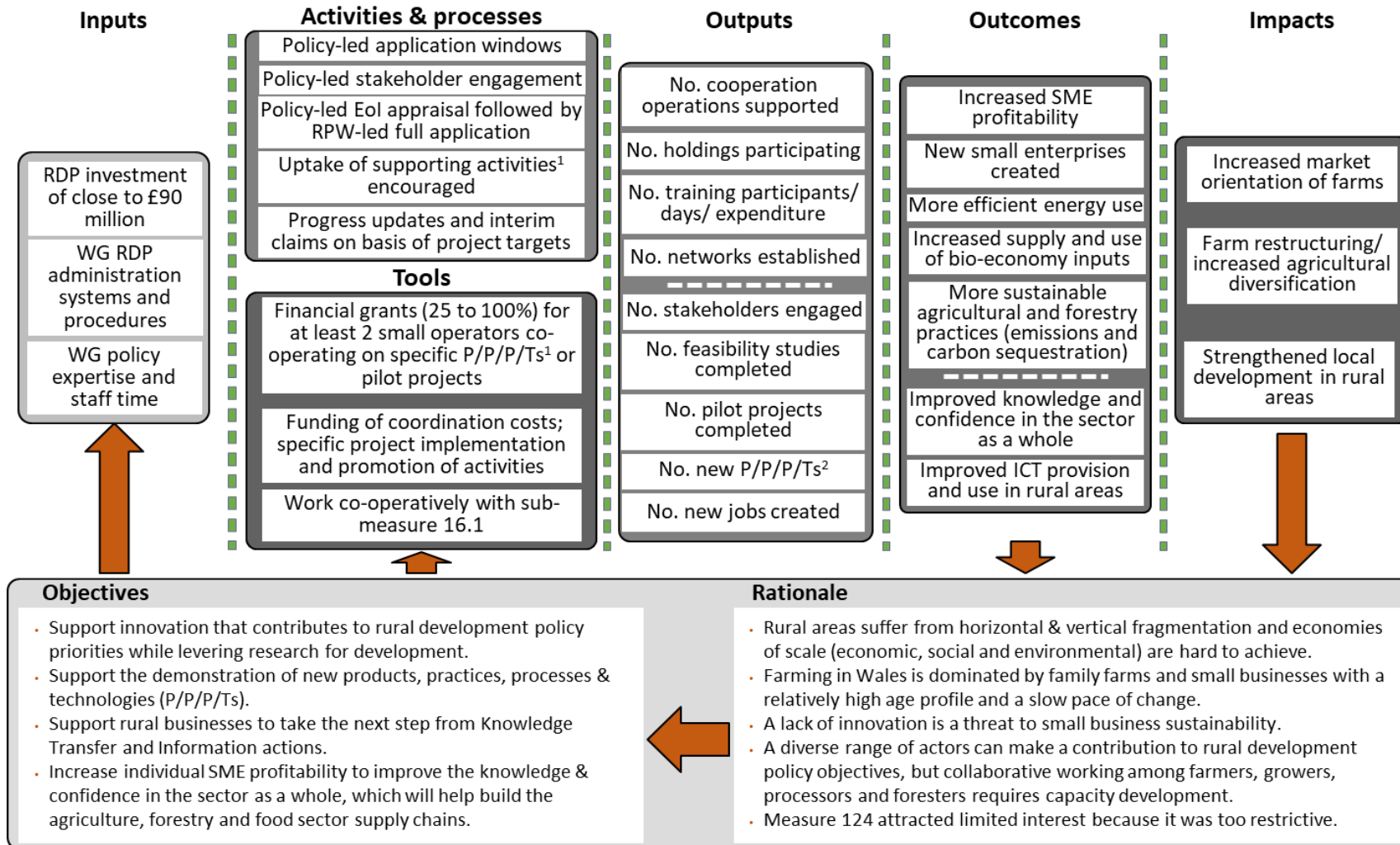
3.2 A documentary review of relevant scheme literature and official documents⁶ allowed the development of a Theory of Change (ToC) for each of the relevant CSCDS sub-measures⁷. These are included in Figures 3.1 to 3.3.

3.3 On this basis, a detailed evaluation framework (which can be found in the Technical Report) was developed, setting out how key evaluation objectives and research questions were applied in the research undertaken. This enabled the development of specific evaluation tools for the meta review of individual CSCDS project evaluations and the subsequent field research.

⁶ European Commission (2014), Guidance document “Co-operation” measure (version: November 2014), Article 35 of Regulation (EU) No. 1305/2013; Welsh Government (2020), Co-operation and Supply Chain Development Scheme guidance; Welsh Government (2018), Measure 16.8 Co-operative Forest Planning Scheme Guidance Notes; Welsh Government (no date), Measure 16 - COOPERATION & SUPPLY CHAIN DEVELOPMENT SCHEME - INDICATOR GUIDANCE, Sub measure 16.2: Support for pilot projects and for the development of new products, practices, processes and technologies; Welsh Government (no date), Measure 16 - COOPERATION & SUPPLY CHAIN DEVELOPMENT SCHEME - INDICATOR GUIDANCE, Sub measure 16.4: Support for horizontal and vertical cooperation among supply chain actors for the establishment and development of short supply chains / local markets and for promotion activities in a local context relating to the development of short supply chains and local markets.

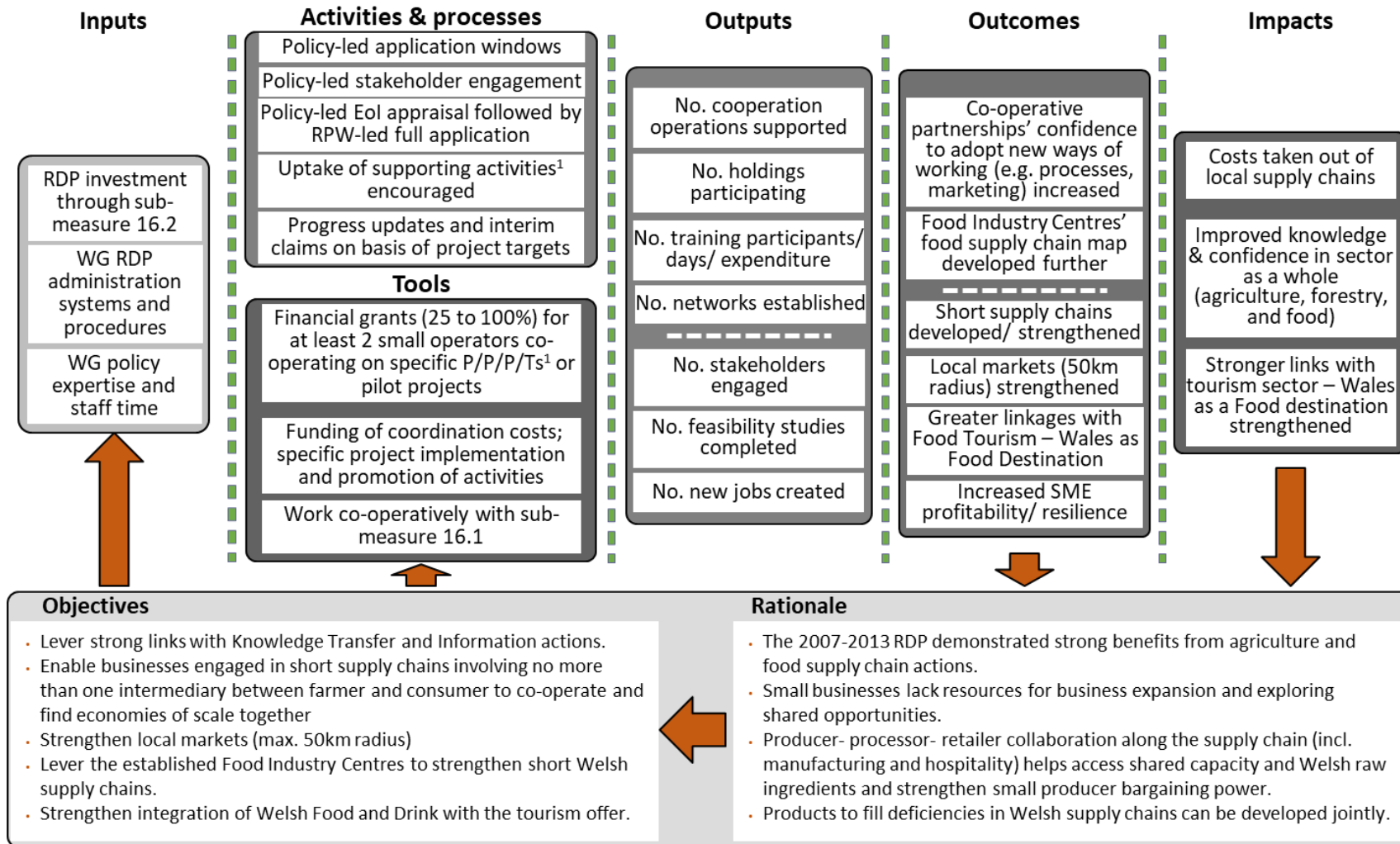
⁷ It was not possible to develop an overarching ToC, as the requirements, aims and objectives were too specific for the individual sub-measures.

Figure 3.1: Theory of Change for sub-measure 16.2 – Pilot projects & development of products, practices, processes & technologies



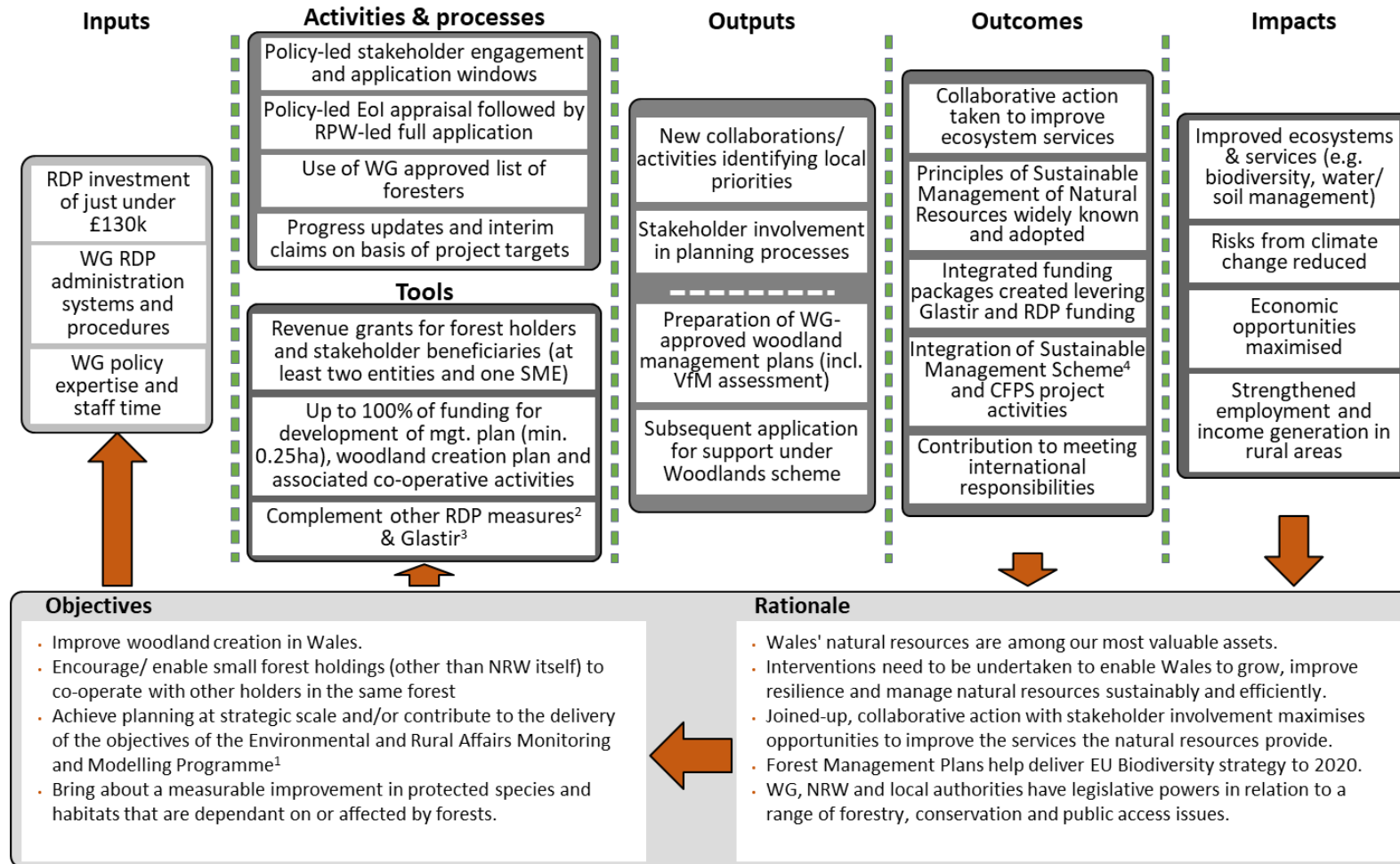
¹ e.g. training, marketing, innovation and business development schemes
² P/P/P/Ts - products, practices, processes & technologies

Figure 3.2: Sub-measure 16.4 – Short supply chains & local markets



¹ e.g. training, marketing, innovation and business development schemes
² P/P/P/Ts - products, practices, processes & technologies

Figure 3.3: Theory of Change for sub-measure 16.8 – Co-operative Forest Planning Scheme



¹ The ERAMMP supports the delivery of the Welsh Government's commitment to sustainable development (Well-being of Future Generations Act 2015/Environment (Wales) Act 2016).

² Most notably EIP Operational Groups (16.1); Sustainable Production and Timber Business Investment Grants.

³ Funding programme targeting a variety of outcomes on a farm holding basis.

⁴ Competitive £23.3m RDP grant scheme for individuals/organisations collaborating to improve Welsh natural resources ([Sustainable Management Scheme: process evaluation and theory of change report \(summary\)](#)).

