

Dadansoddi ar gyfer Polisi



SOCIAL RESEARCH NUMBER:

09/2025

PUBLICATION DATE:

30/01/2025

High-level review of Welsh Government food sector schemes delivered under the Rural Development Programme

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

High-level review of Welsh Government food sector schemes
delivered under the Rural Development Programme
Evaluation Report

Authors: Ioan Teifi, Endaf Griffiths

wavehill

Social and economic research
Ymchwil cymdeithasol ac economaidd

Full Research Report: Griffiths, E; Teifi, I (2025). High-level review of Welsh Government food sector schemes delivered under the Rural Development Programme: Evaluation Report. Cardiff: Welsh Government, GSR report number 09/2025.

Available at: <https://www.gov.wales/high-level-review-welsh-government-food-sector-schemes>

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

For further information please contact:

Research, Monitoring and Evaluation Team

Welsh European Funding Office

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Email: Research.Evaluation@gov.wales

Table of contents

1.	Introduction	3
2.	Methodology.....	5
3.	The food and drink sector in Wales	10
4.	High-level review of impacts, alignment, and lessons learnt	30
5.	Conclusions and recommendations	51
	Appendix 1: Schemes and projects included in the review	59
	Appendix 2: Discussion Guide for interviews with delivery leads	65

List of tables

Table 3.1: Number of businesses and employment from 2014 to 2020	10
Table 4.1: Food and Drink priority sector turnover in Wales and the UK, 2009 to 2021.....	42

List of figures

Figure 3.1: F&D businesses by turnover size bands in Wales and overall across the UK ...	11
Figure 4.1: Activities delivered by RDP-funded food and drink projects and schemes	31

Acronyms

BRES: Business Register and Employment Survey

CSCDS: Co-operation and Supply Chain Development Scheme

EU: European Union

FBIS: Food Business Investment Scheme

FSC: Food Skills Cymru

GVA: Gross value added

HMRC: His Majesty's Revenue and Customs

ICT: Information and communications technology

IDBR: Inter-Departmental Business Register

ONS: Office for National Statistics

PAYE: Pay as you earn

RBISF: Rural Business Investment Scheme – Food

RDP: Rural Development Programme

SSU: Sustainable Scale Up

VAT: Value added tax

1. Introduction

1.1 Wavehill was commissioned by the Welsh Government to undertake a high-level review of the support operations that were funded by the Rural Development Programme (RDP) 2014 to 2020 for the food and drink sector in Wales. This was part of a broader commission by the Welsh Government, where Wavehill was also tasked with undertaking specific evaluations of the Food Business Investment Scheme (FBIS) and the Rural Business Investment Scheme – Food (RBISF). The former was one of the flagship schemes for food and drink, funded under the RDP. All RDP-funded interventions have closed or are in the process of winding down by June 2023. Consequently, the Welsh Government commissioned a broader review of all key food and drink provisions to help inform the future support post-Brexit. The review had several aims:

- To provide a broad quantifiable assessment of the economic and environmental impact across Welsh Government food sector schemes delivered under the RDP.
- To assess the alignment of support available across the Welsh Government food sector, and how this fits more broadly with Welsh Government and European Union (EU) strategic policy objectives.
- To provide recommendations and lessons learnt, with particular consideration given to potential gaps in provision across the sector, the food business journey, and what could be done differently in future, to help shape future support delivery.

1.2 The original specification required a high-level review of four flagship schemes comprising Helix,¹ Cywain,² Food Skills Cymru (FSC),³ and FBIS. However, Wavehill also incorporated other RDP-funded food and drink provisions into this review, where evaluative data was available. A full list of the support provisions included in this review is shown in Chapter 3.

1.3 The remainder of this report is structured as follows:

- Chapter 2 describes the methodology utilised to conduct this review.

¹ [Food Innovation Wales](#)

² [Cywain on menter busnes Cymru](#)

³ [Foodskills.Cymru](#)

- Chapter 3 outlines the context of the report through an overview of the food and drink sector in Wales, a description of the policy objectives, and the RDP (2014–2020) funded schemes designed to meet those objectives.
- Chapter 4 provides the key findings from our review, with regard to the impacts (primarily economic and environmental), strategic alignment, and lessons learnt for future delivery.
- Chapter 5 concludes the report with a series of recommendations.

2. Methodology

2.1 The methodology fulfils the requirements set out in the specification, which asked for a synthesis of available monitoring data and secondary evaluation evidence for the five flagship schemes, supplemented by qualitative interviews with delivery leads. Wavehill went beyond those requirements by also reviewing evaluation materials and conducting interviews with the leads of other relevant schemes. Alongside the broad research objectives outlined in the introduction, the specification stated the following specific research questions and/or requirements:

- To provide a broader assessment of support available across food sector schemes under the RDP, with particular emphasis on any broader quantifiable economic and environmental outcomes and impacts.
- Are the RDP food sector schemes identified in this evaluation consistent with the aims of the Well-being of Future Generations Act (2015) and other relevant Welsh Government strategic policy objectives?
- To what extent have the schemes successfully addressed the three cross-cutting themes,⁴ and to what extent have they supported the Welsh Government's Welsh Language Strategy commitments in 'Cymraeg 2050: A Million Welsh Speakers'?
- To what extent have they addressed the European Commission's cross-cutting objectives (1. Innovation; 2. Environmental Sustainability; and 3. Climate Change)?
- What lessons can be learnt and recommendations for change made to maximise the potential for a whole range of schemes (including FBIS and RBISF) to have maximum impact in advancing the new strategy?

⁴ The three cross-cutting themes were: (1) Equal Opportunities, Gender Mainstreaming, and the Welsh Language; (2) Sustainable Development; (3) Tackling Poverty and Social Exclusion.

- 2.2 Wavehill was initially appointed in January 2022 to undertake this evaluation, which has been delivered in two stages. A Stage 1 Inception and Evaluation Framework Report was developed in June 2022, based on a comprehensive scoping exercise which involved:
- Nine scoping interviews with Welsh Government officials involved in designing and administering the schemes, alongside food and drink policy leads;
 - Seven interviews with external stakeholders (primarily industry representatives);
 - A comprehensive review of the wider literature, including a policy review and mapping exercise of the support landscape.
- 2.3 This first stage helped to build our understanding of the food and drink sector in Wales, with the key information presented in Chapter 3. This first stage was also important in identifying the relevant schemes to include in our review. With around 100 to 150 schemes and projects funded under the RDP 2014–20, we identified 34 that supported the food and drink sector on some level, and 19 of those were deemed sufficiently relevant to include in our review. The criteria used to determine the relevance primarily considered: whether the projects / schemes provided support directly to food and drink businesses, and whether they focused on the food and drink sector explicitly. The projects or schemes deemed to be insufficiently relevant were primarily those that were more research-orientated (rather than supporting businesses directly), had a ‘niche’ focus (e.g. projects focusing on hydroponics, game meat, sarpo potatoes, etc.), or concentrated more on agriculture rather than food and drink. A full list of all projects and schemes funded under the RDP, including details of which ones have been included in our review and the rationale for doing so, can be found in Appendix 1.
- 2.4 Having identified all relevant schemes, we proceeded to engage with the leads of each one in order to ask for evaluation materials to include in our review, and to arrange an open, online interview (these were semi-structured interviews). Of the 19 schemes, Wavehill was responsible for delivering the individual evaluations of 11;⁵ in addition, we were able to obtain feedback and/or evaluation materials from a further three schemes, which means that our review has incorporated 14 of the

⁵ These were commissioned over several years, as a result of Wavehill winning the tenders after open, competitive procurement exercises.

19 relevant schemes. Crucially, Wavehill directly evaluated four of the five flagship schemes, whilst feedback was obtained from the delivery lead of the fifth project, and the evaluation report was also shared. The five that were deemed relevant, but not included in our review, included one project that was eventually withdrawn (Organic Development Wales), and four where we were not able to engage with the lead body and collate the evaluation materials (Dairy Strategic Initiative, Cooperation for Growth, Horticulture Cluster, and Wales Food Tourism Co-operation and Supply Chain Development).

2.5 Interviews were undertaken with 10 delivery leads in total as part of this review. The interview discussion guide included questions to obtain their views on the following (see Appendix 2 for a full list of questions):

- General views on the package of support for food and drink producers, funded under the RDP 2014 to 20;
- The alignment of those provisions, including any obvious gaps or areas of duplication;
- The economic and environmental impacts across those schemes;
- The main lessons that can be learnt from delivering the various support services;
- The most important components of support to be maintained going forward;
- How the leads would like to see the schemes delivered in future, including any opportunities to make them more integrated.

2.6 A workshop session was held with key policy and delivery personnel from the Welsh Government in early 2023; this explored similar themes to the delivery lead interviews, with one section of the session looking back at delivery performance and impacts, and a second section looking ahead towards lessons for future delivery.

2.7 Finally, having compiled evaluation material for 14 of the 19 schemes, a meta review was conducted, which assessed the following variables:

- The delivery model and focus area within each scheme;
- Alignment with the Strategic Vision for the sector;
- Delivery performance (including whether the project achieved its goals, strengths, and main challenges);

- Impacts (including economic and environmental);
- Lessons for future delivery (including aspects to retain, areas for improvement, and other lessons).

2.8 There are some notable limitations within the evaluation which are important to highlight here. As already noted, we were not able to obtain evaluation materials for all the projects and schemes deemed relevant for this review. Among the projects and schemes for which we were able to obtain evaluation materials, some had not been completed and were based on interim findings or analysis (including some of the flagship schemes, such as Cywain and Helix). As such, the full range of impacts is not accounted for in this review.

2.9 Additionally, the process of designating projects as relevant or not sufficiently relevant was based on a set of crude criteria. Thus, some of the projects and schemes deemed not relevant may have generated important outcomes for the sector, whilst others deemed relevant may have had little impact. Together, this means that the report provides a partial understanding of the impacts from the schemes. That said, we note that each of the flagship schemes has been included in the review. Hence, we are confident that the report captures the majority of the impacts generated.

2.10 Finally, the study is constrained by differences in the evaluation aims and approaches adopted by the separate schemes and projects informing this review. This was apparent in assessing the economic impact of the respective projects and schemes. Some evaluations were more rigorous than others, depending on the resource at hand and its relevance or importance within the evaluation objectives. For instance, some were based purely on self-attributed data, whilst others drew on comparison groups. Some only provided an estimate of gross impacts for businesses, while others sought to identify net GVA impacts. Others, where it was not part of the evaluation remit, did not attempt to quantify the economic impact at all. Similarly, the focus on environmental impacts varied considerably from project to project.

2.11 Accordingly, throughout this report, we attempt to clarify which schemes and evaluations each finding is based on. Where the economic impact was aggregated across projects and schemes to provide an indicative assessment of programme-

wide impact, we did so on the basis of the 'lowest common denominator', i.e. the gross impacts for businesses.