Issues encountered regarding data availability

- 3.4 The evaluation framework assumed that it would be possible to collate the quantitative and qualitative data required to cover all evaluation objectives through an analysis of existing scheme data together with additional evaluation field research. In the event, this was beset by issues.
- 3.5 Drawing on established internal communication channels, the internal Welsh Government contract management team took on the role of sourcing a set of CSCDS documents and datasets. Progress in this task was a standing agenda item in regular fortnightly evaluation contract management meetings and included the sourcing of project-level evaluation reports for the meta review, contact details for the evaluation fieldwork research, monitoring and spend data for the analysis of CSCDS performance, and a set of guidance and process documentation for the process evaluation. All of these tasks encountered substantial issues that affected the robustness of the evaluation research and analysis that could be undertaken. These are considered in more detail in the subsequent paragraphs.

Project-level evaluation reports for the meta review

- 3.6 Feedback obtained from the Welsh Government contract management team suggested that it proved to be impossible to source these from a central repository. Instead, the approach adopted was to contact project leads, directly requesting evaluation reports. A shared spreadsheet between the internal Welsh Government and external evaluation project teams was used to discuss the status of all projects to be covered by the evaluation in all evaluation contract management meetings. A low response rate from project leads meant that only 29 final evaluation reports could be obtained and only these projects could be covered by the meta review.

Contact details for field research

- 3.7 The field research was to cover Welsh Government CSCDS process stakeholders (RDP and wider policy), CSCDS project leads, unsuccessful CSCDS applicants, and other organisations in the rural economy with a stake in the CSCDS.
- During this time, staff turnover within the Welsh Government and a resulting lack of continuity in key CSCDS decision makers meant that it was not possible to speak directly to all relevant operational and strategic decision makers involved in delivering the CSCDS. As a result, the evaluator understanding of detailed CSCDS management processes and tools remained incomplete. This was

particularly the case for the policy perspective, but also meant that a more granular assessment of operational processes was not possible.

- Contact details for CSCDS project leads were in many cases out of date. As part of the sampling process, follow-up was undertaken to obtain up-to-date contact details, but in many cases, individuals had moved on and representatives of the project lead organisations did not feel comfortable about providing input into the CSCDS evaluation.
- While several spreadsheets with data on CSCDS applications allowed the identification of a small number of unsuccessful applicants, no data on the CSCDS marketing and outreach activities with details of organisations that had expressed an interest in the CSCDS could be obtained. Initial interviews undertaken with stakeholder organisations that had been identified based on a generic mapping exercise suggested that awareness of the scheme was very limited or non-existent in those organisations that had had no direct applicant interactions with the scheme.

Monitoring and spend data

3.8 It has been difficult to establish precise details of the complete cohort of projects funded under the three sub-measures that are subject to this evaluation. There was no definitive list of projects to be covered by this evaluation under clearly identified sub-measures (16.2, 16.4 and 16.8). An initial list of projects provided at the start of the evaluation to guide the process of sourcing evaluation reports for the meta review contained duplicates, projects listed without indications as to which sub-measure they belonged to, and projects awarded under sub-measures that were not part of the evaluation. A subsequent list of projects contained more details (e.g. project's budget, application status, expected focus area), but partly contradicted the previously provided list. The two lists were reconciled as much as possible to arrive at a final agreed list of projects to be covered by the meta review, but gaps and inconsistencies affecting the subsequent data analysis remained. No complete set of data on scheme progress and spend with a clear indication of the respective source, clarifications regarding the data items included, and date, coverage and process of collecting the data was provided. This relates to project application, award and spend data, target allocations, and achievements.

3.9 The most recent dataset that was made available for the evaluation is dated 24th October 2022. In view of the difficulties that the internal Welsh Government contract manager had experienced in sourcing additional data and fully clarifying the source and status of different datasets, it was agreed that this dataset should be used for the analyses to be undertaken for the evaluation.

Guidance and process documentation

3.10 It was not possible to obtain a complete suite of documents for all application windows or an overview of the different application windows and their respective budget, priority focus, and timeline. The internal Welsh Government contract manager liaised with the internal operational teams and provided sample documents for various application windows. This allowed a partial analysis of the guidance documents and the processes adopted in appraising applications and selecting projects for award. However, it did not allow the development of a full timeline of policy priorities and an analysis of budget and target allocations across the full cohort of CSCDS application windows and projects.

Methodological tools

3.11 The following specific methodological tools were used:

- documentary review
- scoping interviews
- a meta review of available project-level final evaluations
- online surveys
- stakeholder interviews
- a VfM assessment.

Documentary review

3.12 This covered documents relating to the wider rationale behind the CSCDS in the context of the wider RDP architecture as well as all available CSCDS guidance and process documentation.

Scoping interviews

3.13 A total of 12 scoping interviews focused on a detailed understanding of the CSCDS rationale in the wider RDP context in Wales, CSCDS processes, and stakeholder expectations regarding the evaluation. Purposive sampling was undertaken to include different RDP management and wider Welsh Government policy

perspectives⁸. However, because of the issues outlined above, there was very limited scope with which to actually realise any purposive sampling, and the ultimate sample of interviewees was self-selecting on the basis of who was still involved in the RDP administration and available to speak to the evaluators. This meant that the evaluation could not draw on a full and detailed understanding of CSCDS processes and, instead, had to rely on triangulation of the scoping interview results, a high-level understanding of CSCDS processes gained from the sample of documents that were made available, and feedback from the interviews with project leads.

A meta review of project-level evaluations

- 3.14 This covered 29 projects (37 % of all projects) which corresponded to 18 % of the total grant awarded and 28 % of the total grant paid up to 24th October 2022. The project approval dates for these projects ranged from July 2016 to January 2021. The sample was self-selecting in that it included all projects with a final evaluation report available at the time of the evaluation research.
- 3.15 The only project awarded under sub-measure 16.8 was not required to complete an evaluation, and no evaluation reports were available for any project funded under sub-measure 16.4.
- 3.16 Without a complete dataset or direct interactions with scheme management stakeholders, it was not possible to fully establish the status of the remaining project evaluations. A partial analysis drawing on the available information suggests that:
- for six projects, no evaluation was expected
 - for 23 projects, the evaluation was not to be completed until after the cut-off date for the meta review (end of March 2023)
 - for five projects, the evaluation was expected during the first quarter of 2023, but the reports could not be obtained
 - for the remaining projects, no information on the status of the evaluation could be obtained.

⁸ The scoping interview guide is included in Annexe 3.

3.17 Table 3.1 below provides the list of projects covered by the meta review.

Table 3.1: CSCDS projects covered by meta review

Project name	Total grant award
The Collation of Data on the Use of Medicines on Welsh Farms	£100,005.00
Focus on Forestry First – The Future	£113,495.00
Riverside Market Garden – Dehydrated organic vegetable products	£127,300.00
Development of clusters of Sarpo potato growers in Wales	£136,950.00
Collaborative Communities – LPTY	£164,265.00
Wales Food Tourism Co-Operation and Supply Chain Development	£164,599.00
Marchnad Lafur Cymraeg	£167,831.00
Dewis Gwyllt – Wild Choice	£184,310.00
Torri Tir Newydd	£217,424.00
Pen-y-Graig Training and Products Centre CSCD	£243,633.00
Welsh Game Meat Supply Chain Development	£245,514.00
North Wales Hydroponics Cluster	£300,000.00
Smarter Energy	£301,469.00
Climate Smart Agriculture in Wales (CSA Wales)	£359,703.00
Farmer to Pharma (F2P)	£387,208.00
Sustainable Communities Wales	£393,006.00
Integrated YFC Beef Scheme	£393,658.00
Capability, Suitability and Climate Programme	£534,963.00
Resilient Economy – Local Supply Chains	£613,161.00
Discover Delicious Wales	£654,479.00
Tyfu Fyny – Growing Up	£665,043.00
Cooperation for Growth	£810,136.00
Valleys Regional Park – VRP Guardians	£864,051.00
PestSmart	£997,596.00
Rhwydwaith Lle ar y We – Gwefannau Cymunedol 360	£1,029,345.00
BeefQ – Beef Eating Quality	£1,077,217.00
Welsh Game Meat Project part two	£1,153,230.00
Prosoil Plus – Inspiring farmers to safeguard soil	£1,499,766.00
Welsh Food and Drink Sustainable Scale Up Cluster	£2,097,661.00
Total	£15,997,018.00

Source: Own analysis of CSCDS monitoring data

3.18 CSCDS projects were tasked with designing and sourcing the evaluation independently with scheme guidance on the nature and quality standards for the evaluation⁹. As a result, the quality of the available evaluation reports varied considerably from those that had been undertaken on the basis of a clear evaluation framework (e.g. in the form of a ToC) and using robust research tools (e.g. surveys covering an appropriate sample of beneficiaries, stakeholder interviews) to those that provided what was more akin to anecdotal and qualitative evidence. The meta

⁹ [Co-operation and Supply Chain Development Scheme: project evaluation guidance | GOV.WALES.](#)

review focused on identifying key factual details regarding project activities, the roles and responsibilities of different project partners, the extent to which project objectives aligned with the CSCDS ToC, key stakeholders and routes for beneficiary engagement, and data on project outputs. In addition, information on project outcomes and anticipated impacts was captured as much as possible, taking any shortcomings in the quality of the evaluation into account.

- 3.19 As a result of the limited availability and quality of project-level evaluation reports, the meta review could but provide a snapshot impression of the results achieved. It allowed an indicative analysis of the nature of activities and results and the dynamics of different project configurations. It did not allow an ultimate assessment of the overall value delivered by the scheme.

Online surveys

- 3.20 In response to the fact that only around one third of project-level evaluations could be obtained, two online surveys were developed (the questionnaires are included in Annexes 4 and 5, to be found in the Technical Report). The aim was to capture additional insights specifically regarding:

- project lead experiences of CSCDS processes and their perspectives on the legacy likely to be created by CSCDS projects — 27 responses were received¹⁰
- the participant experience of CSCDS projects — 16 responses were received.

- 3.21 Both surveys were in the field for 10 weeks (from 13th February to 30th April 2023) and were advertised with support from key RDP agencies. The participant experience survey was advertised on the Wales Rural Network (WRN) website, covered in a WRN newsletter, and circulated to Welsh Local Government Association members. Social media (Twitter (now X), LinkedIn, and Facebook) were also used to extend the visibility and reach of the survey. All stakeholder interviewees, particularly the project leads, were also encouraged to circulate the survey link to organisations that had engaged with their project.

- 3.22 For the project lead survey a unique link was created for each project lead organisation and sent to the respective contact email address. Follow-up took the

¹⁰ Eleven organisations that had completed the legacy survey for their respective project(s) also completed a stakeholder interview.

form of three email reminders being sent to each organisation over the course of several weeks.

- 3.23 As a result of the low level of response, the surveys provided only very limited additional insights into the project lead experience of the CSCDS, and even less additional evidence regarding the participant experience (so much so that the results of the latter are not covered in this report). The project lead survey did generate some limited quantitative data on organisations' perceptions of the CSCDS.
- 3.24 In view of considerable effort having been expended on reaching potential respondents, the low response rate represents an evaluation result, highlighting the very limited Welsh Government oversight reach into the cohort of projects funded under the scheme.

Stakeholder interviews

- 3.25 A detailed stakeholder map was developed in consultation with the Welsh Government contract manager and drawing on suggestions from the scoping interviews as well as the evaluation team's knowledge of rural Wales. Experience, or at least awareness, of the CSCDS was a key sampling criterion alongside the type of organisation, the main sector of activity, and the nature and depth of CSCDS interactions. A total of 28 interviews were completed¹¹.
- 3.26 Initial stakeholder contacts confirmed that the CSCDS had had very limited visibility beyond the cohort who had directly interacted with the scheme. Most of the stakeholders who agreed to an evaluation interview therefore either (had) delivered a CSCDS project or had submitted an unsuccessful application. The vast majority, by default, had been involved with sub-measure 16.2. While drawing on their experience of being involved in CSCDS projects, interviewees were selected on the basis of organisational affiliation (rather than representing specific projects).
- 3.27 Stakeholders who had been sampled were contacted up to three times with repeat invitations to participate in an evaluation interview. Of 84 sampled contacts, 56 either could not be reached any longer or did not respond to three email reminders (n=44) or declined an interview (n=12).

¹¹ Details of the types of organisations and sectors covered by the stakeholder interviews are included in Annexe 6 and the interview guide in Annexe 7.

Case studies

3.28 Eight case studies of specific CSCDS projects were developed to illustrate the highly diverse nature and results of the funded projects.

Value for money assessment

3.29 A VfM assessment was carried out which drew on the National Audit Office's definition of value for money — *'the optimum combination of whole-life cost and quality (or fitness for purpose) to meet the user's requirement'*¹² — combined with the overarching evaluative question on how well resources are used and whether they are being used well enough. Taking account of recent work to develop the VfM approach further¹³, this was underpinned by a process of first developing a detailed understanding of what the scheme was expected to achieve (i.e. the nature of the 'value' to be assessed) before using the available evidence in a transparent process of reasoning on the basis of a set of criteria.