- 2.12 A further issue with aggregating data across different evaluations is that some businesses had been supported by several RDP-funded schemes. The benefits therefore could be conflated benefits, which are the result of more than one funding stream. The degree to which this occurred, and the potential impacts, should be considered in the Ex Post Evaluation of the RDP 2014 to 2020.

3. The food and drink sector in Wales

3.1 This chapter provides the context for the report by describing the sector, the policy objectives, and the different support schemes forming part of this review.

Sector Overview

3.2 Food and drink is one of Wales' largest business sectors, with a workforce of 224,500 people and gross annual sales of £23 billion when accounting for the whole food and drink supply chain.⁶ Data from the Inter-Departmental Business Register (IDBR) demonstrates how food and drink is comparatively a more important sector in Wales than at a UK level, accounting for 13% of all businesses in Wales in 2020, compared with less than 6% in the UK as a whole (see Table 3.1 below).⁷ Additionally, according to the Business Register and Employment Survey (BRES),⁸ the sector employed around 2% of the Welsh workforce each year from 2015 to 2020, compared to 1.5% across Great Britain.

Table 3.1: Number of businesses and employment from 2014 to 2020

	All businesses		Growth in business units from 2014		% of all businesses		Total employment		% of all employment	
	UK	Wales	UK	Wales	UK	Wales	Wales	Great Britain ⁹	Wales	Great Britain
2014	149,830	14,045			6.6%	15.6%				
2015	151,930	14,075	1.4%	0.2%	6.2%	14.4%	24,470	421,875	2.0%	1.5%
2016	153,015	14,055	2.1%	0.1%	6.0%	14.1%	21,860	429,200	1.7%	1.5%
2017	153,600	14,000	2.5%	-0.3%	5.8%	13.6%	24,230	432,550	1.9%	1.5%
2018	155,315	14,090	3.7%	0.3%	5.8%	13.6%	24,705	432,705	1.9%	1.5%
2019	156,050	14,130	4.2%	0.6%	5.7%	13.3%	22,510	446,055	1.8%	1.5%
2020	155,575	13,970	3.8%	-0.5%	5.7%	13.2%	23,240	452,940	1.8%	1.5%

(Source: IDBR and BRES releases, September 2022)

3.3 Accordingly, food and drink has been identified as a priority economic sector in Wales.

⁶ [Economic Appraisal: Welsh Food and Drink sector | Business Wales - Food and drink](#)

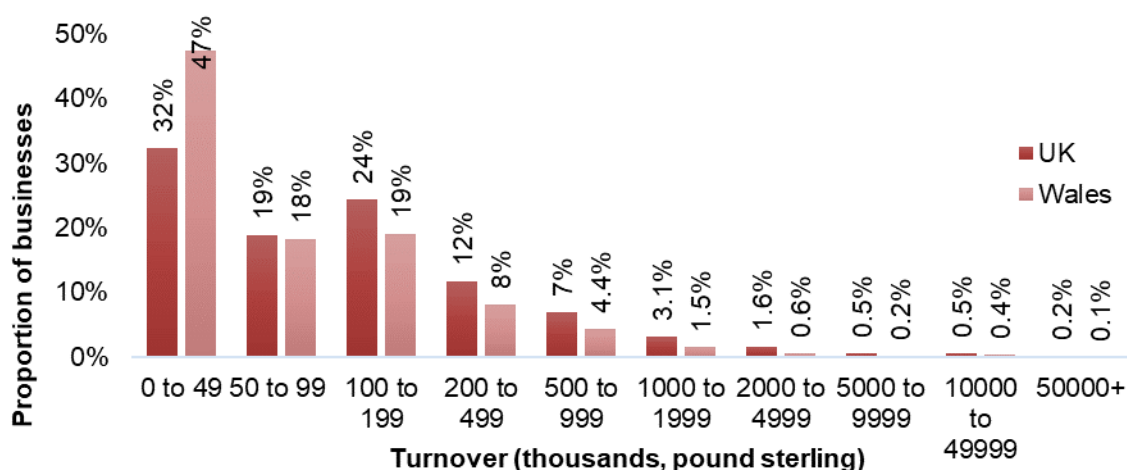
⁷ [Inter-Departmental Business Register \(ONS\)](#)

⁸ [Business Register and Employment Survey \(ONS\)](#)

⁹ BRES data is only accessible at a GB level

3.4 Whilst this data shows a slight decline in the number of businesses operating within the sector, we would urge caution in this interpretation, as the IDBR is based on HMRC’s VAT and PAYE records. Therefore, it does not capture very small businesses (e.g., many of those below the VAT threshold), which are thought to represent a significant proportion of the sector. Indeed, as Figure 3.1 demonstrates, the Welsh food and drink sector is more heavily skewed towards very small businesses than the sector at a UK level (47% of food and drink businesses in Wales recorded less than £50,000 turnover in 2020, compared with just 32% of food and drink businesses across the UK).¹⁰ Accordingly, a limitation of the IDBR is that it is likely to understate the true number of food and drink businesses operating in Wales to a greater extent than for the UK as a whole. Anecdotally, we understand that there was a spurt of new start-ups in Wales during the pandemic.¹¹ Thus, these data should be treated as indicative only.

Figure 3.1: Food and drink businesses by turnover size bands in Wales and overall across the UK



Source: IDBR release, September 2022)¹²

3.5 We note that the latest sector economic appraisal published by the Welsh Government¹³ found that Wales had the second-highest proportion of micro businesses in the food and drink supply chain among UK nations, with 86% falling into this category, compared with 79% in England, 80% in Scotland, and 90% in

¹⁰ Source: This data was sourced from the latest IDBR release (September 2022)

¹¹ This was reported by the Cywain project team. Our analysis of Cywain data shows that 89 pre-start businesses joined Cywain in 2020 which is equivalent to 32% of all new clients enrolling that year.

¹² Source: This data was sourced from the latest IDBR release (September 2022)

¹³ [Economic Appraisal: Welsh Food and Drink sector | Business Wales - Food and drink](#)

Northern Ireland. This further demonstrates the relative dominance of microenterprises within the Welsh food and drink sector.

- 3.6 The economic appraisal also found that whilst the number of business units in the wider food and drink supply chain increased year on year, the majority of these were micro (fewer than 10 employees) or small (10 to 49 employees). There were 260 new micro businesses and 382 new small businesses from 2015 to 2021; however, there were only 26 new medium-sized businesses (50 to 249 employees), whilst the number of large businesses (250+ employees) decreased by three, from 76 to 73, indicating that businesses may have struggled to transition from small to medium, and from medium to large.
- 3.7 Median annual earnings for workers in the sector for 2021 were £15,499, which decreased by 9.2% from 2020, back to a similar level to that in 2019 (£15,475). The UK median salary for the sector was £17,412 in 2021, with a 2.2% decrease from the previous year. Over half (59%) of workers in the Welsh food and drink supply chain earned the living wage or above in 2021, up from 51% in 2020.¹⁴

Policy context

- 3.8 As a priority economic sector, food and drink has received considerable support and focus in policy terms. The Welsh Government ran a ten-year strategy 'Food for Wales, Food from Wales 2010 to 2020',¹⁵ alongside a detailed action plan 'Towards Sustainable Growth 2014 to 20', which incorporated a significant focus on achieving economic growth within the sector, including an ambitious target of growing sales by 30% by 2020.¹⁶
- 3.9 Furthermore, the strategy and action plan highlighted a new emphasis on sustainable development within food and drink policy, with a strong focus on the environmental aspects of production and consumption. They incorporated a vision for Welsh food and drink to grow in a sustainable and profitable manner and highlighted the role of Government-led schemes in supporting this vision.
- 3.10 Towards Sustainable Growth 2014 to 20 incorporated six strands:

¹⁴ Ibid.

¹⁵ Welsh Government, [Food for Wales, Food from Wales 2010 to 2020](#)

¹⁶ Welsh Government, [Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014 to 2020](#)

1. Establishing the Food and Drink Wales Industry Board to act as an industry voice;
2. Establishing the Food and Drink Wales identity to promote the sector more coherently;
3. An Education, Training, Skills and Innovation programme, to ensure that the sector had a workforce primed for growth;
4. Providing support for business growth and market development;
5. Supporting food security and food safety;
6. Monitoring and evaluation.

3.11 The third and fourth strands represented the main focus of activity, accounting for 34 of the 48 actions contained within the plan.

3.12 The plan highlighted how food businesses have differing ambitions – some wish to grow and supply major customers, whilst others are more interested in supplying and sustaining local markets and may be content with lower levels of growth. The main focus was to support the former, with several of the food and drink schemes having an explicit remit to support ‘high-growth potential businesses’ in order to generate the greatest possible return on investment. As part of this, the action plan also outlined a need to create a better pathway to growth for micro and small businesses that were unable to go beyond serving local markets. This is a key point and responds to the dominance of very small micro businesses in Wales (as shown in the previous section). Indeed, this was also a key point made during the scoping consultation, where tackling the lack of movement through business size categories (from micro to small, to medium, to large) was highlighted as a key policy objective. As one Welsh Government policy lead described it:

“When you look at the statistics on the food and drink business profile over the last decade, collectively the value (sales) has been going up a lot. The number of businesses has also grown a lot, but the increase has been in micro and very small businesses. We have not been successful in getting micro to turn to small and to medium – the number of medium and big companies has stayed the same. Therefore the sales increase has been driven by lots of little ones doing a little more, and one or two big ones doing lot more, but what we don’t have is a healthy pipeline of smaller ones transitioning to bigger ones.” (Scoping interview)

- 3.13 The Welsh Government policy official went on to describe the sector as having a 'barbell-shaped distribution' in terms of employees and sales value. At one end, there is a very small number of large businesses (around 10) that have a large workforce and significant sales. At the other end, there are hundreds of very small businesses, which often consist of just the owner; collectively, they produce a good level of sales, but individually they generate little value and limited employment (particularly, well-paid and secure employment). Finally, there is very little activity in the middle of the sector.
- 3.14 Whilst the 'missing middle' is a common challenge across Welsh industries, stakeholders indicated that it is an even more prominent issue for the food and drink sector, due to the particular characteristics of businesses operating within it. It is a low-margin industry with challenges related to shelf-life, packaging and distribution. Furthermore, the scoping consultation highlighted information and skills deficiencies within the sector, in terms of financial management and accessing finance. One of the delivery partners we interviewed explained that the sector is characterised by many small operators, and individuals who are passionate about their products but are less adept at business and financial management, in comparison to other sectors. Accordingly, accessing the finance needed to scale-up (e.g., to move from the kitchen to a production facility) is a particular challenge for the food and drink sector, which is considered 'high risk' by financial lenders. Indeed, the 2013 Wales Food and Drink Producers Survey asked 300 businesses to identify the three most significant constraints on their development; increased costs/overheads (29%) and access to finance (29%) were most commonly cited.¹⁷
- 3.15 Additionally, the survey of food and drink producers suggested that only 45% of businesses at the time had a business accreditation (e.g., British Retail Consortium, Safe and Local Supplier Approval, Red Tractor), whilst a Welsh Government official reported that the most recent intelligence suggested the figure was even lower. This is a useful proxy indicator for growth ambitions, as achieving recognised industry accreditations is a necessity for food businesses if they are realistic about targeting larger-sized customers (such as supermarkets). Accordingly, increasing the number of businesses that hold accreditations is now a