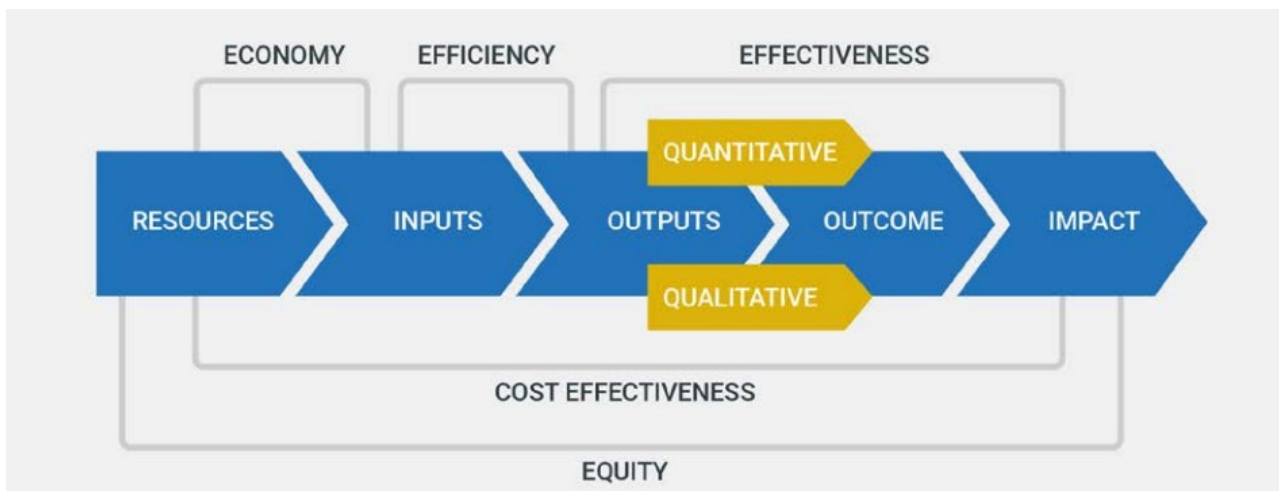
3.30 Building on the National Audit Office's 'four Es' approach, but following the Oxford Policy Management (OPM) refinement, as illustrated in Figure 3.4, the following five criteria were used:

- **Economy:** spending the least possible amount (i.e. cost of inputs)
- **Efficiency:** spending the available resources well (i.e. relationship between inputs and outputs)
- **Effectiveness:** spending the available resources wisely (i.e. relationship between intended and actual results)
- **Equity:** spending the available resources fairly (i.e. reach into and coverage of intended target group)
- **Cost-effectiveness:** delivering commensurate results for the total cost (i.e. outcome or impact in relation to total cost — was it worth it?).

¹² [NAO Decision support tool, The 'three Es'](#).

¹³ The OPM approach reflects the increased scrutiny of VfM in recent years but avoids tying the assessment to a narrow set of indicators devoid of any evaluative judgement — e.g. by emphasising the most readily quantifiable measures rather than the most important (but more difficult to quantify) aspects of performance, or by focusing on the quantification of outputs and outcomes at the expense of more nuanced consideration of their quality, value and importance. See King, J. (2018), [OPM's approach to assessing value for money](#).

Figure 3.4: Value for money criteria



3.31 The results of all research activities were analysed separately before being triangulated and reviewed through the lens of the VfM assessment to arrive at a set of conclusions as to the CSCDS performance and results.

4. CSCDS Processes

- 4.1 This section considers whether and how the processes adopted to manage and deliver the CSCDS were conducive to maximising the benefits for rural communities in Wales.
- 4.2 A full complement of process guidance and full datasets regarding the implementation of the CSCDS sub-measures that are covered by this evaluation were not available. Insights regarding the effectiveness of CSCDS processes have therefore been derived from:
- interviews with Welsh Government stakeholders with involvement in the design and implementation of the CSCDS in Wales
 - a sample of process-related documents and datasets
 - stakeholder feedback regarding their experience of the CSCDS processes.
- 4.3 An initial insight gained from the stakeholder interviews regarding CSCDS processes generally is that there appears to have been a pronounced difference between the early days of the scheme — managed by the Scheme Management Unit (SMU)¹⁴ — and the mechanisms put in place following reorganisation within the Welsh Government when responsibility for the processing of applications and claims moved into Rural Payments Wales (RPW) in January 2018¹⁵.
- 4.4 The rationale behind this change in approach was that it allowed some of the SMU functions to be moved, as well as aligning with the functions and resources of RPW, thereby ensuring a clear line of separation of duties while also improving efficiency. Examples of the changes introduced included a new dedicated customer-facing contact centre for schemes including the CSCDS, all RDP operations and processes being brought together under one team, claims processing moving from the SMU to the ‘multi-skilled claims processing teams’, and using the paying agencies’ ICT system (CAPIT/RPW online) for the delivery of all schemes. These

¹⁴ The SMU was set up within the Welsh Government for the RDP to streamline the setup and administration of scheme and project applications and claims.

¹⁵ RPW is an executive agency of the Welsh Government that is primarily responsible for the administration of funds to the agricultural and rural sectors in Wales, including managing and delivering the Common Agricultural Policy (CAP) schemes in Wales. Their role includes fund and grant administration, application and claims processing, and monitoring and compliance.

changes were also intended to allow the team in the SMU to focus specifically on project appraisals¹⁶.

- 4.5 However, the changes led to what has been perceived by stakeholders to be a shift in emphasis towards procedural compliance over relationship-based project management. Project lead accounts of their interactions with the RPW-delivered CSCDS administration speak of widespread frustration with the experience, as summarised by one project lead who said that *'the Welsh Government approach is faceless, making projects feel bland and unloved'*. Interviewees consistently highlighted the long timelines involved in all administrative procedures, the lack of responsiveness and the inability to obtain clarification in a timely manner, the impersonality of all contacts and the impossibility of consistently speaking to the same people to progress with any issue, and the perceived pronounced lack of interest in the thematic content, activities and results of their projects.

Marketing and outreach

- 4.6 Without actual data on CSCDS outreach and engagement being available, evidence on routes of engagement comes from the project lead survey and the stakeholder interviews.
- 4.7 In 10 out of the 29 (34 %) responses to the survey question on how respondents first found out about the scheme, the most common route was through participants' own awareness of funding schemes. The second most common (in eight out of 29 responses, 28 %) was through direct contact from the Welsh Government. Only three respondents (10 %) found out about the scheme through marketing activities, with another three (10 %) from sectoral representatives. In addition, only eight of the 29 responses from project lead survey respondents had not been involved in another RDP scheme during the previous and/or current programming period.
- 4.8 The interviews suggest that information on the CSCDS was spread mostly through existing networks and those already 'in the know' and already actively participating in activities sponsored by the RDP and the Welsh Government. Word of mouth, either between organisations or through previous engagement with the Welsh Government, was identified by many stakeholders interviewed as a key route into the scheme. This was summarised by one stakeholder who suggested that [we]

¹⁶ [Source: Programme Monitoring Committee Papers, 18 January 2019.](#)

were well networked into Welsh Government and we knew the scheme was coming down the track, so we didn't need to engage via marketing'.

- 4.9 Wales Rural Network events on specific topics covered by CSCDS application windows were mentioned by some interviewees. They valued the opportunity to receive information on Welsh Government policy directions and to network with organisations in their area of activity, but did not explicitly link the events to the scheme itself or see them as providing authoritative information on the scheme.
- 4.10 While the role of Welsh Government policy teams in alerting organisations to the CSCDS as an opportunity to fund innovative projects is a positive, the lack of a wider reach into stakeholder communities is concerning. This is particularly true in view of the breadth of CSCDS objectives, which would have benefitted from engagement that was as wide as possible, but would have required additional outreach and support. As one interviewee expressed it: *'It was probably a very difficult scheme for some new companies [...] who weren't part of the wider network.'*
- 4.11 Those with experience of other European funding streams also noted that greater cross-fertilisation between potential applicants would have been beneficial, e.g. referring to how *'under European Regional Development Fund (ERDF), potentially interested organisations would get round a table, including with European Social Fund (ESF), to compare project ideas. Under RDP, there was no such forum, and everyone was working in complete isolation.'*
- 4.12 Some CSCDS projects were themselves the result of or have been able to take the first steps through other RDP-funded activities. Some benefitted from a first-stage CSCDS pilot project or a feasibility study before applying for larger-scale funding for fuller project implementation. Others referenced earlier LEADER activities as having provided the kernel of their project.
- 4.13 When asked about the reach of the scheme into different stakeholder communities, one interviewee, for instance, commented that LEADER, which they saw as one of the main routes into the scheme itself, would not have been particularly inclusive: *'the Local Action Groups (LAG) themselves are mostly populated by white, middle-class people. And they have tended to stay the same for 15 years. [...] So if the CSCDS process goes through the LAGs, that's not necessarily representative.'*

- 4.14 The stakeholder interviews suggest that, more generally, previous experience of European-funded projects set potential applicants in good stead to identify and successfully apply for the CSCDS. Generally, stakeholders felt that *'more accessible language'* would be required to allow a wider group of potential beneficiaries to engage with a scheme like the CSCDS. Reference to *'cross-cutting themes and priority axis probably put off a lot of people from applying.'*
- 4.15 Overall, the nature of CSCDS marketing and outreach activities would appear to have limited the reach of the scheme vis-à-vis organisations in the rural economy in Wales that have a contribution to make to leveraging co-operation and innovative products, practices, processes and technologies but do not have experience of navigating the respective funding environment.
- 4.16 The Welsh Government's response to this was that the scheme was advertised by the WRN for the agreed period of time and promoted via social platforms with over 2,000 followers, in addition to being marketed through Farming Connect and GWLAD.
- 4.17 It is useful to contrast this picture from the stakeholder interviews with a data-based analysis by considering the results achieved by the processes adopted instead. Table 4.1 provides a breakdown of the types of organisations that acted as lead project partners for CSCDS projects.

Table 4.1: CSCDS project leads – organisational types

Type of organisation	No. of projects
Co-operatives/social enterprises/ community organisations	15
Other representative groups, interest groups, charities, etc.	13
Local authorities	11
Research/training/knowledge transfer organisations	11
Private sector	10
Rural development agencies	9
Marketing groups/levy boards/trade associations	7
Governmental agencies	1
Intermediary organisations/consultancies	1
Total number of projects	78

Source: Own analysis of CSCDS monitoring data

4.18 Table 4.2 provides an analysis of the breakdown of the primary sector of activity of organisations acting as lead project partners for CSCDS projects.

Table 4.2: CSCDS project leads – sector of activity

Primary activity sector	No. of projects
Cross sector	17
Rural development	15
Agriculture & horticulture	13
Ecosystem services/sustainability	11
Food & drink (product development/marketing)	6
Livestock (meat & dairy)	5
Woodland management/forestry/timber	4
Transport	3
Renewable energy/energy efficiency	2
Consultancy	1
Media	1
Total number of projects	78

Source: Own analysis of CSCDS monitoring data

4.19 With very few projects awarded under sub-measures 16.4 and 16.8, it is not possible to detect any patterns regarding differences between different sub-measures. An analysis of the sectoral composition of CSCDS activities was not straightforward, as they did not easily fit sectoral categories. However, Table 4.3 illustrates indicative sectoral patterns in the CSCDS project portfolio.

Table 4.3: Sectoral composition of CSCDS project portfolio

Nature of project activity	No. of projects	Total grant award (£)
Ecosystem services/sustainability	26	30,170,360
Renewable energy/energy efficiency	3	964,625
Food & drink marketing (product development/marketing)	7	3,520,958
Horticulture	7	2,533,153
Livestock (meat & dairy)	15	34,016,770
Rural development (incl. Welsh language)	3	1,375,376
Tourism (incl. food-related)	2	387,783
Transport	7	5,380,861
Woodland management/forestry/timber	7	3,522,273
Total		81,872,159

Source: Own analysis of CSCDS monitoring data

4.20 Finally, an analysis of the size brackets of CSCDS projects in Table 4.4 illustrates the considerable range in the scale of activities supported. The value size of projects ranged from just over £100,000 to just under £10m.

Table 4.4: Indicative value of CSCDS project awards

Award size bracket	No. of projects in bracket	% of projects in bracket
No data	12	15%
Up to £250k	15	19%
>£250k <=£500k	10	13%
>£500k <=£1m	18	23%
>£1m <=£1.5m	11	14%
>£1.5m <=£3m	7	9%
>£3m <=£5m	1	1%
>£5m	4	5%
Total	78	100%

Source: Own analysis of indicative CSCDS tracking data

4.21 This result would suggest that the CSCDS did reach a cross section of different types of organisations, sectors, activity areas, and project scales. The crucial question, then, is whether the most appropriate mix of projects was achieved from a strategic perspective, an aspect that is considered in more detail regarding CSCDS performance in terms of the strategic fit of the cohort of funded projects with the objectives of the scheme (in Chapter 5 on CSCDS performance, from paragraph 5.60 onwards).

Application windows and processes

Motivations for applying for the scheme

4.22 The survey of project leads undertaken for this evaluation provides some pointers on the main motivations for applying for CSCDS funding. Three aspects of the CSCDS opportunity were particularly important in respondents' decision to apply, namely the focus on collaboration (in 21 out of 24 responses, 92 % scored this as 'very important' or 'important'), the availability of revenue funding to support networking and collaboration (in 21 out of 23 responses, 91 % scored this as 'very important' or 'important'), and the availability of revenue funding to adapt, test, demonstrate or validate a practice, process, product or technology (in 20 out of 23 responses, 87 % scored this as 'very important' or 'important'). In 17 out of 23 responses (74 %), the latter had the highest 'very important' score (as opposed to the combined 'very important' and 'important' as noted above), suggesting that the scheme would have provided a vital avenue for this kind of collaborative activity.

- 4.23 Additional open-text responses suggest that applicants approached the scheme with a specific project idea that required collaboration and for which other funding sources were not appropriate. In some cases, projects appeared to build on existing activities that the CSCDS funding helped to scale up or put on a more structured footing, described by one respondent, for instance, to *'bring all of our previous work together'*.
- 4.24 For others, the funding helped to de-risk the process of translating an idea into a practical solution, e.g. for the Welsh farming community, as expressed by one stakeholder who stated that they *'wanted to take [our] discovery and work out a practical, commercial way how that might benefit Welsh farmers more generally'*.
- 4.25 Overall, the survey responses suggest that the funding for the CSCDS filled a niche in the Welsh funding landscape, particularly for funding multidisciplinary projects.

Clarity of application guidance

- 4.26 Overall, stakeholder feedback combined with a review of available guidance and application documents suggest that Welsh Government guidance documents did not convey strategic clarity. Each application window was accompanied by a revised version of the scheme guidance documents (covering sub-measures 16.2, 16.3, 16.4 and 16.6) and a separate document with guidance on the EoI criteria, process, and application form, in line with the particular objective of that particular round. Except for the COVID-19 recovery-related application windows, the guidance documents reviewed are considered to be difficult to navigate and make scarce mention of specific policy priorities and how they relate to potential project activities.
- 4.27 There are a few exceptions to this pattern, e.g. sub-measure 16.8, the Co-operative Forest Planning Scheme, which had very detailed guidance notes with an outline of the policy context that needed to be accommodated by projects (e.g. the need to draw on State of Natural Resources Report (SoNaRR) evidence in making a case for projects, and the need to feed into future area statements) and the OCVO Micro round, for which the eligibility criteria focused on the Welsh Government's Antimicrobial Resistance (AMR) in Animals and Environment Five Year Implementation Plan for Wales (2019–24).
- 4.28 In spite of clear evidence derived from the process review that a commitment to transparency was at the heart of the Welsh Government's approach to providing information and guidance (e.g. with regard to EoI guidance and criteria, scoring

thresholds, and VfM requirements), the stakeholder interviews suggest that few were even aware of the approach of differentiating the policy focus between different application windows.