¹⁷ Welsh Government, [Food and drink producer: survey](#), May 2013

key goal outlined by the Welsh Government in the current strategic vision for the sector.¹⁸

- 3.16 Whilst policy officials discussed the need to improve the pipeline of businesses transitioning from micro and small into medium-sized businesses, recent research undertaken by Wavehill suggests that targeting investment at larger businesses would generate a better economic return for Wales.¹⁹ Wavehill was recently commissioned by BIC Innovation to provide insights on the multiplier effect of the scale-up of food and drink businesses in Wales, alongside the supply chain challenges and opportunities. This research was commissioned through BIC's Sustainable Scale Up Cluster project. It found that smaller businesses (<50 staff) generate much smaller multiplier benefits for Wales, due to substantially greater leakage from these companies to supply chains outside the country. Overall, among the businesses included in the study, the proportion of supply chain expenditure retained in Wales was just 40%. Although there was a desire to utilise Welsh contractors, the lack of options for more specialist construction activities and capital equipment, along with the fact that supply chains within this ancillary sector are largely outside Wales, limits the benefits retained locally. For instance, packaging was found to be mainly produced in Europe, with few Welsh packaging suppliers able to meet the scale and opportunities for Welsh food and drink. The insufficient capacity and capability leads to products being sent for packaging in England and reduces the sector's resilience and added value.
- 3.17 On the one hand, this would suggest that investing in larger businesses would be a better strategy for achieving the Welsh Government's growth ambitions. On the other hand, we note that these larger businesses tend to be branch plants of businesses headquartered outside Wales; they are therefore at risk of external decisions and lack smaller businesses' emotional connection to Wales. Thus, the Welsh Government aims to encourage a large number of indigenous businesses to move up the size scale, although there could be a greater focus on the medium-sized Welsh indigenous businesses.
- 3.18 Skills shortages in the areas of science, technology and engineering were another challenge highlighted in Towards Sustainable Growth 2014 to 20; this suggested

¹⁸ Welsh Government Food & Drink Wales, [Vision for the Food & Drink industry from 2021 | Business Wales](#)

¹⁹ BIC Innovation, 'Impact of the Food & Drink Sector in Wales – A report into the multiplier effect, impacts, challenges and opportunities facing the Welsh food and drink sector', June 2023. Unpublished.

there may be a 'block' in the form of perceptions or misperceptions about what working in the industry entails. A recent FSC survey found that 45% of food businesses reported technical skills gaps, whilst other stakeholders highlighted a lack of graduates entering the sector.²⁰ Towards Sustainable Growth also noted that staff turnover can be high because 'workers do not see obvious career pathways', and that the training offer was often not bespoke or based on industry needs. Linked to this, Towards Sustainable Growth highlighted a confusing landscape for businesses, given the plethora of different training providers. During this period, the training offer was delivered by the Welsh Government's Business Wales offer (including the Trade Development Programme), food and drink clusters, Lantra and the food innovation centres, universities and colleges, and trade bodies such as the Food & Drink Federations and the Engineering Employers Federation.

- 3.19 A further aim of Towards Sustainable Growth was to develop the export and domestic markets. Regarding the domestic market, there was an ambition to substitute imported products through ongoing supply chain dialogue, building more integrated supply chains, working with the domestic retail and hospitality markets, and through increasing Welsh supply to the public sector.
- 3.20 Recent challenges related to COVID-19, Brexit, soaring costs, and the effects of the war in Ukraine, have demonstrated supply chain vulnerability in the face of unexpected changes, and the benefits of keeping supply chains short and local. The food and drink sector has been among those worst-affected by these challenges. For instance, the Business Insights and Conditions Survey found in April 2022 that 60% of food and drink businesses reported being affected by the rise in energy prices, compared with 38% across all sectors.²¹ Further, food and drink businesses were around twice as likely to report additional transportation costs (47% reported these, compared with 23% of all business respondents), and more than two-thirds reported an increase in the prices of materials, goods or services, compared with just half of the overall business population. Estimates from the Business Insights and Conditions Survey also suggested that food and drink businesses were more likely than other industries to have incurred extra costs due to the end of the EU transition period, with imported goods taking longer

²⁰ [Transforming Skills in the Welsh Food and Drink Industry \(Food and Drink Wales\)](#)

²¹ [Business Insights and Conditions Survey \(ONS\)](#)

and costing more. Over half (55%) reported they were using more UK suppliers. Therefore, these findings represent both a challenge and an opportunity for the sector in Wales.

3.21 These wider events had the effect of accelerating existing societal trends concerning food and drink to some extent, whereby consumers want locally produced foods, and there is an emphasis on developing greater transparency within supply chains, from on-farm to beyond the farm gate.²² However, these trends should not be overestimated, as cost and convenience are likely to be the main drivers of consumer behaviours, with other factors a distant second.

3.22 The Retail and Foodservice Plan (2021)²³ provided the following insights into the challenges, opportunities and current trends within the sector:

- A surge in online grocery shopping;²⁴
- Incorporating sustainability is no longer optional, but mandatory;
- A failure to gain accreditations leads to a lack of credibility for retailers;
- Welsh companies do not invest enough in new product development, preferring to concentrate on historical product ranges and brands;
- Understanding data and turning it into actionable information is critical to long term success for companies;
- Only a limited number of Welsh brands have strong distribution outside Wales.

3.23 The new strategic vision for the sector focuses on similar themes to the previous strategy. It articulates the food and drink sector's role in creating economic prosperity through promoting growth and productivity, combined with a strong social and environmental emphasis, by encouraging fairness in work and ensuring that businesses reach for the highest levels of environmental sustainability. It also focuses on establishing a global reputation for excellence.²⁵ The 'Building on Our Success' strategy incorporates four key goals:

²² For example, a report by [Deloitte, Capitalizing on the shifting consumer food value equation, 2016](#) found that while the traditional drivers of taste, price and convenience remain intact, "the number of consumers who consider a series of evolving drivers as a significant part of the purchase decision has grown substantially", including factors such as social impact and transparency. Furthermore, a report commissioned on the '[Value of Welshness' \(Food and Drink Wales\)](#) found that promoting a clear Welsh identity on products made in Wales often adds value to brands, with 80% of consumers preferring to buy Welsh products.

²³ [Food and Drinks Wales, Retail and Foodservice Plan](#)

²⁴ We understand that this trend has declined substantially following the pandemic, but remains higher than it was previously.

²⁵ [Food & Drink Wales, Vision for the Food & Drink industry from 2021 | Business Wales - Food and drink](#)

1. Delivering economic success by growing businesses' scale, value and productivity. This includes a target for the food sector to grow faster than in the rest of the UK, and to at least £8.5bn by 2025. It also contains a target for productivity, whereby the three-year average of gross value added (GVA) per hour worked in the sector will increase at a higher rate proportionately than in the rest of the UK.
2. Tackling the challenges of making the sector more sustainable, to achieve the highest levels of environmental sustainability.
3. Creating attractive and fair work for people. Underpinning this is a target that every year, the proportion of food and drink sector employees receiving at least the Welsh Living Wage²⁶ will increase, to 80% by 2025.
4. Promoting Wales globally as a Food Nation, where Welsh businesses achieve the highest reputation and standards through accreditation, win awards, and attain the highest food hygiene standards. The targets for this goal are:
 - To increase the proportion of the sector's manufacturing businesses that hold accreditation (e.g., environmental management, staff development, production and other relevant standards) year on year.
 - To increase the proportion of businesses in the food and drink manufacturing sector that win awards appropriate to their business, and by 2025, at least six more Welsh products will join the UK geographical indication (GI) Scheme.
 - By 2025 98% of businesses will have a food hygiene rating of 5.

3.24 To achieve these aims, the strategic vision identified a need for 'whole system support', with 10 key actions outlined as follows:

1. The transfer of knowledge through an Insight Programme, including the latest information on markets in Wales, the UK and worldwide.
2. Equipping business owners with the right management and leadership tools for business planning, financial management and people development.
3. Building networks and clusters to create opportunities, share best practice, and help shorten supply chains.

²⁶ The National Living Wage (23+) has been set at £10.42 from April 2023.

4. Targeting business expansion, to ensure an increase of small businesses that develop into medium-sized enterprises; and medium-sized businesses that become larger firms.
5. Providing the most appropriate technical support to help businesses grow, innovate, compete, and reach new markets.
6. Helping Welsh produce to take a prominent place on the shelves of UK retailers, whilst also making significant in-roads into the service and wholesale sectors.
7. Championing Welsh produce around the world, at trade shows and events, and fulfilling the Export Action Plan – including by helping businesses to explore global markets; delivering a programme of virtual and physical trade missions; providing financial support for export-related research and trade show attendance; and tailored advice.
8. Promoting Brand Wales, such as through a ‘hero and halo’ approach. This involves developing a family of ‘hero’ products that represent the very best of Wales, which will be promoted vigorously to dominate their markets. The ‘halo’ effect will follow naturally, where the whole sector benefits by association.
9. Attracting investment and developing an investment pathway that supports businesses in choosing the right investment, at the right time, and with the right partners.
10. Embedding the Welsh Government’s values within supported businesses, with both parties signing an Economic Contract where businesses will need to demonstrate that they are implementing those values (fair work, low carbon etc.).

3.25 The RDP-funded schemes, as we will demonstrate in the next section, were designed to deliver many of the actions above, whilst others had already been delivered through other Welsh Government interventions. In that sense, the actions outlined in the strategic vision can be described as an effort to maintain the types of support the food and drink sector had been enjoying during the period of this review (i.e. from 2014).

3.26 The final action needed to realise the idea of an ‘Economic Contract’ was also highlighted during the scoping consultation – specifically, developing a ‘something for something’ culture, where Welsh Government support was provided in return for specific commitments and standards being met.

Introducing the RDP-funded schemes

- 3.27 Wales has a rich landscape of support for its food and drink sector, encompassing several flagship schemes funded by the Welsh Government under the RDP 2014 to 2020. These primarily supported food and drink producers, although other schemes also assisted processing and other aspects of the supply chain. These schemes incorporated a range of different delivery models, from capital grant schemes, to test trading, marketing, mentoring, training, innovation, and networking or developing cluster groups. They also focused on different areas of delivery, from specific subsectors within the food and drink sector, to different subject areas such as procurement, technical product development support, food box schemes, and finance. Several of these were delivered on a national level, whilst others focused on specific regions within Wales.
- 3.28 A total of 100 to 150 schemes and projects have been funded under the RDP 2014 to 20 in Wales. As part of this review, we identified 34 such schemes and projects which sought to support the food and drink sector (including some that focused on the wider agricultural sector). Of these, 19 were identified as being relevant to this review, as they provided direct support to food and drink businesses. Most of these were directly relevant in their focus on the food and drink sector (10 schemes can be described as such), although a further eight are better described as agricultural schemes (including two related to horticulture). Another one focused on food tourism, and did not provide direct support for food and drink producers.
- 3.29 Of the 10 directly relevant schemes funded under the RDP, the Welsh Government considered four to be its flagship food and drink interventions. We provide a profile of each flagship scheme below.

Cywain

- 3.30 Cywain was a £13m project delivered by Menter a Busnes. A team of around 30 staff operated throughout Wales, providing business development support for food and drink producers. Funded under the Co-operation and Supply Chain Development Scheme (CSCDS), the scheme specifically focused on supporting 'high growth potential' businesses, with a diagnostic tool for identifying businesses with the greatest desire and ability to grow. Due to a focus on growth and job

creation, resources were intended to be channelled towards businesses wanting to upscale and develop. The scheme was due to end in June 2023.

3.31 The scale of the support offer was far-reaching, and was primarily delivered through three strands:

1. Cywain Start-up/Micro was potentially the most important strand, in terms of the direct facilitation of growth. Businesses received intensive one-to-one support from one of the Regional Development Managers, who were responsible for identifying their needs, monitoring their progress, and if necessary, bringing in specialist support from a framework of providers with diverse expertise. For example, this expertise often involved support in branding, marketing, website development, financial management, product development, and more. The support was delivered through a stage-by-stage 'action plan toolkit', which included the initial diagnostic of the business, work timetables, and milestones, with the main emphasis on the progression and growth of the business. This action plan-based approach was designed to ensure the support was delivered according to business-led requirements, which is a key principle of project delivery.
2. Cywain Clusters: Three business clusters were facilitated by Cywain – namely, the Fine Food Cluster, Honey Cluster, and Seafood Cluster – which differed in their size and progress. Each cluster was led by dedicated Cluster Managers, whilst Specialist Advisors were also employed to help guide delivery at a strategic level. They were supplemented by Cluster Executives, who provided additional capacity to help support and recruit cluster members, as well as in delivering cluster projects. Cluster members attended periodic meetings, often with high-profile industry guest speakers; they could also attend webinars and workshop sessions, often with follow-up one-to-one support, and they were encouraged to collaborate on projects and opportunities.
3. Cywain 'core' support was the least intensive strand. It was accessible to all businesses that might lack a clear growth potential or benefit from being part of the cluster groups. These businesses did not have access to the more resource-intensive aspects of the project, such as the one-to-one support from managers and external specialists. However, they were invited to attend the

workshops, webinars and events, and receive the project's industry news and market intelligence.

- 3.32 In addition, businesses could engage with test trading opportunities, access market intelligence, receive publicity from a marketing team, and participate in projects organised by the scheme's innovation team.

Project Helix

- 3.33 Project Helix, funded under Measure 1 of the RDP (Knowledge Transfer & Information Actions), was set up in 2016 as a pan-Wales strategic initiative delivered by three partners under the Food Innovation Wales brand:²⁷ namely, Food Centre Wales in Mid Wales (part of Ceredigion County Council),²⁸ the Food Technology Centre in North Wales (part of Grŵp Llandrillo-Menai),²⁹ and the Food Industry Centre in South Wales (part of Cardiff Metropolitan University).³⁰
- 3.34 The project delivered practical knowledge transfer activity, to help Welsh companies develop and reformulate innovative products – from concept, design, development and manufacture, through to the consumer's shopping basket. The total budget for the project was c. £16m; its activity was due to end in June 2023.
- 3.35 Project Helix was described as having three strategic objectives (also referred to as 'pillars'): Food Innovation, Food Efficiency, and Food Strategy. These strategic objectives were to be achieved by action in 18 areas.
- Actions pertaining to Food Innovation comprised new product development (including packaging and labelling), technical information (to support safe and legal production, e.g. allergen control), new business start-up, food legislation (e.g. food labelling, hygiene, safety, etc.), and product reformulation (e.g. revising recipes to address a quality, nutritional, safety, legality or efficiency issue).
 - Actions pertaining to Food Efficiency comprised systems development (i.e. development of manufacturing processes to ensure compliance with product and process capabilities and specifications), process controls (e.g. temperature profiling and assessing average weights), product efficiency

²⁷ [Food Innovation Wales](#)

²⁸ [Food Centre Wales](#)

²⁹ [Food Technology Centre](#)

³⁰ [Food Industry Centre \(Cardiff Metropolitan University\)](#)

(assessing process and product capability, such as to reduce waste and adopt lean principles), site design (e.g. process layout), packaging (e.g. specifications, materials sourcing, sustainability, and life-cycle analysis), and validation of systems (e.g. on-site observation and inspection).

- Actions pertaining to Food Strategy comprised developing an innovation framework of specialist providers to deliver specific knowledge transfer activity; helping businesses to comply with third-party accreditations; public engagement (e.g. seminars and conferences) as part of knowledge transfer; providing sector intelligence (e.g. through research into factory floor performance, export opportunities, etc.); food business development (e.g. through technical advice, support with Meet Buyer events, etc.); and bespoke training programmes (e.g. processing and technical support).

3.36 The centres were equipped with a range of modern pilot and industrial-scale equipment, in order to undertake all aspects of new product development through to a successful product launch. This allowed the client to manufacture products on a pilot scale to secure sales from retailers before investing in equipment. Facilities varied across the three centres, and included a consumer sensory suite, development kitchens, processing halls, an analytical food laboratory, and more. Alongside new product development activities, these facilities could be used for training, scaling-up production, demonstrations to potential retailers, and undertaking a compositional assessment of food products (e.g., Shelf Life Analysis, Nutritional Analysis, Energy, Protein, Fat, Salt, Alcohol, Moisture, Soluble Solids, and Water Activity).

3.37 Project Helix support was divided into three 'themes', comprising Theme 1: short-term knowledge transfer (diagnostic); Theme 2: medium-term knowledge transfer; and Theme 3: long-term knowledge transfer. Businesses were able to, if appropriate, move from Theme 1 to Theme 2 and/or 3. Theme 1 was intended to provide an almost immediate knowledge exchange through short-term services (up to the value of five instances of two days of support, each year of the project); these typically include technical information, analysis of production processes, and advice for start-ups. Theme 2 was a more involved project, where businesses were required to make a contribution of 20% for the support (micros received the support free of charge). The support included new product development and product reformulation, site design, systems validation and development, and more.

Businesses had to demonstrate strong growth forecasts in order to access support through Theme 3, where the centre placed an affiliate with the company to work on a long-term project (with the business contributing £10,000 per annum). Projects focused on solving key technical issues facing food businesses, which could cause a significant step change in how the business operates. Examples include achieving third-party accreditation, developing new product development systems, and more.

Food Skills Cymru (FSC)

- 3.38 Delivered by Lantra and also funded under Measure 1 (Knowledge Transfer & Information Actions), FSC was a £3m project that was delivered over a three-year period up to November 2022; it provided technical and staff development training to food business companies based in Wales. This was delivered through accredited and non-accredited training, alongside bespoke solutions that were identified through a skills diagnostic component. The training was designed to upskill the workforce of food and drink businesses, in order to improve productivity, bottom-line financial returns, innovation and best practice.
- 3.39 A key focus of FSC was to prepare those working in the sector to adapt to future challenges, and place them in better positions to capitalise on future opportunities for business development and growth. Businesses engaging with FSC would apply a skills diagnostic tool to identify skills gaps and inform a bespoke training plan, to both fill those gaps and to improve existing skill bases. Training themes typically focused on business management, ICT, technical and food hygiene, health and safety, and sales and marketing.

Food Business Investment Scheme (FBIS) and Rural Business Investment Scheme – Food (RBISF)

- 3.40 FBIS represented by far the highest level of financial outlay among all the RDP's food and drink funded schemes, with just under £60m of capital grants awarded, alongside a further c. £800k awarded through RBISF (a sister scheme delivered by the Welsh Government with a similar remit). One hundred and fifty-five projects have been awarded through the scheme, all of which ended by June 2023 at the latest.
- 3.41 The two schemes provided capital grants for Welsh food and drink businesses to invest in their processing capability. The schemes were designed to improve the

performance and competitiveness of processing businesses, in order to respond to consumer demand, encourage diversification, and to identify, exploit and service new, emerging and existing markets.

- 3.42 The main objective of these schemes was to generate growth in the sector, as well as to increase sustainability and food security through building and advancing capital assets. The schemes helped processors directly to increase their capacity, leading to growing their productivity and income. FBIS also supported other businesses (notably primary producers) in diversifying, through developing a processing element, which would add value to their operation.

Other RDP-funded schemes

- 3.43 Five other RDP-funded schemes were deemed to be directly relevant to fulfilling the purpose of this research exercise.
1. Welsh Food and Drink Sustainable Scale Up (SSU) Cluster. Led by BIC Innovation, the SSU Cluster was launched in 2021 and delivered up to June 2023, at a smaller scale than the flagship schemes. Funded under the CSCDS, it provided a blend of one-to-one account management support, cluster facilitation, and activities such as events and workshops, study tours, and collaboration projects, alongside dedicated pilot projects to address business specific issues. The main difference from other clustering and business support schemes such as Cywain is that this cluster predominantly focused on finance, and addressed the specific issues of a lack of financial management skills and of access to finance.
 2. Discover Delicious Wales: This was a two-year pilot project, delivered from 2017 to 2019 and funded by the CSCDS. It aimed to test the viability of a facilitated route to market for small, independent food producers and manufacturers, using direct sales mechanisms; primarily through a new e-commerce platform.
 3. Cooperation for Growth. Delivered by Cardiff University, and also funded under the CSCDS, the project facilitated cooperation among the Welsh drinks sector through a cluster-based approach. It supported producers in making effective decisions – and, through the benefits of collaboration, to grow sustainably with incremental capital investment, while meeting environmental goals.

4. Larder Cymru. Led by Menter Môn and funded through the CSCDS, Larder Cymru sought to increase the participation of Welsh food businesses in procuring contracts in the public sector, in the local authorities of Anglesey and Gwynedd. It did so by raising the profile of opportunities available to the area's food and drink businesses through public procurement, and upskilling businesses in tendering for contracts.
5. Neges@Home. Led by Menter Môn in Anglesey and Gwynedd, and funded under the CSCDS, Neges@Home set out to create 'local food' boxes, to provide visitors with a sense of place through local produce; and to help local producers access new markets. The primary target market was tourists staying in self-catering accommodation. The main work packages were:
 - Partnership facilitation – working with producers and local chefs to develop the food offer (including recipe kits and local food hampers).
 - Specialist support – to create the boxes (including packaging, branding, recipe development, distribution, food-safety and online content).
 - Communication and stakeholder engagement – through collaboration with the tourism sector, to align key messages and establish partnerships with tourism businesses.
 - Evaluation and share best practice – so that others could access the same opportunities.