Effectiveness of two-stage application process

- 4.29 Several interviewees commented on the application process, suggesting that it was not particularly onerous in comparison to other funding programmes, European and otherwise. However, this tended to come with the caveat of recognising that own skills and experience in securing and managing external funding played a key part in this, with one interviewee, for example, noting that they have *'skilled bid writers'* and that this helped to *'make it fit'*.
- 4.30 The Welsh Government's response to this was that the appraisers reviewing applications would have been suitably skilled to ascertain what the outputs being put forward would deliver. In addition, a moderator would regularly challenge why a decision/scoring was made.
- 4.31 With reference to the language used and financial skills required, many stakeholders queried how accessible the process would have been to smaller, less experienced organisations or groups of farmers without the requisite skills, reporting that it would have been *'more difficult for a less experienced team'*. According to interviewees, this was exacerbated after the move of the SMU into RPW, as this resulted in less support being readily available for potential applicants.
- 4.32 Interviewees, both project leads and Welsh Government representatives, welcomed the two-stage process in principle, since it allowed applicants to submit ideas first, and only projects with a realistic chance of being successful investing resources in more detailed project development. However, implementation difficulties were seen to undermine this principle, with one interviewee, pointing to issues relating to the use of the Project Information Monitoring and Management System (PIMMS) as the main ICT platform, describing it as *'a good idea that was very badly executed'*.
- 4.33 A key challenge that was highlighted by several project lead interviewees related to delays in proceeding from in-principle approval at the EoI stage to the formal award of project funding. This is also reflected in the survey feedback, with 14 out of 23 responses (61 %) disagreeing or strongly disagreeing that *'the full application stage was timely and efficient'*. Several project leads, particularly from smaller organisations, suggested that an 'at risk' letter received encouraging them to

commence work on the project was not helpful to them, because as small organisations they could not proceed without 100 % certainty and the funding itself becoming available.

- 4.34 The stakeholder interviews also highlighted several cases in which the time that elapsed between in-principle approval of a project on the basis of an EoI and the final full approval amounted to many months and in some cases a year or more. Issues then arose regarding the commitments made in the original project application and a perceived lack of flexibility in reprofiling activities. In several projects, for instance, activities were tied to growing seasons, and with one entire growing season having been lost in the process, they were still required to deliver the same level of activities and outputs, putting pressure on resources and timelines.

Effectiveness of application process in securing strategic fit

- 4.35 As previously noted, the CSCDS was implemented through a series of application windows with a specific policy focus for each. The process involved applicants submitting an EoI which would undergo an eligibility check and would be assessed with input from Welsh Government policy leads for its fit with the respective thematic area and sectoral activity. This would be followed by a full application to be developed and submitted to RPW.
- 4.36 Feedback from internal stakeholders and correspondence regarding the processes adopted point to a process of gradually refining the strategic focus and the selectivity of the application windows and selection processes. While early application windows did indeed adopt a broad, open approach, subsequent rounds drew on an understanding of the initial cohort of projects and wider RDP investments to narrow down specific requirements. Reference is made, for instance, to Cywain and Project HELIX as '*big, strategic projects*' relating to food and drink so that additional projects needed to meet more specific '*strategic gaps*'. That would have been communicated to interested stakeholders via WRN events.
- 4.37 The Welsh Government's response to this was that it is important to note that the scheme overall did have specific objectives and high-level performance targets to consider, in line with the purposes of the funding that had been identified and agreed with the European Commission (EC). These were legally binding. In

addition, the final EoIs were targeted to support industry and communities to develop resilience in the face of COVID-19 and the need to support recovery.

- 4.38 There is also evidence of direct Welsh Government interactions with individual applicant organisations to align their project with previously funded activities. Examples include a shift in focus from cluster development in the food and drink supply chain towards working with existing pan-Wales initiatives (with the associated alignment of outputs) or a request to another project to considerably reduce the budget to deliver more focused activities. In some cases, such interventions are highlighted in the final evaluation reports reviewed for the meta review as having potentially diluted the clarity of project objectives.
- 4.39 However, there were calls for the Welsh Government to play a stronger role in supporting the strategic framing of project applications, e.g. one interviewee commenting that some feedback on the application would have been helpful: '[The application process] *was very functional and nobody critiqued the original application.*'
- 4.40 The Welsh Government's response to this was that feedback was encouraged and given if requested. In addition, an appeals process was open to applicants.
- 4.41 There is some evidence to suggest that opportunities to undertake a targeted strategic assessment of a particular activity at the point of developing project proposals might have been missed, with any instances of strategic misalignment of projects (e.g. weaknesses in taking stock of the availability and capacity of key supply chain assets, a lack of exploring actual beneficiary organisation cultures, aspirations and capacities or a very limited understanding of market demand prior to developing new products, processes, practices or technologies) potentially going unnoticed as a result.
- 4.42 The stakeholder interviews suggest that the insights gained from earlier iterations of RDP investments in co-operative projects to strengthen rural economies in Wales might to a limited extent have been considered in developing applications (e.g. as a result of exchanges with the SMU or drawing on applicants' own proximity to previous projects). Several interviewees queried whether and how the learning from the Supply Chain Development Scheme had been capitalised upon. Some pointed to specific projects that had not sufficiently fed into further project development, with

some projects appearing to be delivered in a very similar space to that of previous projects without directly drawing on the learning made.

- 4.43 It appears that such continuity, most notably with the Supply Chain Efficiency Scheme as the immediate predecessor of the CSCDS, was affected by staff turnover and changes in the administrative infrastructure put in place to deliver the CSCDS (particularly the reorganisation of the scheme administration into RPW in January 2018).

Clarity of CSCDS Theory of Change

- 4.44 The overriding impression from the stakeholder interviews is that the ToC for the CSCDS was so broad that a very wide diversity of projects was funded through the scheme. One project lead with an agricultural background summarised this common view in that *'it had a very wide remit. It even stretched to transport.'* As a result, the ToC pathways for individual sub-measures, relevant activities, and specific objectives and outcomes were not clear.
- 4.45 The Welsh Government's response to this was that access to services is a priority for rural Wales, with transport being one of them.
- 4.46 A common view shared by stakeholders in interviews was that in the absence of benchmarks and in such a broad thematic scheme, it was difficult to gauge how well their project fitted with the objectives, *'[We] weren't sure what the overall measure of success could be, because [our] project was very different to the rest and we weren't sure how it might fit into the overall picture.'* Stakeholders observed that there was a disconnect between tangible policy imperatives and the funded projects, with a lack of clarity as to a definition of what types of activities can deliver strategic added value: *'The precise focus and policy objectives of the scheme itself were not very clear and there was no link into policy through the project itself at all.'*
- 4.47 The clarity of the CSCDS ToC also appears to have been affected by early changes regarding the Welsh Government's use of different RDP sub-measures, e.g. changes in the eligibility criteria in early stages of scheme implementation as well as rigidities regarding the treatment of State Aid between different measures/sub-measures preventing the combined or sequenced use of different sub-measures. European Commission clarifications regarding the precise eligibility criteria for sub-measure 16.4 required a considerable amount of readjustment in the early stages of scheme implementation, resulting in the need to migrate applications and early-

stage projects from sub-measure 16.4 to 16.2 or indeed to other funding schemes altogether. This came at a cost of strategic focus for individual projects. One project, for instance, was initially approved to focus on cluster development and marketing support in the food tourism sector. As a result of these changes, it had to shift towards creating more generic marketing resources, which weakened the link to specific beneficiary needs and the potential to generate direct results for rural businesses.

- 4.48 Some interviewees were of the view that the CSCDS should have had a much clearer focus on agriculture and a more farmer-led/farm-centric approach, suggesting that *‘there is a big gap in farmer-initiated projects’* and that *‘overall there was insufficient focus on outcomes for farming’*. To support farmers and encourage them to access a scheme like the CSCDS there should be *‘at least some brokerage or facilitation’*. Without this, some stakeholders thought that *‘a sector development approach has emerged without direct engagement of farmers’*. In this context, and as part of a long-standing debate surrounding the best use of RDP funding more generally, such comments further point to the need to communicate the intervention logic and strategic value behind the CSCDS much more clearly.
- 4.49 Finally, it appears that the very flexibility of the CSCDS in comparison to other RDP schemes meant that there was an incentive over the course of the seven-year programming period to make maximum use of the scheme to fund activities that were deemed to contribute to wider RDP and Welsh Government policy objectives in a flexible way. This will have contributed to strategic objectives at a granular policy level but — as several interviewees pointed out — has diluted the clarity of the overarching ToC for the CSCDS itself.
- 4.50 Overall, therefore, and despite strategic fit being one of the key criteria for the assessment of CSCDS Eols, there was no clear ToC for the CSCDS as an accessible frame of reference to guide project development.

Welsh Government steer regarding strategic objectives

- 4.51 Stakeholders tended to see the breadth of the scheme and the broad eligibility criteria as both a positive and a negative. Some noted that this approach fitted the nature of rural development in Wales very well, in that [...] *rural communities are very different, for example, in terms of demography, location, urban coastal in West Wales [...] vs. a landlocked community in the Welsh heartlands*'. They welcomed the opportunity to tap into the ground knowledge and experience and the way in which the CSCDS enabled a wide range of projects to secure funding.
- 4.52 However, many thought that this breadth had led to a lack of clarity regarding strategic priorities and would have welcomed more engagement with regard to expected project outcomes. *'The use of strategic fit alone [...] does not translate into implementing Welsh Government policy objectives.'* Beyond the question of assessing the strategic fit of project applications when they are put forward, several stakeholders, both Welsh Government policy representatives and project leads, therefore called for a stronger strategic steer for project investments of this kind.
- 4.53 Interviewees acknowledged the value of a bottom-up perspective in identifying key issues and opportunities that can be addressed through co-operative pilot projects and investment in developing, testing and demonstrating new products, processes, practices or technologies. The value of allowing the sector and/or applicants to identify what they considered to be priorities, as opposed to imposing priorities 'top-down', was recognised. Nevertheless, there was a view that it would be desirable to draw on policy-led insights to stimulate project proposals designed to address identified strategic bottlenecks.
- 4.54 Looking ahead in particular, some stakeholders observed that while the relatively generous CSCDS approach allowed a broad scope, this is likely to change in future following the end of European funding: *'In future the amount of funding available is likely to be less, so Welsh Government will need to be more strategic in allocating funding.'* Furthermore, *'in future, Welsh Government should take more of a view on what to fund'*.

Monitoring and reporting

Effectiveness of beneficiary communication with Welsh Government

- 4.55 A clear picture emerges from both the meta review and the stakeholder interviews that effective communication with officials in charge of the monitoring and reporting of CSCDS project activities was a key bottleneck of the scheme. Time and again, interviewees highlighted very poor communication with RPW, with long response times for queries as well as dissatisfaction with often vague and unhelpful responses combined with burdensome and unnecessarily heavy paperwork.
- 4.56 Echoing stakeholder feedback more generally, one evaluation report specifically contrasts the early experience of communicating directly with the SMU with the more recent picture of long delays in response times through the RPW Online Portal, which was seen to have impacted on the efficiency of project delivery. All enquiries, including urgent questions, had to be made through a portal to a central team without knowledge of individual projects or an ability to give advice beyond compliance related to reporting.
- 4.57 Interviewees also pointed to the fact that the case-level indicators, associated targets, and spend levels were not well suited to providing an understanding of whether a project was delivering against outcomes for beneficiaries and wider rural economies. They saw them as crucial for successful management of the CSCDS for a continuing focus on understanding real progress to be part of communications with the Welsh Government.
- 4.58 It is also worth noting that the anticipated outcomes and impacts of the CSCDS as described in the guidance documents (and reflected in the ToC models for this evaluation — see Chapter 3) do not always align well with the objectives set out for individual CSCDS projects. Framed in the context of agricultural businesses as the main anticipated target group, the outcomes set out in those documents do not easily transfer to projects with a stronger focus on community development, local environmental quality, and wider ecosystem services, as well as associated links to health and well-being and community business perspectives. And yet these were in scope for the CSCDS and constituted a considerable part of CSCDS project activities.

Availability of support post-award

- 4.59 Stakeholders in particular highlighted that the reporting relationship was purely focused on administrative aspects, rather than any interest in project activities and progress, described by one interviewee as projects reduced to simply *'numbers on a screen'*. No support or detailed guidance was, for instance, provided regarding the project-level evaluations — or indeed as many stakeholders deplored any interest expressed in the evaluation reports once they were completed. This lack of interaction regarding project progress would have severely limited Welsh Government scheme oversight at any given point in time.
- 4.60 Feedback regarding the reprofiling of projects is mixed. While in response to the COVID-19 crisis, effective processes appear to have been found to authorise extensions or revisit project targets, reprofiling appears to have been more challenging in other circumstances. It was reported that *'once funding was allocated to a project it was very inflexible'* and that *'this made it difficult to run projects in a rapidly changing policy context'*. Some project lead interviewees reported that securing a reprofile would have been so complex that, instead, they opted to continue delivering project activities as originally planned, even if this was not necessarily the most efficient or did not yield the best results.
- 4.61 Considering links into Welsh Government policy teams, there is evidence of strong interactions where projects had pre-existing relationships or a direct link to Welsh Government policy objectives and associated teams, e.g. interested Welsh Government policy officers being represented or even acting as a driving force in the steering group.
- 4.62 As a result of considerable staff turnover over the course of a seven-year programme, it has not been possible to capture the perspective of Welsh Government policy stakeholders more generally. However, the insights gained from a small number of interviews with Welsh Government policy representatives point to a gradual weakening of the link between the CSCDS and relevant Welsh Government policy teams beyond the initial review and assessment of EoIs.
- 4.63 Sub-measure 16.8, for instance, potentially the sub-measure with the most detailed strategic steer at the outset, appears to have withered away. With only one project funded, the ambitious objective of leveraging collaboration for landscape-scale forest management planning or forest creation appears not to have gained any traction.

Besides some awareness of early WRN-hosted workshops bringing together forestry stakeholders, the interviews suggest that the sub-measure itself and its ambition had very limited visibility, and there appears to have been no live link to the continuing Welsh Government policy focus on woodland creation.

Claims process

- 4.64 The claims process was the element that was the most critiqued in the stakeholder interviews. Project leads repeatedly reported at length on issues and delays, describing the process variously as *'horrible'*, *'painful'*, *'terrible'* and *'a nightmare'*. One evaluation report covered in the meta review summarised the situation, stating that *'the project faced a lot of challenges to make a financial claim to access the allocated funding, due to the complexities in the online system and a lack of consistent support available'*.
- 4.65 Aspects that were consistently highlighted in the interviews included:
- the fact that the grant was only paid out retrospectively against actual spend (with an option of payment in advance that is not widely known)
 - the resources required to submit extremely detailed evidence for a 'convoluted' claims process (e.g. payslips for staff, timesheets described as 'byzantine' by one interviewee, fortnightly cashflow forecasts, and backing documents for all expenditure above £7,500)
 - a lack of specific timescales for the processing of claims, making financial planning difficult
 - the lack of a responsive technical support function, a lack of continuity and inconsistencies in impersonal guidance, and little meaningful support with long delays in obtaining clarification or a resolution for issues raised
 - the cumbersome and anything but user-friendly systems used
 - the fact that established procurement policies (including in organisations that are themselves publicly accountable) were being challenged and procurement rules applied very rigidly (e.g. the three-quote rule applied retrospectively and the requirement for three quotes even for very specialised equipment with only one possible supplier in Wales)
 - long delays in claims being processed and monies being defrayed (in one case up to two years), leading to pronounced cashflow problems, particularly for

smaller organisations, and reputational damage as delays in claims processing left some organisations in such a position that they were unable to pay contractors.

- 4.66 Several stakeholders suggested that the impression was that the system had been set up with larger organisations in mind, with dedicated staff and systems. While interviewees from such organisations did indeed suggest that they were able to cope with the processes, they also felt that they were not appropriate for the type of project that the CSCDS was designed to support.
- 4.67 Project leads repeatedly highlighted (in some cases substantial) outstanding sums and criticised the potential impact that these could have on smaller organisations without the requisite reserves to ‘bank-roll’ such monies.
- 4.68 While no complete up-to-date data on the level of grant paid for individual CSCDS projects were available, the 24th October 2022 grant award data allow an indicative analysis. As Table 4.5 suggests, one third of projects had received less than half of the grant awarded to their activities at that point in time.

Table 4.5: Indicative level of grant paid per project by 24th October 2022

% of grant award paid by 24th October 2022	No. of projects in bracket	% of projects in bracket
No data	12	15%
Up to 10%	7	9%
>10% <=25%	7	9%
>25% <=50%	12	15%
>50% <=75%	10	13%
>75% <=100%	30	38%
Total	78	100%

Source: Own analysis of indicative CSCDS tracking data

- 4.69 Several interviewees were particularly aggrieved by the fact that the requirements for the claims process and the evidence that they needed to produce for auditing processes changed halfway through the scheme. *‘There were a lot of redefinitions of project parameters and Welsh Government saying ‘now we mean this’, which was difficult to accommodate’* and perceived to be a lack of a fair and transparent process.
- 4.70 There were several examples of projects that, in some cases with outstanding claims linked to such audits, were required to provide very detailed records on spend many months after project activities had ceased and staff had moved on,

'creating considerable pressure on organisations'. It was noted that this approach was difficult because *'you can't retrofit scrutiny'*.

- 4.71 The Welsh Government's response to this was that providing evidence was always a requirement. Where this had not been provided during the initial claims process, such delays would have been caused at the end of the project.
- 4.72 While some project leads suggested that they would not seek out similar funding again, several others suggested that they had been willing and would again be willing to engage with a scheme like the CSCDS because the funding filled a gap regarding flexible support for innovative co-operation projects that would not have been possible otherwise. Virtually all project lead interviewees, however, were concerned about the overcomplicated and onerous nature of the claims process and, thereby, about the level of project resources that had to be committed to dealing with the administrative process, resources which they would have rather seen used to further the implementation of the project and the outputs delivered.

5. CSCDS Performance

CSCDS funding awarded

- 5.1 Final project numbers, expenditure data, and output figures were not available at the time of writing, as they were subject to audit processes. Final figures will therefore be reported as part of the ex-post evaluation of the overall RDP. The focus here is therefore on understanding the nature of activities supported and results delivered, with an indicative analysis only of the relative importance of different types of projects within the overall project portfolio.
- 5.2 It is, however, clear that the projects delivered using CSCDS funding were highly diverse, covering feasibility work, pilot and demonstration activities, as well as the development of new products, practices, processes and technologies. Thematically, activities ranged from agriculture/horticulture, food & drink marketing, and tourism activity to sustainability-focused projects in relation to energy efficiency & renewable energy, soil & water ecosystem services, and sustainable transport, as well as broader rural development activities including active travel, the Welsh language, and digital inclusion. The nature of collaboration at the heart of CSCDS projects was equally diverse, taking in small project partnerships designed to lever complementary expertise for a particular development opportunity, co-operation between academics or rural economy intermediaries with practitioners in various activity areas, all the way to broad coalitions of key stakeholders covering key industry activities, academia, and policy partners.

Target achievement

- 5.3 It is not possible to assess target achievement for the CSCDS, as the evaluation team has not had access to a set of scheme, sub-measure or project-level monitoring data on targets set or achieved. In addition, only around one third of project-level final evaluations were available. Target achievement as reported in the evaluation reports also does not reflect the verified final position as approved through the claims process. All commentary on target achievement presented here is therefore of an indicative nature, providing a reflection on the use of targets as well as tentative statements as to what has been achieved in terms of outputs.
- 5.4 A verified position of outputs against programme- and case-level indicators as of July 2023 was made available for the evaluation. However, it does not include

details of the respective targets. Nevertheless, it can provide a snapshot of the outputs to date delivered by the CSCDS.

Table 5.1: 16.2 verified outputs as of July 2023

Indicator	No. of projects	Sum of output – all projects
Case-level indicators		-
No. of farm holdings assisted	1	7.00
No. of feasibility studies	34	212.00
No. of holdings/beneficiaries supported	28	40,159.00
No. of information dissemination actions/promotional and/or marketing activities undertaken to raise awareness of the proposed project and/or its outcomes	52	34,528.00
No. of jobs created	42	526.52
No. of jobs safeguarded	16	852.94
No. of networks established	52	256.00
No. of participants in training	42	11,232.00
No. of participants supported	1	4,856.00
No. of stakeholders engaged	67	45,021.00
No. of training days	28	4,348.00
Total public expenditure for training/skills	7	159,297.92
Programme-level indicators		
O.17 – No. of co-operation operations supported (other than EIP)	69	525.00
O.21 – No. of co-operation projects supported	3	2.00
O.3 – No. of actions/operations supported	2	42.00

Source: CSCDS tracking data – data not formally validated by the Welsh Government

Table 5.2: 16.4 verified outputs as of July 2023

Indicator	No. of projects	Sum of output – all projects
Case-level indicators		-
No. of feasibility studies	6	11.00
No. of jobs created	3	92.00
No. of participants in training	1	54.00
No. of stakeholders engaged	6	2,198.00
No. of training days	1	18.50
Programme-level indicators		
O.17 – No. of co-operation operations supported (other than EIP)	4	7.00
O.3 – No. of actions/operations supported	1	3.00
O.9 – No. holdings participating in supported schemes	4	184.00

Source: CSCDS monitoring data – data not formally validated by the Welsh Government

Table 5.3: 16.8 verified outputs as of July 2023

Indicator	No. of projects	Sum of output – all projects
Case-level indicators		
No. of stakeholders engaged	1	73.00
Programme-level indicators		
O.17 – No. of co-operation operations supported (other than EIP)	1	2.00

Source: CSCDS monitoring data – data not formally validated by the Welsh Government

- 5.5 The meta review of the 29 projects for which a final evaluation report was available provides a tentative impression of the level of target achievement by CSCDS projects. This is purely a small snapshot, as no complete list of indicators for all CSCDS projects or details of scheme-level performance in terms of target achievement was available for the evaluation.
- 5.6 This meta review analysis suggests that in terms of the case-level indicators chosen to report on project performance:
- the most frequent ones selected by projects were number of stakeholders engaged (chosen by 20 projects), number of networks established (15), number of holdings/beneficiaries supported (14), and number of participants in training (14)
 - the least common were number of jobs safeguarded (two) and total public expenditure for training/skills (three).
- 5.7 In line with the considerable diversity in terms of the scale and nature of project objectives, actual targets cover a very wide numerical range, e.g. from a target of five stakeholders engaged (with a result of 21) to one with a target of 6,000 stakeholders engaged (with a result of 9,257). In view of the fact that the indicators appear to have been applied in very different ways and no authoritative monitoring data on targets and their verified achievement were available to the evaluators, it is not possible to assess whether the targets were realistic or not.
- 5.8 Regarding target achievement, a very varied picture again emerges from the meta review. Most commonly, targets are achieved or exceeded to highly varied extents. Only three projects underperformed across the range of case-level indicators chosen. The number of training days is the target that is most frequently missed, which the evaluation reports tend to link to the impact of COVID-19.

- 5.9 Feedback from the stakeholder interviews suggests that the case-level indicators and targets provide a very limited reflection of project performance only. However, the final evaluation reports for only 13 of the 29 projects covered by the meta review included details of bespoke indicators used to manage project performance, suggesting reluctance on the part of projects to add (or at least report on) additional performance indicators. The challenges of establishing a set of common indicators for a scheme as wide-ranging as this are important to recognise. The challenges of analysing data at a scheme or sub-measure level, as is being attempted here, are therefore a symptom of how the scheme was designed.
- 5.10 The specific indicators and targets chosen are extremely diverse, ranging from one project monitoring the number of innovative training solutions developed and the number of higher qualifications achieved (with clearly ambitious targets that are not achieved) to one using highly detailed indicators and aspirational targets relating to the community transport results delivered (all exceeded), as well as a third recording hours of beneficiary sessions (exceeded substantially) and areas of land improved (no quantitative target set). Others merely refer to the specific indicators and targets set for their project, e.g. one industry review being completed and one demonstration of an app delivered, the number of dissemination actions (counting the distribution of a brochure as one dissemination action) or one report drafted.

Effectiveness of co-operation activities

What was developed?

- 5.11 Judging by the sample of projects covered by the meta review, and in line with the breadth of objectives pursued by the CSCDS (as reflected in the ToC models that can be found in Chapter 3), the results delivered are highly diverse. This stands in the way of systematic categorisation. The results discussed in the evaluation reports also do not fully map onto the specific outputs as identified in the guidance for the different sub-measures.
- 5.12 Responses to the survey provide a first impression of what the project leads themselves think has been delivered by their projects. With 91 % of the 27 respondents ranking knowledge transfer/sharing and knowledge creation (86 %) as very important or important in their CSCDS project's achievement, these appear to stand out as the main results achieved. The adaptation, testing, validation or demonstration of a new product, process, practice or technology (77 %), network

development (76 %), and supply chain integration (74 %) were also scored highly by respondents.

- 5.13 Table 5.4 provides an overview of different types of results identified from the evaluation reports covered by the meta review.

Table 5.4: Types of outputs delivered by projects covered in meta review

Type of result	Discussion
Procedural results	Some projects delivered gap analyses, scoping studies, and initial relationship building, including with policymakers, laying the groundwork for more tangible development activities at a later stage.
Tangible results in line with Theory of Change outputs	Where the reviewed projects delivered more tangible results, these ranged from collaborative procurement practices, new training courses, new support mechanisms, and cluster development to standardised pan-Wales energy efficiency audit approaches, new horticultural growing techniques, new business and delivery models (e.g. for community transport), new applications and markets for produce, training and mentoring for supply chain integration, digital mapping and data collection tools, and tailored climate change impact models, to name but a few.

Source: Own analysis of meta review results

- 5.14 Differences can be seen in the specificity of project objectives between different sectors. As a strategic priority for the rural economy, projects in the red meat sector, for instance, were developed with direct Welsh Government involvement. They were characterised by highly specific issues and approaches, focusing on the detailed mechanics of production processes and supply chains. This contrasted, for instance, with a project focusing on early stages of developing supply chains for community business value-added products from woodlands, which, in line with the early stages of development of the sector, had to adopt a more exploratory approach.
- 5.15 Some pilot projects covered by the meta review focused on the development of business or delivery models. This ranged from research and the production of scoping or feasibility studies resulting in generic supply chain models or collaborative approaches with regard to a particular theme to more tangible models that were piloted in different settings, as well as actual pilot delivery of one business model with strong supply chain elements, often using digital tools.
- 5.16 There is also evidence that while co-operation and the refinement of delivery mechanisms and ways of interacting with ultimate beneficiaries (i.e. those making use of the activities delivered by the project lead organisations) were a strong element in all projects, not all initiatives were groundbreakingly new. The meta

review identified examples in which CSCDS funding was identified jointly with Welsh Government contacts to provide continuation funding for existing activities with a clear contribution to make to Welsh Government policy agendas, e.g. in relation to community growing.

- 5.17 Overall, the projects covered the whole continuum from highly applied settings (often involving supply chain specifiers and highly specific aspects of supply chain processes, e.g. the use of data collection tools in particular production processes), and developing or piloting more generic tools and approaches in specific settings, to upstream policy elements with the potential to change rural economy practices, as well as more blue sky activities seeking to identify strategic opportunities for greater collaboration in rural economies.

What was the success rate?