3.44 Another nine schemes were deemed partly relevant, as they only partly focused on food and drink (most were agricultural schemes).

1. Tyfu Cymru: A project delivered by Lantra and funded under the CSCDS, it aimed to grow the horticulture sector in Wales through access to training, market intelligence and networking groups. This is perhaps the most relevant project in this category, although the project also supported ornamental horticulturists (i.e. non-food and drink).
2. Red Meat Development Programme: A large-scale programme, delivered by Hybu Cig Cymru and funded under the CSCDS, to support growth and profitability within the red meat sector. Much of the activity focused on providing support to improve agricultural practices, such as through the Stoc+ health planning project and the Hill Ram Scheme, which focused on

- performance recording and hill ram genetics; this demonstrates that the programme had a broader focus than food and drink.
3. The Welsh Pig Project: Funded under the CSCDS, the project aimed to support and develop the pig sector in Wales by bringing together supply chain partners. It was intended to increase expansion opportunities, develop new markets, support new entrants, and provide training, knowledge transfer and business support for existing producers.
 4. Integrated YFC Beef Scheme: This pilot, funded under the CSCDS, assessed the potential for establishing a fully integrated Welsh beef supply chain, involving dairy and beef herds, to maximise genetic potential and lifetime performance. It also aimed to facilitate the professional development of Wales's Young Farmers Club (YFC) and its members, through mentoring, skills development and supply chain knowledge.
 5. Horticulture Cluster: Funded under the CSCDS, the project sought to develop a cluster to focus on waste reduction and optimising economic returns, through improving shelf life and decreasing harvest losses, which are major limitations to business growth.
 6. Dairy Improvement Programme: Led by the Agriculture and Horticulture Development Board, and funded under the CSCDS, the project aimed to develop and assess new engagement strategies to increase the profitability and resilience of the Welsh dairy sector.
 7. Dairy Strategic Initiative: Also led by the Agriculture and Horticulture Development Board and CSCDS-funded, the project was intended to increase the profitability and resilience of the Welsh dairy sector by lowering production costs through increasing efficiencies, while encouraging approaches to mitigate or adapt to climate change.
 8. Organic Development Wales: Led by Aberystwyth University and funded under the CSCDS, the project sought to enable the Welsh organic sector to better respond to growing demand for organic products, through providing targeted market information, identifying barriers to engagement, and supporting better cooperation in the organic red meat, dairy and horticulture sectors. However, the project was later withdrawn.
 9. Wales Food Tourism Co-Operation and Supply Chain Development. Funded under the CSCDS, the project aimed to establish cooperation and

collaboration amongst disparate providers of food tourism products and services in Wales (including food festivals, food events and farm shops).

- 3.45 The food sector projects deemed not relevant for this review largely consisted of research-based activities, such as feasibility studies to establish new markets in game meat or wild harvested products, funded under CSCDS. We note that these were largely small-scale pilots, and were perhaps less aligned with the broader objectives of this evaluation.
- 3.46 Of the 19 schemes deemed at least partly relevant, we have obtained evidence from all four flagship schemes (as well as RBISF) to include in our review, as well as all but one of the directly relevant schemes (excluding Cooperation for Growth), and four of the nine partly relevant schemes (Tyfu Cymru, Red Meat Development Programme, Integrated YFC Beef Scheme, and Dairy Improvement Programme). Further details are provided in Appendix 1 on each project and scheme, their relevance, and reasons for including or excluding them from this research. Accordingly, the review of impacts and performance / lessons learnt, presented in the following chapters, is underpinned by a strong evidence-base that incorporates the main and most relevant areas of activity.

Other food and drink support schemes

- 3.47 Besides the bespoke organisations and projects that focused specifically on improving Wales's food and drink sector, some Local Authorities in Wales set up their own support services for food businesses. For example, Newport, Swansea, and Powys all established dedicated online resources to provide advice for food and drink businesses.
- 3.48 Additionally, there were several examples of interventions set up by non-specialised organisations to support the sector. One recent example is the NatWest Accelerator programme, launched during the Blas Cymru conference in 2021. The programme is designed to help participants take their business to the next level through an offer of bespoke coaching, alongside a supportive community of business owners who work collaboratively and provide peer-to-peer support. On the face of it, its delivery model and focus are similar to schemes such as Cywain and the SSU Cluster.
- 3.49 Furthermore, it is important to note that there are non-sector-specific provisions in place to support business planning, such as the core Business Wales support

funded by the Welsh Government. Whilst the service itself is non-sector specific, its Trade Development Programme service provides an offer targeted specifically at the food and drink sector. The Trade Development Programme includes webinars, 'meet the buyer' events, and a commercial skills programme which consists of workshops and one-to-one support, to provide advice and help businesses to deliver commercial plans across all business functions. The Welsh Government also supports the sector through overseas trade missions, events and food festivals, and through the seven food and drink clusters it sponsors. Some of these are funded under RDP schemes such as the Fine Food Cluster, Honey Cluster, and Seafood Cluster (all delivered through Cywain), alongside the Horticulture Wales Cluster and Food & Drink Wales Cluster. Beyond these, the Welsh Government also supports the Food & Drink Wales Nutri-Wales Cluster and the Food & Drink Wales CEO Cluster. Additionally, other cross-sector clusters, such as the Export Cluster, are also open to food and drink businesses.

4. High-level review of impacts, alignment, and lessons learnt

- 4.1 This chapter presents the key findings from our research, and addresses the three key aims of the study: namely, to assess the economic and environmental impacts, the alignment of the different offers and their fit with policy objectives, and lessons learnt for future delivery. The chapter is based on findings from our meta review of evaluation material, alongside interviews undertaken with project leads and other stakeholders. We first consider the complementarity of the different RDP schemes, and how they worked as a package.

Breadth and complementarity of the support package

- 4.2 An abundance of support has been available for the food and drink sector in Wales, a large proportion of which has been funded through the RDP. Indeed, there was consensus among all stakeholder groups (delivery leads, Welsh Government officials, and external stakeholders such as trade bodies) that the ‘sector is very well and proactively supported’; furthermore, many highlighted how the offer compared favourably with those in other UK nations. Several references were made to the ‘envy across the border’, due to the breadth of support that Welsh food and drink businesses could access relative to other parts of the UK.
- 4.3 Regarding the breadth and type of support provided, we coded each project and scheme included in our meta review, as is illustrated in the following Figure 4.1.

Figure 4.1: Breakdown of activities delivered by RDP-funded food and drink projects and schemes



Source: Wavehill review of evaluation materials

4.4 We provide further details of the delivery models adopted by the projects and schemes below.

- Ten of the 14 schemes provided an element of training and skills development (including five of the nine directly relevant schemes that form part of our review). The main provision was delivered through FSC, as described in the previous chapter. However, several others provided upskilling support too, including Cywain and SSU (through one-to-one mentoring, workshops, webinars, etc.) and Helix (through the provision of advice and guidance as well as mentoring). Among the other schemes, Tyfu Cymru explicitly emphasised training, which formed the main component of its offer (this involved bespoke one-to-one and one-to-many training activities).
- Eight of the schemes included a networking or clustering component (including four of the directly relevant schemes). In Cywain and the SSU

Cluster, for instance, clustering was one of the main emphases of the support. In addition, Tyfu Cymru placed significant importance on forming networks of growers, while Larder Cymru sought to establish a network of public sector buyers.

- Seven of the schemes provided one-to-one business support as one of the primary modes of delivery (including five of the directly relevant schemes). Cywain, the SSU Cluster, and Tyfu Cymru combined this with the networking / clustering aspect, whilst Helix (and FSC to a lesser extent) significantly emphasised this in reviewing business needs and providing bespoke support.
- Six of the schemes provided support for supply chain development, or developing a new sales platform that businesses could benefit from (including four of the directly relevant schemes). These involved the e-commerce platform developed by Discover Delicious, the network to promote public procurement opportunities developed by Larder Cymru, and the food box scheme by Neges. In addition, Cywain also provided test trading opportunities, public procurement, and food box projects, alongside other activities.
- Six of the schemes at least partially focused on research and development activity (including three of the directly relevant schemes). The most notable was Project Helix, whilst Cywain employed an innovation team to deliver pilot-projects, and several other schemes centred on piloting activities.
- Four of the schemes provided sector insights to businesses (including three of the directly relevant schemes) – for instance, through e-bulletins, bespoke reports or a depository of information, to help inform decisions such as which markets to penetrate, or improving business practices.
- Four of the directly relevant schemes provided marketing support, with a significant emphasis on this in Cywain, Discover Delicious, Larder Cymru, and Neges.
- Three directly relevant schemes provided important insights ‘on the ground’, to help inform Welsh Government policy development and decision-making. Cywain provided key insights during the pandemic, as did Tyfu Cymru, which also had a lobbying role in representing the interests of the horticulture sector. FSC also provided important insights on skill gaps.
- Finally, two schemes (FBIS and RBISF) provided significant capital investment, to increase the processing capacity of the sector in Wales.

4.5 Alongside this review of the delivery models within the package of support, we also reviewed the focus themes of the support. As a result, we found that:

- Seven schemes focused on knowledge transfer;
- Five focused on scale-up activity;
- Four focused on supporting sales;
- Three focused on improving finance capability;
- Three focussed on innovation;
- Two focused on supporting branding and marketing;
- Two focused on public procurement.

4.6 Much discussion was held with stakeholders regarding the effectiveness of these schemes as a package of support, including the complementarity of their respective offers, areas of duplication, gaps, and integration or collaboration between the different schemes.