- 5.18 In line with the pilot and innovative nature of the CSCDS and the time lag involved in being able to measure ultimate success, the project-level evaluation reports tended to offer proxy measures for project success. These included stakeholder and beneficiary engagement or direct project outputs such as reports and models, rather than offering more robust measures of success in the form of quantifiable gains made by beneficiary organisations or impacts achieved for the rural economy more generally.
- 5.19 The evaluation reports for most of the projects included in the meta review identify worthwhile results that have the potential to benefit rural Wales.
- 5.20 Table 5.5 identifies key distinguishing features between different types of CSCDS projects and the results that they achieved.

Table 5.5: Types of outputs delivered by projects covered in meta review

Key characteristic of projects	Measure and indicative level of success
Projects working directly with a smaller group of beneficiaries piloting or demonstrating specific technologies or a set of existing practices or tools	These projects appear to have produced practical results. With a very clearly defined target group and highly specific potential learning or benefits, beneficiary engagement appears to have been strong. Specific bridging mechanisms appear to have contributed to the effectiveness of particular project approaches. The approach adopted by one project focusing on soil management practices to create opportunities for farmers to engage in practical experimentation, for instance, enabled applied research that delivered highly tangible results demonstrating potential benefits for farmers themselves from sustainable soil management techniques, and working with existing farmer groups to act as multipliers in reaching the wider farming community.
Projects with a focus on producing materials and resources to be deployed directly by the lead organisation in engaging large and diverse audiences in awareness raising and learning	At the other end of the scale, many of these projects also appear to have been effective. One project, for instance, provided the capacity to develop awareness-raising materials, e-learning modules, and service models to engage different target groups throughout Wales in reducing environmental impacts from pesticides entering waterways.
Projects delivering more generic support interventions	Some evaluation reports highlighted the difficulties involved in establishing additionality. There are also examples, however, in which the additional capacity provided by a CSCDS-funded project enabled the development and targeted delivery of more bespoke activities and support packages, e.g. working in collaboration with Farming Connect to cater to a specific group of agricultural businesses or rooting organisations' generic offer around health and well-being to be derived from rural landscapes in specific communities. Increased engagement is highlighted as a measure of success in one evaluation report considered for the meta review.
Projects focusing on developing new business or delivery models	For these projects, ultimate success, i.e. the actual uptake of the goods or services provided, appeared to depend on the immediate relevance and usability of their offer to beneficiaries on the ground. Some projects had built a way of ensuring the uptake of results into the very delivery model of their project. A project focusing on energy efficiency in community buildings, for instance, used an EoI process to deliver community energy feasibility studies with clear specifications combined with a focus on identifying potential funding sources as part of the service delivered.
Project piloting a specific given business model	Projects using the CSCDS investment to pilot a specific business model, an exit strategy of financial viability at the end of the project, tended to be posited as a project objective. This appears not to have been achieved for several projects.

Key characteristic of projects	Measure and indicative level of success
Projects focusing on research and development (R&D) and product development	<p>While it may still be seen as a success to have tested a model and gained insights into the reasons as to why it may not be viable, the success of such projects as a CSCDS intervention will be a function of how widely these insights are shared to enhance the chances of success of similar initiatives in the future.</p> <p>For those projects, particularly with a commercial organisation in the lead, the commercial potential will be the key measure of success with only longer-term benefits for rural economies in Wales beyond the participating organisations. Ultimate success as a publicly funded project will depend on any ripple effects in the form of returns from new or strengthened economic activities in rural areas through job creation, new economic activities being established, and/or gross domestic product (GDP) growth. Beyond projects that involved a commercial lead organisation with a direct interest in marketing the results, there is little evidence of this assumption so far holding true for projects.</p>

Source: Own analysis of meta review results

Who were the key stakeholders involved?

5.21 The composition of CSCDS projects again was highly diverse and multifaceted. This is in line with the very high-level eligibility requirement for CSCDS applications of 'at least two entities' having to be involved in any proposed project.

5.22 Evidence from the meta review and stakeholder interviews suggests that the motivations, existing networks of project leads, and the understanding of practicalities of the respective project activity were the key determinants of different project configurations. Some funded projects were relatively small-scale and delivered highly focused interactions between a small number of relevant stakeholders, either developing or piloting/demonstrating new processes or technologies. Others interacted with a larger group of beneficiaries through a focus on awareness raising or the provision of support.

5.23 Several projects directly involved:

- expert partners or providers
- key strategic stakeholders to ensure a wider strategic fit of the activities
- organisations providing the requisite access to a particular beneficiary community
- an organisation contributing a specific commercial asset.

This brought a risk of dilution of project roles and responsibilities, but delivered considerable value where it was managed well.

5.24 Examples of specific project configurations include:

- a Welsh Government department bringing together and managing a small specialist group of expert stakeholders to develop a specific spatial mapping tool to inform land use decisions
- a university department working intensively with an existing group of farmers and using demonstration activities to engage a wider group of farmers
- a rural development agency piloting the use of decentralised vertical farming technologies with a small group of growers, community organisations, and interested members of the public

- a supply chain specifier contributing the initial investment to enable a specialist mentoring programme for farmers.

5.25 Farming Connect features in several projects, with evaluation reports highlighting the mutual benefit of CSCDS projects delivering bespoke content or support and Farming Connect providing reach into the farming community. Similarly, Cywain is identified as a route of engagement of rural food and drink businesses for specific activities.

5.26 The red meat and dairy sectors were an exception to this rule of project configurations and activities being primarily driven by project leads' motivations, existing networks, and practicalities. Projects relating to livestock farming and red meat accounted for a substantial amount of total CSCDS funding (£34.1m). Here the Welsh Government played a direct role in developing and guiding the larger projects. Smaller projects in this space focused on highly specific supply chain interactions, e.g. a project, which focused on establishing a fully integrated beef supply chain in Wales, delivering mentoring in relation to calf rearing. The evidence suggests that these projects had good awareness of and aligned well with wider activities in this space.

Was a particular type of co-operation more 'successful' than another?

5.27 It appears that the relative success of different CSCDS projects is less a function of the type of co-operation than the result of an appropriate project design and effective project implementation and management.

5.28 While, as outlined above, there are no robust measures of success for CSCDS projects, the meta review provides a number of more detailed pointers regarding potential determinants of CSCDS project success.

5.29 Across all projects, three main aspects appear to have played a key role in shaping project success:

- sufficient attention at the outset towards clearly defining the scope of a project as well as realistic expectations regarding anticipated results (e.g. whether the aim is to explore feasibility or secure initial stakeholder engagement for more tangible activities further down the line, or actual development or demonstration activities building on existing foundations)

- a focus on clearly identified needs or opportunities with the resulting clarity of incentives for beneficiaries (e.g. a project delivering targeted awareness raising, information, and training with regard to a particular diversification opportunity for farmers, and another providing access to potential commercial opportunities for farmers)
- direct access to the requisite expertise and technical capacity, e.g. through building this into the project partnership or commissioning a trusted provider (e.g. a specialist organisation being commissioned to deliver an entire timber supply chain project or a project working closely with a specialist community energy consultancy)
- the use of a steering group or similar mechanism to ensure that wider knowledge and experience in the respective area of activity can feed into project implementation and that duplication is avoided.

5.30 For projects developing an applied practice, process, technology or product, particularly in a supply chain context, key success factors appear to have included:

- the project lead's credibility, standing, and reach into beneficiary communities
- the delivery of tangible activities with strong project management to secure continuous engagement
- the use of mechanisms to directly demonstrate the potential value of project results to beneficiaries.

5.31 For projects focusing on awareness raising, learning, and early development work, success appears to have been influenced by:

- the alignment of project objectives with the lead organisation's mission, objectives and capacity
- a clear project plan and clear project management responsibilities
- consistent and relevant communication with different beneficiary groups (e.g. in response to an interim evaluation recommendation, one project adopted the Customer Relationship Management (CRM) approach of focusing support on identified priority producers who had shown the greatest willingness to engage and the greatest potential to grow).

- 5.32 Where project leads depended too strongly on other intermediary organisations for a project's reach into relevant beneficiary communities, it seems to have proven difficult to deliver meaningful results. In addition, one evaluation report highlighted the risk that an approach of recruitment/engagement through existing provider relationships could potentially impact on the equity achieved, as the businesses targeted already receive substantial support through the partner providers.
- 5.33 For projects led by higher education institutions, success crucially depends on participating academics' own commitment to and/or partnership working with relevant organisations. A commitment to delivering practical results for end beneficiaries, over and above academic outputs such as publications or conference participation, is crucial for success here.
- 5.34 The involvement of Welsh Government policy stakeholders appears to have contributed to effective steering of project activities, to deliver results of strategic value by identifying potential synergies. This is particularly relevant for upstream interventions with a link to policy development. The relevance of the work undertaken by one project for the development of Sustainability Brand Value Wales and ensuring that the CSCDS investment could deliver its full potential for the Welsh meat and dairy sector's benefit, for instance, was identified through a steering group mechanism.

Responsiveness to rural supply chain stakeholders' needs

- 5.35 The evidence suggests that direct beneficiary involvement in project development and design has mostly been limited. Echoed by stakeholder interview comments, the evaluation reports covered by the meta review include several specific references to ultimate beneficiary needs and preferences not being sufficiently understood, e.g. adopting too ambitious an approach for the development of supply chains for woodland products, not fully appreciating the readiness of farmers to use digital data collection tools, or underestimating the need for demonstrable market demand to establish clusters of growers.
- 5.36 A quote from an evaluation report covered by the meta review highlights a key issue arising for direct beneficiaries, namely the *'expectation that partners involved in the project would commit staff time which would be covered through their existing funding arrangements'*. As outlined above, a good number of the projects covered

by the meta review succeeded in overcoming this challenge by delivering project activities which created a sufficient incentive for ultimate beneficiaries to engage.

- 5.37 Many of the projects covered by the meta review had built in specific mechanisms to embed responsiveness to rural supply chain stakeholders' needs in project delivery. This took a range of forms, from the offer of free services or direct engagement in applied research or piloting and demonstration activities to offering a commercial service or opportunity. The degree to which these offers to ultimate beneficiaries were taken up varied considerably between different projects and can be seen as a function of the immediate relevance of the approaches adopted. In line with the pilot nature of the projects that the scheme sought to attract, limited uptake in itself does not necessarily equate to a lack of project success as long as the insights and learning are being made widely available and put to good use in further project and policy development.
- 5.38 This contrasts with projects focusing on upstream activities with very limited direct interaction with ultimate beneficiaries in specific supply chains. The relevance of ultimate results here depends entirely on the extent to which they are informed by a sound policy understanding of rural economies as well as participating representative organisations' proximity to direct beneficiary needs. The usability of results will need to be proven subsequent to these projects' activities themselves.

CSCDS outcomes

- 5.39 Moving on from outputs to outcomes, the CSCDS ToC identifies several specific outcomes that were expected to accrue from CSCDS project activities. These include aspects that are in principle measurable, such as SME profitability, enterprise creation, efficiency of energy use, or increased supply and use of bio-economy inputs, as well as more qualitative measures, e.g. increased confidence in co-operative supply chain working, a deepened understanding of the Welsh food supply chain, or more sustainable agricultural and forestry practices.
- 5.40 The evaluation reports for the 29 projects covered by the meta review confirmed an impression gained from the stakeholder interviews, namely that the outcomes towards which projects worked were framed in terms of the specific rationale underpinning each of the individual sub-measures to a limited extent only. This section is therefore structured in terms of different types of outcomes, rather than strictly separating sub-measures 16.2, 16.4 and 16.8.

Quantifiable outcomes

5.41 The evaluation reports reviewed included very little evidence regarding any direct quantifiable outcomes achieved by the funded activities. Particularly with reference to the time lag involved in tangible quantifiable results accruing, some evaluations instead offered theory-based assessments of how activities are expected to deliver outcomes over time.

Table 5.6: Quantifiable Theory of Change outcomes delivered by CSCDS projects

Theory of Change outcome	Discussion
SME profitability	<p>Specific examples of quantifiable outcomes in the context of individual projects that were discussed in some of the evaluation reports included:</p> <ul style="list-style-type: none"> • increased SME profitability and resilience as a result of more efficient land use decisions in the future • potential new income streams for surplus produce — if and when a new technique is adopted more widely • having demonstrated the case for using solar energy in food processing, creating new opportunities for food processing in future. <p>Other reports explicitly confirm that beneficiary enterprises are yet to see a significant impact as a result of their engagement with a project. One report made explicit reference to the investment of additional time and money required before any tangible returns could be achieved.</p> <p>The effect of external factors, such as COVID-19, Brexit, and the war in Ukraine, particularly on input costs is highlighted in several evaluation reports and frequently referenced by stakeholders in the interviews as a factor that impinged substantially on any results in terms of profitability in particular, stating, for instance, that <i>'Covid didn't help — it knocked the project back a fair bit in terms of looking for markets'</i>.</p> <p>A common theme in the stakeholder interviews related to how profitability is an imperfect measure of project success because it is heavily influenced by external market forces. As one project lead put it, <i>'The sector being in a stronger position is key. Measuring this [...] is difficult because lots of external factors have an influence beyond any project interventions. A proxy [measure] could be a more knowledgeable sector, so the training element is important. Profitability, on the other hand, is much more affected by external market forces.'</i></p> <p>More immediate results were identified for some projects, e.g. savings through more efficient energy use, greater resilience through additional income streams resulting from participation in a project, or greater control over inputs and outputs through new data collection methods. While for these projects also, actual results depend on further investment and/or implementation steps, they have laid solid foundations for such change to happen in beneficiary organisations (e.g. through bespoke feasibility studies providing a template for securing efficiency savings through the use of renewable energy/energy efficiency technologies in community buildings).</p>

Theory of Change outcome	Discussion
Enterprise creation	One project explicitly identified eight new enterprises having been set up that would not have been created without the project, and one project points to very small-scale new trading activities.

Source: Own analysis of meta review results

- 5.42 Where evidence of quantifiable outcomes was presented, this tended to be from survey work, e.g. regarding participants' confidence to expand on the basis of new knowledge or techniques acquired or 'the overall economic viability of community services'. Some of the academic projects designed to demonstrate the benefits of new techniques had more robust measurement approaches for the effectiveness of particular techniques built into the project activities, e.g. in terms of changes to the carbon stocks in grassland.
- 5.43 In line with the pilot nature of CSCDS projects, measurable results in terms of SME profitability, resilience or diversification are in the future and will depend on the continued use and/or wider adoption of new processes, practices and technologies that were developed or trialled in the CSCDS projects.