Complementarity of the support offer

4.7 The support offer was very broad and covered most areas for intervention outlined in Towards Sustainable Growth and the current Strategic Vision. Our review found that the respective offers of the schemes were generally well-aligned and offered good complementarity as a package, where each scheme provided a different component to fulfil the key policy objective of generating sustainable and inclusive growth for businesses. For instance, the following scenario describes a theoretical route for a business navigating the RDP-funded support landscape:

Business A engages Cywain and undergoes the diagnostic with a detailed review of its needs. It proceeds to receive one-to-one support from a Regional Development Manager, who identifies a need to upscale production capacity to meet demand and generate growth. The business is referred to the SSU Cluster, which helps to provide an assessment of the capacity requirements and growth opportunity. The firm is then supported in accessing FBIS funding, to purchase the relevant equipment and production facilities. Project Helix then provides support to scope out the requirements for those new facilities, and FSC trains the company's employees in operating the new processes. (A theoretical description of a business's route through the support infrastructure)

- 4.8 Several such theoretical examples were highlighted by stakeholders during our discussions. This route was also seen in practice, where a single business often received support across multiple schemes to help with different elements of its growth ambitions. This was apparent within the data for the different evaluations. For instance, 72% of clients surveyed as part of the Cywain evaluation reported that they had been referred to the innovation centres, while 35% had been referred to FSC. Further, the evaluation of FBIS and RBISF revealed that 33% of beneficiaries had also received support from Helix, and 31% from Cywain; while most of the SSU Cluster members had been supported by other schemes (57% from Cywain, 24% from Helix, and 18% from FSC).
- 4.9 The FBIS and RBISF capital support effectively complemented the business development and training support provided through the other schemes. The leads within these other schemes described how their team treated this capital support as part of their offer to clients. These provisions were also complemented by the clustering activity, which aimed to ensure that businesses operating within the sector could support each other in a more sustainable way. Welsh Government officials highlighted that the four main flagship schemes provided particularly strong complementarity.
- 4.10 Although the schemes generally offered a good level of complementarity with clear lines of delivery, there was some crossover where those lines became blurred. For example, both Cywain and the SSU Cluster had a very similar delivery model, with an emphasis on clustering and key account management; moreover, many of their activities (study tours, special interest groups, etc.) were the same. The latter was more focused on finance, and the former had a broader remit, but the boundaries were sometimes blurred; furthermore, it was often the same businesses receiving the support. Tyfu Cymru also had a very similar delivery model in many respects (key account management and networks), but focused exclusively on horticulture. Similarly, Cywain's support included delivering bespoke projects to address opportunities identified by producers – one of which was to support a group of businesses interested in accessing public procurement opportunities, which was similar to the general thrust of the Larder Cymru project.
- 4.11 Whilst the RDP-funded schemes generally complemented each other, there was more overlap with and potential duplication of other provisions available to the

sector in Wales, which are funded from beyond the RDP. For instance, Business Wales provides the core support for all businesses in Wales (including the food and drink sector), with some overlap with the business development support provided by Cywain, SSU and Tyfu Cymru (although it did not offer the same specialism). According to one of the stakeholders:

“The projects fit to a point; however we do question why we do [the business development support] when Business Wales do it... it doesn't completely make sense, but it's Welsh Government's role to align [the provisions].” (Stakeholder interview)

- 4.12 There was also duplication of funding between some of the training provisions and the Welsh Government's personal learning accounts programme,³¹ whilst schemes such as the NatWest Accelerator programme has clear parallels with SSU and Cywain. Furthermore, alongside duplication of provisions, there was also likely to be duplication in some of the underlying principles. For instance, most of the schemes – including Cywain, Helix, FSC, Tyfu Cymru, and SSU – used their own diagnostic and enrolment tools, which often captured the same type of information.

Collaboration and integration of supports

- 4.13 There were many examples of good collaboration between the schemes; mostly in the form of cross-referrals and signposting. Stakeholder discussions revealed how the need for support from other schemes often became apparent during the initial engagement process, in reviewing businesses' support needs. Cywain staff worked with their clients on a day-to-day basis regarding their progress towards goals, with ongoing needs constantly reviewed. They employed strong cross-referral mechanisms with the other flagship schemes when those needs arose. Similarly, the FSC project undertook a thorough needs analysis with its clients. Although the focus was on the skills aspect, FSC staff might learn that a business had been developing a new product, and could benefit from shelf-life analysis support from Helix. Additionally, a core question within that process was to ask about any plans for implementing new automation over the next five years; FSC confirmed that any business responding 'Yes' would be signposted to FBIS.

³¹ [Personal Learning Accounts \(Careers Wales\)](#)

Similarly, FBIS was the main point of referral for SSU Cluster members during discussions on capital investment.

- 4.14 Nevertheless, this cross-referral activity could be sporadic; it often relied on individual staff members having the awareness and understanding to make the referrals, while also depending on businesses to highlight their needs. Stakeholders cited that cross-referrals were generally not embedded in the schemes' operating practices; this could lead to missed opportunities in terms of providing the full package of support available to businesses, to maximise the impacts. According to one stakeholder: 'it relies on individuals to ensure that the relationship is established. Managing the relationship comes down to us as organisations rather than being set in stone as part of the client process... there should be more clarity.' Other stakeholders further suggested that having more explicit processes in place, and routes for cross-referrals, would have been beneficial. For instance, a reference to FSC within the FBIS paperwork was proposed, as there was a natural synergy between the two: recipients of new capital items would often need to upskill their staff to use them.
- 4.15 Alongside cross-referrals, there have been some examples of more intensive collaborations. The Cluster 201 group, which was facilitated by the Welsh Government and included representatives from the main delivery bodies, was a useful platform for sharing information. In addition, Cywain, Helix, and Business Wales delivered joint events for start-ups as part of a collaborative initiative. Tyfu Cymru worked closely with BIC, Helix, and the Trade Development Programme, to support its key accounts and manage the support collectively. Tyfu Cymru worked with Helix on shelf-life testing, with Cywain on developing box schemes, and it separately commissioned BIC to deliver finance-focused workshops; in other instances, it worked with FSC to develop training plans for businesses.
- 4.16 However, by their own admission, some of the stakeholders highlighted that 'we're not brilliant at collaboration', and that some of the schemes operated 'in silos'. One stakeholder highlighted that they had requested access to the Business Account System managed by Business Wales, in order to understand which schemes their clients had already engaged with, to deliver the support more holistically, and remove some of the duplication in information collected. However, this access never materialised.

- 4.17 In summary, whilst there were good examples of collaboration, it was largely based on the leads' goodwill and initiative in organising activities jointly. The collaboration appeared to be sporadic, without a systematic approach to delivery.
- 4.18 Accordingly, there was broad support for providing a more integrated offer in future support delivery. Stakeholders described the recent package as a 'minefield' for businesses to navigate and identify whom they should approach for support; moreover, it could also be complex for Welsh Government officials and intermediaries. This was largely due to the way the schemes were funded through the RDP. Historically, they had been managed differently, whereby the Welsh Government's Food Division was the beneficiary of the funding, and would deliver the schemes through intermediaries. The latest round of RDP funding saw a change, with intermediaries being funded directly; this led to the Welsh Government having to cede control, with a lack of central management. We understand from Government officials that future iterations of these schemes will revert to a form more similar to the previous arrangement. Several intermediaries have been awarded funding to deliver follow-up projects and schemes for Helix, Cywain, SSU, FBIS and FSC. As part of this, we understand that there will be some element of central management, with each contractor expected to use the same core processes and data capture mechanisms, thereby allowing a central collation of data which will be held by the Welsh Government's Food Division team. This will allow the Welsh Government to deliver some degree of triaging, where officials will have oversight of each business's needs, and will be able to refer it to every intervention deemed appropriate. Achieving this was described by a Welsh Government official as being 'absolutely essential to overall chances of Welsh Government advancing the strategy'. This will allow a more integrated support for delivery, which was widely favoured during the stakeholder consultation. If branded correctly and with a clearly defined access point, this could also simplify the engagement process for businesses, and allow a more seamless and standardised journey through the different support components.

Gaps in the support offer

- 4.19 The package of support has fulfilled the vast majority of the aims outlined in Towards Sustainable Growth and the latest Strategic Vision; either directly or indirectly. Nonetheless, there could perhaps be more of an explicit emphasis on

themes such as fair work, reputation and standards, and the wider promotion of the food and drink sector. We note that, regarding the latter aspect, the Welsh Government also invests in marketing of the food and drink sector in other ways (e.g. through trade shows, missions, and events), and support schemes may not be the best way to achieve that particular goal.

4.20 Stakeholders generally felt that the package was comprehensive enough to cover most needs; however, two themes stand out. Firstly, two stakeholders suggested there could have been more emphasis on the opportunities from public procurement. There has been some activity in this area, primarily through Larder (although restricted to north-west Wales), and in small projects delivered by Cywain. Nevertheless, stakeholders felt that a more ambitious, national programme would have helped to develop the supply chain, so that more public procurement opportunities could be accessed by local providers: ‘there is substantial work to do on that... with all the restrictions to sort’.

4.21 Secondly, negative perceptions of employment opportunities within the sector appeared to be a significant challenge. Insufficient graduates are entering the sector (particularly in finance), which suggests the need for more activity in this area. For example, the evaluation of FSC found that a “need to alter the perception of the sector as ‘poorly paid work that involves standing up all day’ was recognised”. Some small-scale activity took place, including a successful graduate programme that was piloted by SSU; furthermore, FSC provided basic finance training, and Helix provided a service that placed technical graduates in businesses to support their operations – however, we understand that only a small number of businesses (just eight across two of the three centres evaluated to date) have benefited from that activity. Additionally, despite having this provision, discussions with Helix staff further suggested that attention needs to be paid to the number of ‘food technology graduates’ coming through the system in Wales. In simple terms, there was a concern that in the longer term, Wales will be unable to supply the staff needed to deliver a project such as Helix.

Review of delivery performance

4.22 Our meta review considered the delivery performance of RDP-funded schemes by reviewing the evaluation material regarding delivery against objectives. Of the 12 evaluation reports, our review suggests that seven schemes had been very

successful in achieving their goals; a further four were making good progress with activity ongoing, whilst only one was less effective in achieving the stated goals.

- 4.23 The most commonly identified 'strength' within delivery was the expertise of the delivery team and effectiveness of the offer (found in 7/12 reports); this demonstrates the importance of the intermediary bodies in delivering the support. More specifically, five evaluation reports highlighted the flexibility and adaptability of the support offer as a strength, while three referred to the schemes' ability to utilise external expertise, and the technical and 'hands-on' support provided. Some of the projects, such as Tyfu Cymru and FSC, were delivered by a small team, which allowed them to be more flexible in their approach; additionally, they were able to draw on external specialists for effective support. Businesses valued the bespoke nature of the support they were given. Nevertheless, Cywain, a much larger project, was also able to incorporate similar principles and characteristics, with businesses also valuing their adaptability. Other strengths were found to be the trusted relationships developed with beneficiaries, and the scale of the support offer (found in four reports). Cywain was again a good example of this, with businesses able to access a wealth of different opportunities.
- 4.24 The evaluation reports generally found a high level of satisfaction with the support offer. For instance, the evaluation reports for Cywain, FBIS, and SSU all found that at least 70% of beneficiaries were satisfied or very satisfied with the support.
- 4.25 However, scheme delivery was not without issues or challenges. We have already discussed at length the issues concerning the integration of the wider support offer. Looking at the individual provisions, the evaluation reports reveal that seven of the 12 were adversely affected by external factors (e.g. the economic climate and COVID-19). This had the effect of preventing much of the in-person delivery, and affected businesses' growth plans; in turn, it impaired the schemes' ability to demonstrate their impact on business growth. Additionally, it led to spiralling costs for businesses that had purchased equipment through the FBIS and RBISF schemes.
- 4.26 We found evidence of schemes struggling to secure the required engagement from beneficiaries in six of the reports, with a general lack of time and resources leading to disengagement. Linked to this, the administrative requirements and level of detail required during the application, monitoring and claims processes

proved cumbersome in some projects; perhaps most notably in FBIS, where this affected beneficiaries' satisfaction with the support.