Broader outcomes

- 5.44 Like the quantifiable outcomes for individual participant organisations, the meta review also provided insights regarding the extent to which broader outcomes as identified in the ToC were delivered by the subset of CSCDS projects for which evaluation reports were available.
- 5.45 Not all outcomes as identified in the ToC were reflected in the evaluation reports. Evidence on some of the more prominent ones is presented in Table 5.7 below.

Table 5.7: Broader Theory of Change outcomes delivered by CSCDS projects

Outcome	Discussion
Specialist sustainability-related outcomes	<p>The meta review delivered no evidence that some of the more specialist sustainability-related outcomes identified in the scheme guidance (e.g. increased supply and use of bio-economy inputs) were delivered by any of the projects. However, there is evidence of more sustainable agricultural and forestry practices having been a key feature of several CSCDS projects. This was the main aim for projects specifically focusing on the development and dissemination of more sustainable land use, new ecosystem service approaches, or new crop varieties and cultivation approaches. Only these projects have delivered carbon conservation and sequestration as a direct project outcome, e.g. through an improved understanding of how soil health can be influenced through different land management approaches.</p>
Implicit sustainability outcomes	<p>Many of the projects developing or piloting new products or production techniques arguably also make an implicit contribution to sustainability objectives. Examples include projects designed to cut down on the use of medicines in livestock rearing, establish new techniques to gain maximum value from sustainably managed community woodlands, make best use of existing resources in rural communities, or pioneer different ways of engaging communities in conservation activities.</p>
Principles of Sustainable Management of Natural Resources	<p>Similarly to the above, while most of the CSCDS projects cannot be described as embracing the complete set of principles and approaches that constitute the Welsh Government’s principles of Sustainable Management of Natural Resources as set out in the new Natural Resources Policy¹⁷, individual features and principles are reflected in many of the 29 projects covered by the meta review.</p>
Strengthening supply chains	<p>Several projects supported under sub-measure 16.2 have made a contribution to strengthening supply chains, the main focus of sub-measure 16.4. However, this was framed in terms of the focus of sub-measure 16.2 on pilot projects and new products, processes, practices or technologies. As a result, the emphasis in any activities related to supply chains has tended to rest on supporting small, local producers and associated outlets in developing or adopting new products to feed into supply chains and markets (e.g. daffodils for pharmaceutical production, a new growing potato variety to strengthen resilience, the marketing of produce from vertical growing techniques, adding value to surplus produce, developing and marketing novel products from community woodlands).</p> <p>Direct references to improved supply chain co-operation and integration tend to refer to wider aspects of marketing and branding, improved understanding of supply chain partners’ generic requirements or more general network building. Only where specific supply chain processes were the focus of project activity, with vertical supply chain partners involved in the project, were specific</p>

¹⁷ Welsh Government (2017), Natural Resources Policy

Outcome	Discussion
	<p>supply chain results reported. In those instances, this would often have led to the identification of bottlenecks or process shortcomings (e.g. a lack of calf finishing units in Wales), creating an opportunity to jointly address those.</p> <p>The evaluation reports covered by the meta review suggest that some of the work is likely to have contributed to the objective of ‘support[ing] work with the three established Food Industry Centres to map the food supply chain in Wales’¹⁸, an outcome specifically identified in the guidance for sub-measure 16.4. While it is not clear to what extent any insights gained were aggregated to deliver an overarching perspective on the manufacturing and hospitality supply chain, individual projects delivered bespoke research and/or specific insights regarding these supply chains. Any focus on manufacturing supply chains was largely concentrated in projects relating to the livestock and red meat sector.</p> <p>The evaluation reports reviewed would suggest that one key insight in relation to supply chain development that can be derived from CSCDS projects is that genuine supply chain integration requires a dedicated relationship-building effort, particularly where new products are involved. There are indications that the joint problem-solving approach adopted by some projects offered a useful way in which to nurture such relationships.</p>

Source: Own analysis of meta review results

¹⁸ Welsh Government (2020), Co-operation and Supply Chain Development Scheme Guidance Notes, Version Number: 13, Issue Date: October 2020.

Outlook once CSCDS funding ceased – focus on impacts

- 5.46 Many evaluation reports point to the learning made and/or behavioural change adopted by direct project participants, the data gathered and research results obtained, the connections made and community cohesion fostered, the increased availability and uptake of digital technologies, the practices and models demonstrated, and the dissemination actions delivered as ultimately translating into impacts. However, this too would often be seen to depend on follow-on funding to come to full fruition. One stakeholder, for instance, described how *‘experimental on-farm sites established over the course of the project [represent] a long-term legacy’* of one project, which together with *‘the linkages and networks created [...] provide excellent opportunities for further innovation in Welsh agri-food systems’*. Another interviewee commented that *‘[The Welsh Government] should resource a follow-up to the project’* to ensure that the ultimate benefits would be reaped from the demonstration activities delivered.
- 5.47 While there is limited reference to explicit exit strategies in the evaluation reports covered by the meta review, the evidence points to a number of examples in which scenarios exist that point to project results potentially being taken forward.
- 5.48 The evaluation reports do provide examples of project results feeding directly into further activities that have the potential to translate into wider and longer-term impacts, e.g. through organisational memberships having increased, materials developed during the project enabling further dissemination activities, or project results being fed into the ERAMMP. Moreover, the stakeholder interviews revealed examples of projects that developed self-funding models or have been able to generate sufficient revenue from their initial CSCDS project to continue their work or develop existing projects further.
- 5.49 For others, the assumption of reaching a point of results being commercially viable by the end of the project — to be taken forward either directly by the lead organisation and direct project participants or through partnerships created on the strength of the project outcome or ‘product’ as a marketable proposition — did not hold true. While the meta review identified a number of projects that delivered valuable learning regarding potential business models for a particular product, process or technology, these tend not to have reached the threshold of commercial viability.

- 5.50 There are also examples of projects with a ‘task-and-finish’ nature that feed directly into further activities, e.g. a land use modelling tool developed with direct Welsh Government involvement, some university projects’ results feeding directly into longer-term applied research agendas (working with relevant partners on the ground, e.g. to feed into the greenhouse gas emissions reduction roadmap for Wales regarding livestock farming), directly actionable feasibility studies for energy efficiency complete with recommendations regarding potential funding routes, or stakeholder engagement work having laid the foundations for the subsequent implementation of activities (e.g. development of rural cycle routes).
- 5.51 Similarly, where projects were very closely related to the mission and/or regular activities of the lead organisation, project results appear to have contributed directly to the scope and scale of activities delivered, e.g. through acquiring specific capital assets such as community transport vehicles, new learning modules developed, dissemination materials and formats strengthening engagement activities, new networks and partnerships having extended the organisational reach, or tangible supply chain tools having progressed far enough to have secured participant commitment.
- 5.52 However, a point that was repeatedly raised in the stakeholder interviews is also evident in the evaluation reports, namely that for many projects, maximising the outcomes and impacts of completed CSCDS projects depends on securing further funding, either to continue delivering the respective activities (e.g. diversification into new potato varieties not being financially viable without a corresponding market having been created) or to capitalise on the learning made in the project. In some instances, such further funding has already been secured.

Wider impacts

- 5.53 Feedback obtained through the stakeholder interviews suggests that the CSCDS results tended to be seen in principle as having the potential to benefit rural communities, laying the foundations for new opportunities for rural investment and revitalisation of the rural economy. One interviewee highlighted that farmers *‘feel supported in the networks created through the project and have a real appetite for change’*, while another highlighted how *‘the project results do have the potential to unlock private funding and enable more projects’*, pointing to *‘new relationships with landowners, a new network with a degree of momentum’* having been created. A

third stakeholder suggested: *'ultimately, the project will have helped to increase the potential for economic viability in parts of Wales.'*

- 5.54 Coverage in the 29 evaluation reports covered by the meta review of the extent to which outputs and outcomes translate into the impacts as anticipated in the CSCDS ToC is again limited to theory-based analyses. This included examples of considering whether and how the activities delivered are likely to produce longer-term and wider effects in the form of increased market orientation of farms, costs taken out of local supply chains, increased (agricultural) diversification, improved ecosystems and services, local development in rural areas, the reduction of risks from climate change to rural communities, or strengthened local development in rural areas. The time lag involved in seeing any impacts is again referenced in several evaluation reports as the reason as to why these could not be evidenced directly.
- 5.55 Some of the more tangible pilot activities trialling or demonstrating new processes or technologies refer to gains, for instance, in terms of costs taken out of the local supply chain. However, the reports do not quantify this effect, which is also strictly limited to direct project participants.
- 5.56 Reference to any strengthening of links between the food & farming and tourism sectors appears to be limited to one project highlighting the development of recommendations for Welsh Government food tourism policy and action plans.
- 5.57 A key point emerging from the stakeholder interviews is that the kinds of mutual learning, cross-fertilisation, and upscaling of results, all crucial ingredients for wider impacts to be secured, are yet to happen. Many project leads interviewed were unaware of who else had been funded, and deplored the fact that there was no mechanism in place to connect with other CSCDS projects working in similar areas (e.g. pan-CSCDS events and networking opportunities).
- 5.58 Interviewees welcomed the way in which the CSCDS was focused on pilot projects, which they saw as an important step to facilitate innovation, with one stakeholder reflecting, for instance, that *'the concept of CSCDS is very much about piloting, which worked well'*. However, interviewees consistently queried how the transition from piloting to scaling and wider implementation would be supported, as illustrated by one interviewee, for example, commenting that *'we have a scalable, transferable*

model but are still dependent on short-term funding [and] can't see any mainstreaming of the results'.

- 5.59 The need for a process to mainstream results and ensure appropriate longer-term support mechanisms was a recurring theme in many interviews. *[Projects] should have to prove that they have moved the industry forward [...]. They need to reach beyond a pilot and need to follow through.'*
- 5.60 Crucially, the project closure process as instituted by the Welsh Government was seen to be weak without any emphasis on providing feedback or supporting the dissemination of results. This was expected to affect the ultimate impact that could be achieved by CSCDS projects. One stakeholder summed this up by saying that *'if results from the scheme are to be put to good use, then there needs to be some sort of project closure process, and formal final reporting submitted with feedback on how this fits into wider [Welsh Government] policies'.*

Strategic fit

Fit between project framing and CSCDS Theory of Change

- 5.61 The evaluation reports vary somewhat in how they present the strategic context for project activities. Some focus on the RDP priorities and list the ones against which the project was designed to deliver, some reference various relevant Welsh Government policies, and some provide a narrative account of the need that the project addresses. While some evaluations have developed bespoke ToC frameworks for projects, there is limited consistency in terms of any overarching ToC for the CSCDS. There are also examples, however, of evaluation reports that focus purely on (case-level indicator) targets without any wider contextual analysis.
- 5.62 When asked to describe the core rationale behind the scheme, project leads were usually able to provide a coherent account of the need for and approach adopted by their particular project. However, these accounts highlighted a whole range of objectives and aspirations that varied substantially depending on the thematic area and the specific sectoral and organisational setting within which they operated. While these accounts could usually be framed in terms of the outcomes required for CSCDS projects, they tended not to be explicitly described in terms of the higher scheme-level objectives.

- 5.63 The impression that the different CSCDS sub-measures were not always clearly distinguishable is a further indication of the limited success in ensuring a strategic fit. As one stakeholder reflected, *'it was vastly complicated to find the right one in the reams of funding streams, measures, and sub-measures'*, while another noted that *'Measure 16 has become more orientated towards niche subjects'*. Several interviewees described how the CSCDS was explored as one of many potential funding routes, and there is at least one example of a project application that had originally been considered for funding under sub-measure 16.4 subsequently securing funding under the Sustainable Management Scheme instead.
- 5.64 Some interviewees noted that the lack of a strategic link with a wider context had led to a degree of duplication between activities. *'Learnings are never transferred from one [project] to the next. Instead, different sets of people are involved in developing it, adopting a "pepper pot" approach without a clear, explicit link to strategic objectives.'* Some stakeholders also expressed concern about duplication with other funded schemes, e.g. LEADER. The overriding sense was that strategic objectives needed to be more tangible, and projects should have been assessed in light of clearer objectives.

Cross-cutting themes/objectives

- 5.65 A few of the 29 evaluation reports covered by the meta review offered a narrative to relate project activities and/or processes to the cross-cutting themes. Activities to strengthen the profitability of agricultural businesses or the viability of community activities were described as a means by which to tackle poverty, and niche opportunities for new enterprise activities making use of surplus produce were seen to address sustainable development objectives in the process. Outreach activities and special support for people experiencing mental health issues or living in deprived areas were seen to contribute to social inclusion, and explicit efforts to recruit women into the steering group of an energy project (often a male-dominated area) were linked to supporting equal opportunities and gender mainstreaming.
- 5.66 Focusing on alignment with Welsh Government and EU strategic policy objectives, there is some evidence from the meta review that several projects have made a direct contribution towards Welsh language commitments. While for some this was delivered through a strong emphasis on bilingual provision or linked to strengthening the resilience of strongly Welsh-speaking farming communities,

others had a direct focus on priority Welsh language communities and were primarily or exclusively delivered through the medium of Welsh.

6. Value for money

Defining CSCDS value for money

- 6.1 Achieving VfM is key to the success of leveraging public funds and will therefore be used as the main lens through which to draw conclusions on the CSCDS in this section.
- 6.2 There was a clear consensus among stakeholders, both internal Welsh Government representatives as well as representatives of external organisations and project leads, that it was not possible to ‘measure’ the VfM delivered by the CSCDS based on any simple formula using quantitative evidence alone. It was widely suggested that the results delivered were too diverse to lend themselves to an aggregate quantitative analysis, and that any such assessment would need to take the value of wider outcomes and expected impacts into account. This clear statement provides the basis on which to review the five detailed VfM criteria.