- 4.27 Four of the evaluation reports provided evidence of schemes struggling to target their resources as intended. Many of these had a remit to explicitly target high growth potential businesses; however, the evaluations often found that the resources had been spread too thinly, and were often accessed by businesses that did not appear to have strong growth potential.
- 4.28 This links to a further challenge. Two evaluation reports highlighted the risk of beneficiaries becoming too reliant on support; similar themes were raised during our stakeholder consultation, where the risk of 'too much handholding' was identified. Stakeholders mentioned that some delivery personnel were trying to 'run the businesses for them'. For example, one stakeholder noted that they had heard reports of officials from a particular project writing applications for businesses to access FBIS support, rather than transferring the knowledge and skills so that businesses could do it themselves. This also emerged in the feedback from FBIS directly, with one business stating that a consultant from another project had completed 'the paperwork' for them. This affects the sustainability of any outcomes generated. Our meta review and stakeholder consultation found that delivery personnel would occasionally find it difficult to reject support where perhaps it was not appropriate, in terms of the remit of the schemes. The other reason was a lack of a clear process for defining 'high growth potential businesses', and of clear parameters for the extent of support that should be made available.
- 4.29 More generally, whilst some schemes incorporated a paid-for element (e.g. Helix) with varying degrees of success, there has been significant support available for businesses, mostly free of charge. Some businesses are said to have continued to access support throughout the programme, or multiple programme lifecycles (over many years); and one lead highlighted how there was always "*pushback*" when they had experimented with introducing charges. As we noted above, a single business often accessed multiple supports.
- 4.30 Combined, these issues posed the risk of creating a dependency culture; this could have the effect of making some businesses less sustainable (because of their dependency), which would leave them in a vulnerable position when or if the

support was scaled down. As another stakeholder described it, high expectations were set for the scale of the support offer, which created ‘a rod for our own back’.

- 4.31 There was a general consensus among stakeholders of a need to ‘wean businesses off’ support that had been available free of charge, and often without clear limitations regarding the scale and length of support given.

“I look at some businesses and think ‘I can’t believe they’re still being supported’. Welsh Government have to own that problem and say ‘these are the rules of engagement’ – e.g. if you have had five years of support and haven’t grown in that time, then all contractors shouldn’t be supporting them.” (Stakeholder interview)

- 4.32 We understand that the Welsh Government has already taken some steps to address the above problem by operating a principle of a ‘something for something’ culture within future delivery, where businesses will need to sign an ‘economic contract’ setting out what they are expected to return on the Government’s investment (e.g. growth, better working conditions, more sustainable practices). However, it was acknowledged by a Welsh Government official that these changes had been ‘baby steps and not applied consistently’.

- 4.33 Furthermore, on a strategic level, although the Welsh Government aimed to help smaller businesses transition to larger ones, a Welsh Government policy official suggested that this was not given sufficient operational policy focus within the different projects and schemes’ implementation. Operationally, these schemes were generally only available for specific segments (micro, small or medium) without consistent development plans that would take businesses on a growth / development journey.

Economic impact

- 4.34 The headline objective of Towards Sustainable Growth was to increase the value of the Welsh food and drink sector by 30%, to £7bn by 2020. As can be seen in Table 4.1, that target was achieved a year early, and the sector was still able to remain above that level of turnover despite the downturn caused by the pandemic in 2020. By 2021, the sector had surpassed its pre-pandemic level.
- 4.35 The table also reveals that the sector in Wales has grown at a faster rate than across the UK as a whole. Indeed, since Towards Sustainable Growth was

published in 2014, the food and drink sector in Wales has grown by 33%, which is three times higher than the rate of growth seen across the UK (11%). Conversely, the rate of growth in Wales in the preceding five-year period (i.e. from 2009 to 2014) stood at 22%, which was below the rate across the UK (30%). This would imply that the interventions made in Wales during the 2014 to 20 RDP programme period had an impact in growing the sector at a macro level.

Table 4.1: Food and Drink priority sector turnover in Wales and the UK, 2009 to 2021

	Wales		United Kingdom	
	Value (£ millions)	Change from prev. year	Value (£ millions)	Change from prev. year
2009	4,707		102,720	
2010	5,217	11%	110,459	8%
2011	5,208	0%	117,075	6%
2012	5,161	-1%	120,308	3%
2013	5,681	10%	130,659	9%
2014	5,754	1%	133,422	2%
2015	6,113	6%	142,508	7%
2016	6,857	12%	144,252	1%
2017	6,511	-5%	137,283	-5%
2018	6,833	5%	141,031	3%
2019	7,473	9%	148,806	6%
2020	7,155	-4%	148,561	0%
2021	7,647	7%	148,481	0%

Source: Welsh Government analysis of the IDBR

4.36 The latest sector economic appraisal published by the Welsh Government also found that the wider food and drink supply chain³² continued to grow into 2021. Businesses in the sector had a total turnover value of £23.0bn for 2021, an increase of 2.9% from the £22.4bn for 2020. It further found that exports across 2021 significantly increased compared to 2020, rising from £552m to £640m for 2021 (an increase of 16%), and that the median salary for the food and drink

³² This contains manufacturing and related packaging, agriculture and fishing, retail and wholesale, and non-residential catering.

manufacturing subsector increased by 24% from 2015 to 2021 (from £18,598 to £23,045), which was greater than the UK increase of 18% over the same period. Together, these figures provide further evidence of strong economic performance within the sector during the programme period.

- 4.37 There is evidence in the individual evaluation reports that the RDP-funded schemes have contributed to sector growth. These contributions differed considerably, due to the variability in scale (i.e. with budgets ranging from less than a million to more than 60 million) and focus areas of the different schemes (i.e. some were not concerned with generating immediate economic returns, but with piloting for longer-term activities). However, seven reports contained some information on economic impacts (please note that other schemes may have generated positive returns which have not been captured in evaluation reports). Whilst there are substantial methodological constraints within the model used to estimate the economic impact, they indicate that the schemes provided a positive return on investment in monetary terms. Indeed, the FBIS and RBISF, Helix, and Cywain projects and schemes appear to have been particularly impactful in that regard. Combined, it was estimated that these had generated hundreds of millions in GVA impacts, which exceeded the level of investment made by the Welsh Government through the RDP.
- 4.38 These figures should be treated with caution and are indicative only, given the limitations within the approach (see the Methodology section). Furthermore, there is likely to be some duplication in the figures reported, with many businesses attributing turnover impacts to several different schemes. Whilst there were mechanisms within the evaluation methodologies to mitigate those effects, some duplication can be expected in the economic impact reported across the projects and schemes. Nevertheless, they provide an indication of the scale of the impact generated by the RDP-funded schemes.

Environmental impact

- 4.39 The environmental impacts of the schemes are much more complex to quantify, as none of the evaluations included a robust, quantifiable assessment (such as calculating the reduction in CO₂ emissions). This is partly because achieving such environmental impacts was not the primary focus of the schemes.

- 4.40 Nevertheless, most of the evaluations we reviewed (9/13) included some narrative regarding positive environmental impacts. Perhaps the best example is the evaluation of the FBIS / RBISF schemes, which found that 41% of beneficiaries reported that their projects had generated positive environmental impacts, (although we note that is based on self-reported data, which is subjective). This was largely a result of the increased efficiencies generated by the new processes they had purchased (17% reported this), while 11% had used some of the funding to invest in renewable energy; furthermore, 9% cited improvements to their recycling processes (including examples of energy conversion from other processes) and improved waste management. A further 19% reported they had shortened their supply chain, resulting in reduced food miles. However, these benefits need to be balanced against the increased production and food miles for businesses that had accessed wider geographic markets as a result of the support. Whilst the evaluation could not definitively identify the schemes' impact, the balance of evidence suggests that they indeed had a positive impact on the environment, through the more than £60m invested in improved equipment and processes.
- 4.41 Project Helix is another scheme that resulted in more environmentally sustainable processes within food and drink businesses, although only a small minority of beneficiaries (18%) reported that their involvement had led to positive environmental outcomes. Similar themes emerged, with 18% reporting they had reduced their carbon footprint, 15% had shortened their supply chain by purchasing more raw materials from local producers, and 11% had reduced the amount of product processing that took place outside Wales. Others cited more sustainable packaging (i.e. less use of plastics), less food waste (e.g. by standardising their production method), and using less energy through more efficient processes.
- 4.42 The FSC and Cywain evaluation reports provide some evidence of environmental impacts. For instance, Cywain's managers discussed and planned actions for tackling environmental concerns with clients through their one-to-one activity, with some examples of support being given to develop more sustainable packaging. Additionally, the clusters were encouraged to discuss sustainable development issues, including opportunities for joint purchasing (to save costs, and for the environmental benefits). Furthermore, webinars were arranged on the topic of

sustainable packaging; and, in another example, Cywain collaborated with Wrap Cymru to raise awareness of food waste. FSC provided training courses and initiatives to ensure beneficiaries were kept up-to-date with ever-changing demands, including the need to reduce food waste and promote sustainability. We note, however, that there was little emphasis on environmental impacts within these two reports.

- 4.43 Tyfu Cymru provides one of the better examples of the environmental impacts generated through the RDP-funded food and drink schemes, although within the context of a smaller-scale scheme. The evaluation found that most businesses had made positive environmental changes as a result of the support. The main positive change was businesses' improved ability to identify pests and diseases and their use of beneficial insects, with 36% citing this, followed by 24% reporting a reduction in their use of pesticides. A range of other outcomes were also reported, including 15% moving towards more organic production methods, more sustainable crop protection methods, and introducing more efficient water use; while 13% had reduced their waste, and 11% had adopted practices to promote healthy soil.
- 4.44 Finally, three of the more agricultural schemes included in our review substantially emphasised farmers' adoption of more sustainable practices.

Alignment with strategic objectives

- 4.45 There is clear alignment between the RDP-funded food and drink schemes and the strategic objectives for the sector in Wales, as captured through the Strategic Vision paper. As a reminder, the four key goals outlined within the paper are:
1. Delivering economic success by growing businesses' scale, value and productivity;
 2. Achieving the highest levels of environmental sustainability;
 3. Creating attractive and fair work for people;
 4. Promoting Wales globally as a Food Nation.
- 4.46 Nine of the 13 schemes we reviewed contributed directly towards the ambition of generating growth; typically, as the primary objective of the scheme. Indeed, as already noted, several schemes had the specific remit of targeting high growth potential businesses and creating a better pathway to growth. Furthermore, the nature of activities delivered by the projects and schemes typically consisted of

efforts to generate growth – such as through developing new routes to market (e.g. the online platform developed by Discover Delicious, or the support provided by Cywain); increasing productivity (e.g. through the capital grant support to increase processing capacity); and the support from Helix, responding to the premise that the growth of food and drink companies is dependent on ‘technical confidence’ of the food producer.