Value for money dimensions

Economy – spending the least possible amount (i.e. cost of inputs)

- 6.3 The process review revealed a strong emphasis on developing appropriate systems and procedures to manage the public funds allocated to the CSCDS. Those processes and systems included: the competitive nature of the application windows, the clear allocation of funding envelopes per application window, the practice of capping project budgets at the grant level requested at the EoI stage to ensure that realistic costings are obtained, the inclusion of VfM as a selection criterion, and the fact that there was no requirement for any projects to be selected if policy teams decided that the evidence and rationale provided by applications were not of sufficient quality. This suggests that efforts to spend the least possible amount on individual activities were at the heart of CSCDS processes.
- 6.4 Correspondence regarding the scoring and selection processes further confirms that the proportionality of budgets put forward in project applications was considered in the assessment process and there is evidence of budget negotiations forming part of the detailed project development and formal approval process.
- 6.5 Strict procurement rules for funded projects were also in place to ensure that best-value considerations were applied at the project level too.

- 6.6 The very nature of the scheme designed to stimulate innovative, collaborative actions meant that resource investments could not be assessed against a clear specification. A detailed assessment of the precise spend required at the application stage would therefore have been difficult, acting as a constraint on delivering on this VfM dimension.
- 6.7 Active ongoing project management by project lead organisations themselves would therefore have been key in securing the economy of the CSCDS investments. While no detailed evidence regarding the financial project management performance of CSCDS projects is available, the evidence from the meta review suggests that many projects were delivered by experienced project managers — making the grant available go as far as possible would have been in their own best interest.
- 6.8 While a conclusive assessment of the economy of the CSCDS investment is not possible, a number of measures with which to control spend appear to have been in place. If applied correctly, those could potentially be seen as a proxy indicator of the economy criterion.

Efficiency – spending the available resources well (i.e. relationship between inputs and outputs)

- 6.9 The lack of a live, responsive project management relationship between the CSCDS administration and project lead organisations curtailed the extent to which efficient use of resources at the project level could be influenced.
- 6.10 While a robust assessment of the efficiency of delivery in this respect is not possible with the available evidence, the meta review suggests that in most cases, project lead organisations did have effective processes in place to ensure that inputs translated into outputs as efficiently as possible.
- 6.11 Crucially, however, the evidence suggests that the efficiency of the CSCDS was seriously affected by the Welsh Government’s use of administrative systems and processes that were unsuitable to the nature and scale of the funded projects. Project lead organisations had to dedicate what they considered to be an inappropriate amount of staff time to service the CSCDS administrative processes, which was therefore not available to the delivery of project activities with a direct connection to outputs. In view of this fact, the conclusion has to be that the Welsh Government did not deliver the CSCDS efficiently.

Effectiveness – spending the available resources wisely (i.e. relationship between intended and actual results – outcomes)

- 6.12 Several factors have impinged on the effectiveness of the CSCDS. The limitations regarding the clarity of the ToC for the CSCDS have meant that intended results could not be clearly specified at the outset. This is inherent in a scheme like the CSCDS, which seeks to stimulate bottom-up action to address issues identified by stakeholders on the ground. However, this would have called for an active project management relationship with project lead organisations.
- 6.13 The evidence suggests that this was not the case. The output measures used were generally seen not to be very useful in providing a genuine understanding of project-level progress towards intended results. In itself, this would have made it difficult for the scheme management function to maintain a thorough understanding of what was being achieved by individual projects and the scheme as a whole.
- 6.14 Issues surrounding the responsiveness of the monitoring and reporting relationship further exacerbated this issue. Project lead feedback suggests that the reprofiling of budgets and activities to be able to deliver on outputs and outcomes was difficult. Therefore, not only did the SMU not have the appropriate tools at its disposal to understand, let alone influence, the results achieved, project leads themselves had limited scope with which to adapt to changing circumstances.
- 6.15 Despite this, the research undertaken for this evaluation has identified that the projects funded under the CSCDS appear to have delivered strong results of a highly diverse nature. However, the activities have been exploratory and innovative in nature, with a focus on piloting new activities and generating and sharing knowledge. The effectiveness of the CSCDS depends on the results being applied in working towards lasting co-operation in rural economies in Wales. In other words, realising the full value of the CSCDS investment depends on further steps being taken to maximise outcomes and impacts.
- 6.16 The evidence suggests that so far, any effective cross-fertilisation between projects (and outside of the CSCDS) has happened in small pockets only. The full strategic value of CSCDS projects, the extent to which they can catalyse wider and longer-term change in rural economies in Wales, has therefore not yet been realised.

6.17 Stakeholders have also suggested that without additional measures with which to facilitate the dissemination and mainstreaming of results, the effectiveness of the CSCDS investment will suffer. So far the results have been neither effectively fed into Welsh Government policy formulation and strategy agendas nor shared with a wider group of beneficiaries beyond direct project participants.

Equity – spending the available resources fairly (i.e. reach into and coverage of intended target group)

6.18 A conclusion regarding the reach of the CSCDS into intended target groups is not clear-cut. The cohort of funded projects includes considerable diversity in terms of the type of organisation and their sector of activity, and projects cover a wide range of thematic areas. This appears to suggest that the CSCDS had good accessibility. There were also suggestions, however, that the administrative processes and costs would have been prohibitive to many organisations, limiting the accessibility of the CSCDS. Stakeholder feedback also suggests that the scheme-related outreach and marketing activity had very limited visibility. Finally, many of the successful CSCDS applicants appear to have had previous involvement in the RDP or other European-funded activities. This raises question marks over the reach and coverage of a wider target group of the scheme.

6.19 In addition, to assess CSCDS reach and coverage a clear definition of the intended target groups would be required. The interviews suggest that this remained contested amongst different organisations with a stake in the CSCDS. Farming organisations, for instance, expressed very different expectations from those of community development agencies as to who should be the main beneficiaries of the CSCDS investment. Without any clear strategic traction for the scheme, there is no shared understanding of the precise levers with which to strengthen rural economies. The reach into wider cohorts of potential beneficiaries beyond project participants themselves as well as the expansion of the scheme into the sphere of community regeneration come under scrutiny from the agricultural sector. A much clearer rationale behind the investment choices made would therefore be required for the achievements of the CSCDS to be seen as equitable.

Cost-effectiveness – delivering commensurate results for the total cost (i.e. outcome or impact in relation to total cost – was it worth it?)

6.20 There was wide agreement amongst stakeholders that there is a need to provide funding for collaborative, innovative projects that are not purely framed by a commercial rationale. The meta review identified ample examples of strong project results, be they in the form of new products, processes, practices or technologies, new knowledge generated, and learning made, or in terms of new collaborative relationships. As suggested regarding the effectiveness of the scheme above, this knowledge will only have been created in a cost-effective way, if it is shared more widely.

Overall assessment of value for money

6.21 To sum up, it has not been possible to establish a clear way of assessing the VfM delivered by the CSCDS. This is the result of a lack of clarity in the ToC for the scheme combined with deficiencies in scheme management.

6.22 It appears that the scheme has supported some activities that, in line with the vision for the scheme, have allowed businesses, organisations and communities to work together to make new things happen. However, without a clearer strategic steer, or at least engagement with projects, the scheme has not been able to understand or maximise the value achieved.

6.23 The evidence appears to very clearly suggest that alongside this the excessive administrative burden placed on projects has diminished the VfM of the scheme, with considerable resources being allocated to administrative activities.

6.24 The extent to which longer-term value will be achieved is even less clear. While the activities funded through the CSCDS do appear to have made a valuable contribution to rural economies in Wales, there is insufficient evidence at this time to understand to what extent the activities delivered have indeed built capacity and organisational resilience.

6.25 The evidence very clearly suggests that, at the very least, further steps are required to realise the longer-term value and ensure that the potential to stimulate community, social, environmental and economic well-being for future generations, innovation, and collaboration can come to fruition.

6.26 Finally, the difficult experience that many project lead organisations have had with the CSCDS administrative processes has the potential to make this kind of scheme very much last-resort funding for those organisations that are able to accommodate such processes, while excluding smaller organisations with less resources and capacity. This will further constrain the longer-term value generated.

7. Lessons learnt and recommendations

7.1 This section draws on the discussion within the report to identify key lessons learnt and provide related recommendations. It is important to note that the timing and methodological challenges encountered in undertaking this evaluation have meant that the findings and conclusions can be of an indicative nature only. However, several key insights emerge that are supported by the consistency of the evidence available.

7.2 The VfM perspective has been used as the main lens for all recommendations. While a robust assessment of the actual value delivered by the CSCDS cannot be provided, reflecting on the findings as presented in this report, a set of lessons learnt can be related to the three main phases of:

- scheme marketing and project development support
- programme management and reporting
- maximising project results and impacts.

Scheme marketing and project development support

Lesson learnt 1

7.3 A scheme such as the CSCDS holds significant strategic potential for rural economies in Wales. However, applying strategic fit as a criterion with which to assess the strategic value of project proposals once submitted was seen to be too reactive to maximise such value. Instead, the strategic insights held by Welsh Government policy departments, if deployed well, could provide an important strategic steer to ensure that the cohort of projects receiving funding contributes effectively to identified strategic objectives.

7.4 Doing so in an effective manner crucially depends on striking an appropriate balance between the strategic framing of the overall scheme, effective outreach to engage a wide cross section of potential beneficiaries, and the clarity of specific strategic objectives:

- the strategic framing of the scheme as a whole needs to clearly communicate how co-operation activities and the development, testing and piloting or demonstration of new products, processes, practices or technologies are seen to be of importance in different sectors and areas of activity

- outreach activities need to be capable of reaching and engaging those who can provide a genuine grassroots, practical perspective on strategic issues as they face organisations in the rural economies in Wales
- it is on this basis that active involvement of Welsh Government policy teams can reflect on and enrich strategic objectives that can then be applied to project development and selection.

7.5 **Recommendation 1:** Ensure that outreach activities are levered for Welsh Government policy teams' strategic insights to combine with a grassroots perspective to ensure that clear strategic objectives can guide project development and selection.

Lesson learnt 2

7.6 Stakeholder feedback suggests that while Measure 16 is meant to engage diverse rural organisations in co-operation activities, small organisations are unlikely to have the requisite financial standing and administrative capacity to develop and deliver a project under this kind of scheme. As a result, ultimate beneficiary target groups depend on larger organisations to provide such capacity and act as a lead body for projects. The meta review has illustrated the importance of lead organisations' profile and motivations, the project design, and the nature of interactions with beneficiaries in this context.

7.7 The project development stage, therefore, is an important linchpin that sets projects up for success or failure. It is at this stage that a good fit between the lead organisation's motivation and expertise and precise beneficiary needs can be ensured, and a sound project plan that can deliver tangible results against strategic objectives for the wider rural economy in Wales can be developed.

7.8 **Recommendation 2:** Focus attention and resources on a proactive scheme management role at the project development stage, providing guidance and support and offering a challenge function for project rationales and approaches.

Programme management and reporting

Lesson learnt 3

7.9 Stakeholder feedback consistently highlighted the fact that the administrative processes and systems adopted for CSCDS programme management interactions

with individual projects were not appropriate for the nature and scale of the kind of project that was supported through the scheme. The issues encountered included:

- delays in project approvals combined with a lack of flexibility in restructuring project plans in response to such delays
- a lack of access to appropriate advice and support
- a cumbersome claims process.

7.10 Programme management aspects were therefore viewed as a key weakness of the CSCDS scheme. In particular, the claims process received strong criticism for being overly rigid, opaque, and highly resource-intensive. Retrospective changes to compliance criteria and evidence to be provided further exacerbated this issue. The general view emerged that this mismatch is a serious challenge to the overall VfM that can be delivered by a scheme like the CSCDS.

7.11 **Recommendation 3:** Ensure that all administrative processes adopted for a scheme like the CSCDS are commensurate with the capacity of the target group and the nature and scale of anticipated projects. It is vital to avoid retrospective changes to claims and financial management processes.

Lesson learnt 4

7.12 The research undertaken for this evaluation confirms a stakeholder expectation for a programme like the CSCDS to deliver a mutually complementary body of strategic projects that can jointly advance rural economies in Wales. While there is evidence of an internal scheme management focus on understanding complementarities between projects and avoiding duplication, this appears not to have been sufficient in delivering a shared understanding. Stakeholders including project leads themselves felt very strongly that an opportunity had been missed for project results to be discussed as part of the CSCDS reporting relationship or shared more widely with a broader group of organisations. This was seen to be necessary in order to deliver more complete insights, engage a wider group of potential beneficiaries, and generate strategic momentum in different areas of activity.

7.13 **Recommendation 4:** Adopt a relationship-based reporting process with the capacity and adequate resources to consider project progress, identify potential synergies between projects as they develop, and ensure continuity of strategic engagement by facilitating interactions between projects funded under a scheme like the CSCDS. Welsh Government management of a scheme like the CSCDS needs to incorporate a support and facilitation function to maximise the overall VfM that can be achieved by the full cohort of projects.

Maximising project results and impacts

Lesson learnt 5

7.14 While there is clear evidence of many CSCDS projects effectively engaging direct project beneficiaries, the meta review and stakeholder interviews also show that the individual CSCDS projects rarely gained any traction with a wider target group of interested organisations. And yet, to secure full VfM from the interventions, this is precisely what would be needed.

7.15 **Recommendation 5:** Organise additional dissemination and networking activities to share the results and insights gained from CSCDS projects and make them accessible to one another and a wider cohort of potential beneficiaries in different sectors and areas of activity.

Lesson learnt 6

7.16 The meta review and stakeholder interviews clearly suggest that, in line with the pilot nature of the funded activities, a majority of CSCDS projects have delivered intermediate outcomes rather than making a direct, quantifiable impact on direct beneficiaries or a wider cohort of organisations in rural economies in Wales.

7.17 Securing the full VfM from the CSCDS investment will therefore depend on ensuring that rural communities in Wales can take full advantage of project results and that learning from the projects supported is implemented. In many instances, further steps involved in bringing new products, processes, practices or technologies to fruition will require additional strategic investments. In others, meanwhile, the learning derived from projects will need to be used to steer further activity in the respective sectors and areas of activity.

7.18 **Recommendation 6:** Ensure that, beyond a focus on an exit strategy for individual projects, project closure interactions include detailed consideration of project results and any requirements to ensure that they deliver anticipated outcomes and impacts.