- 4.47 Nine schemes also sought to generate greater sustainability within the sector (although this was rarely the main objective, as discussed in the previous section). Perhaps the main examples are the work undertaken by Helix, FBIS and RBISF, to move food and drink businesses towards more efficient production practices. For example, food efficiency was one of three strategic objectives for Project Helix, with support in areas of systems development, process controls, site design, and packaging; all of which focused on generating greater sustainability. Tyfu Cymru and the Red Meat Development programme also placed a significant emphasis on generating greater sustainability, within horticulture and agriculture respectively.
- 4.48 Four schemes focused on the objective of promoting the sector and raising standards. For example, Discover Delicious and Cywain delivered substantial activity in promoting Welsh branding. The former provided a new platform (and associated brand) for promoting Welsh produce, and worked closely with other initiatives, such as the Game Meat Wales and Seafood Development projects, to promote specific subsectors. Cywain, on the other hand, particularly focused on promoting Welsh food and drink at national and international events; furthermore, its role in professionalising businesses and how their products look and are marketed (in alignment with the broader Food and Drink Wales brand) was identified as a key outcome in raising the profile of Welsh food and drink as a whole. In addition, Cywain, along with Helix and FSC, contributed to increasing accreditations and food safety by supporting businesses in taking those steps. Helix had a particularly important role in improving food safety through its technical support with product development and reformulation.
- 4.49 Three schemes helped to achieve the ambition of creating attractive and fair work; notably through the efforts of FSC, whose main thrust was to increase workforce skills (the FSC evaluation showed a clear correlation between the upskilling activity and appraisal bonuses). In addition, organisations applying for support

from FBIS were asked to demonstrate how their projects would contribute to the agenda of delivering fair work; however, we note that there was no mechanism to monitor achievement of those ambitions, and to ensure that beneficiaries delivered on what they had stated in the application.

- 4.50 As well as alignment with the key sector objectives, the schemes also clearly helped to meet the Welsh Government's Well-being of Future Generation Act goals, such as developing a more prosperous and resilient Wales, a healthier Wales, a more equal Wales, and a Wales of cohesive communities.
- 4.51 Perhaps the main alignment is with the goal of creating 'A Prosperous Wales', given the overriding emphasis on generating growth throughout the package of support. This also closely aligns with the subtext underpinning the goal, which references innovation, productivity, upskilling, and providing employment opportunities – all of which were important themes within the support offer.
- 4.52 A further source of strong alignment is the goal of creating 'A More Equal Wales', with the emphasis on securing jobs in rural Wales. The support was delivered in line with the goal subtext, which outlined a vision of creating "a society that enables people to fulfil their potential no matter what their background or circumstances (including their socio-economic circumstances)". There are clear links with the themes outlined within the goal, particularly in relation to providing "education opportunities – enabling people to develop the skills and knowledge to be fulfilled" (FSC is the best example of this) and 'fair work', although the focus on the latter could have been stronger.
- 4.53 There is also some alignment with the goal of creating 'A Healthier Wales'. Project Helix is perhaps the best example of this, given its focus on food safety. There are also links with the goals of creating 'A Resilient Wales' and 'A Globally Responsible Wales', by facilitating a more efficient use of resources. This relates to the impacts described above, from projects such as Helix, FBIS and RBISF, in generating efficiencies within production processes; while Tyfu Cymru and the Red Meat Development programmes had similar objectives in horticulture and farming. These link with the goal of creating 'A Wales of Cohesive Communities' by providing more employment opportunities within local communities, and some of the work to encourage shorter supply chains and greater public procurement opportunities that can be accessed locally – which is also related to the

foundational economic agenda. Finally, and on a similar basis, there are links with the ambition of creating 'A Wales of Vibrant Culture & Thriving Welsh Language' (and thus the ambitions within Cymraeg 2050), due to greater job opportunities created within the rural economy and sectors such as agriculture, which are disproportionately important in relation to the Welsh language. Providing such opportunities may have led to more Welsh-speakers being able to remain in their local communities, rather than having to move elsewhere in search of employment.

Contribution to the Welsh Government's cross-cutting themes

- 4.54 Projects and schemes funded under RDP Wales were required to demonstrate how they addressed the three cross-cutting themes of:
1. Equal Opportunities, Gender Mainstreaming, and the Welsh Language;
 2. Sustainable Development;
 3. Tackling Poverty and Social Exclusion.
- 4.55 As previously noted, the schemes aligned with the well-being goal of creating 'A More Equal Wales', and also contributed to a thriving Welsh language; thus, for the same reasons, they can be aligned with the first cross-cutting theme noted above. In reviewing the evaluation reports, some of the most common themes in evidencing support for the first theme were the delivery organisations' own internal practices. These included their policies (e.g. regarding equal opportunities), gender balance within their delivery teams, bilingual provision (including Welsh-speakers in their team, and ensuring all materials were bilingual), and the fact that they provided 'indiscriminate' support. Some highlighted that they made a conscious effort during marketing campaigns to disseminate content that represented a multiplicity of demographic groups.
- 4.56 In terms of sustainable development, some activities certainly addressed the theme, as we have discussed at several points in this chapter. A review of the evaluation reports indicated that the theme had been addressed on two levels – through the schemes' internal working practices, and through their service delivery. We have already examined the latter at length (i.e. the support in generating efficiencies, shorter supply chains, etc.). With regard to the former, many of the projects and schemes had adopted a blended delivery model

(particularly after the pandemic), and reduced their travel through remote working and virtual meetings.

4.57 There are clear links with the ‘tackling poverty’ theme, given that the core remit for most of the schemes was to generate growth, generally with job creation targets, and occasionally an expectation to deliver fair work. Though it was constrained by methodological limitations, the economic impact assessment contained within the individual evaluations suggests that hundreds of millions have been generated in economic returns for businesses. Thus, combined, the projects and schemes are likely to have greatly enhanced the resilience and sustainability of the rural economy in Wales. Furthermore, although it was not a particular priority for the schemes, some projects did have a role in addressing social exclusion; for example, the emotional benefit of being involved in the cluster activity was highlighted by some businesses. This was particularly important for sole traders, with some reports of the clusters making them feel less isolated. There were also some examples where projects had delivered activities specifically to support clients’ well-being, such as through online health and well-being videos, workshops, and a counselling service (particularly during the pandemic). In addition, account managers would provide emotional and confidence-building support as part of their client relationship-management approach.

Contribution to the European Commission’s cross-cutting objectives

4.58 Finally, given that these projects and schemes were delivered via EU funding, there was also an expectation for them to demonstrate how they had addressed the European Commission’s cross-cutting objectives:

1. Innovation
2. Environmental Sustainability
3. Climate Change.

4.59 There are clear parallels between the second and third objectives and the second cross-cutting theme highlighted above (sustainable development); as well as with the environmental impact discussed more broadly in this chapter. As noted, most projects and schemes focused on environmental sustainability and tackling climate change, primarily through helping businesses to develop more efficient processes and create shorter supply chains. However, we note that this was generally a secondary objective, with a much stronger focus on economic growth.

4.60 The projects and schemes have clearly delivered against the first cross-cutting objective. Indeed, innovation was the entire essence of Project Helix, with technical support provided in its innovation centres to assist with new product development and reformulation. The FBIS and RBISF investments could only be utilised for developing new processes within businesses, which thus ensured that they were investing in innovation. Cywain was a highly innovative project, as it had an innovation team tasked with developing new sub-projects and schemes to benefit of their clients (e.g. developing a digital shop initiative during the pandemic). All projects and schemes had some focus on innovation by encouraging businesses to adopt new practices or enter new markets.

5. Conclusions and recommendations

- 5.1 Our high-level review of the RDP-funded food and drink schemes has demonstrated an extremely comprehensive package of support, which was described as unrivalled within the UK, and covered almost all aspects of the sector's needs. Collectively, the schemes have delivered on the priorities outlined in the policy documents covering this period (Towards Sustainable Growth, and the current Strategic Vision), and they have been very successful in generating growth for the sector. The schemes have also helped to improve the environmental sustainability of the sector, as well as raising standards and contributing to fairer work, although evidence of those outcomes is more limited. Together, the impacts generated for the sector provide a strong case for a continuation of the support.
- 5.2 However, with the end of EU funding, the Welsh Government is now required to carefully consider which aspects of the support offer should continue to receive its backing the medium-term future (i.e. beyond the legacy operations that are now being funded). Whilst our review generally provides a very positive portrayal of the support given to the food and drink sector, it has also found areas that could be improved and require attention. Below, we list the key findings from our review, before outlining a series of recommendations to help inform future delivery.

Main findings

Sector overview and policy context

- 5.3 Food and drink is one of Wales's largest business sectors, and is comparatively more important in Wales than at a UK level. The sector is also more heavily skewed towards very small businesses in Wales, relative to the sector at a UK level.
- 5.4 As a priority economic sector, food and drink has received considerable support and focus in policy terms, with a strong emphasis on achieving economic growth, making the sector more sustainable, creating attractive and fair work, and promoting Wales as a Food Nation.
- 5.5 With regard to achieving economic growth, there has been a strong policy focus on targeting the support at 'high growth potential' businesses, and to create a better pathway to growth for micro and small businesses that have been unable to go

beyond serving local markets. In that respect, there has been an ambition to create a 'healthy pipeline' of micro businesses transitioning to small firms, and small expanding to medium businesses.

- 5.6 There appear to be particular challenges within the food and drink sector which prevent such a pipeline from forming. These include industry-specific issues of low margins, shelf-life, packaging, and distribution difficulties, coupled with gaps in technical and financial management skills, thereby creating the need for support. Another challenge is the perception of career opportunities within the sector, where 'workers do not see obvious career pathways'.
- 5.7 Although the Welsh Government has aimed to help smaller businesses transition to larger ones, this was not given sufficient operational policy focus in the implementation of the different projects and schemes. Operationally, these schemes have generally only been available for specific segments (micro, small or medium), without consistent development plans for businesses to take them on a growth and development journey.
- 5.8 Furthermore, recent research suggests that targeting investment at larger businesses would generate a better economic return for Wales. This is because smaller businesses (<50 staff) generate much smaller multiplier benefits, due to their substantially greater leakage to supply chains outside Wales. On the one hand, this suggests that investing in larger businesses would be a better strategy for achieving the Welsh Government's growth ambitions. However, we note that these larger businesses tend to be headquartered outside Wales, without the same emotional connection to the country, and are therefore at risk of external decisions. Thus, the Welsh Government has favoured moving a large number of indigenous businesses to move up the size scale; whereas there could be a stronger focus on the medium-sized Welsh indigenous businesses.
- 5.9 Moreover, the research found that the lack of supply chain expenditure retention in Wales, with supply chains within the ancillary sector largely found outside the country, represents one of the main obstacles to increasing the economic value generated by the sector.

Breadth and complementarity of the support package

- 5.10 Wales has a rich landscape of support for its food and drink sector, which encompassed several flagship schemes funded by the Welsh Government under

the RDP 2014 to 2020. Most of these provided an element of training and skills, while many had a networking or clustering component. Around half of them provided one-to-one business support as one of the primary modes of delivery. Several schemes focused on aspects such as supply chain development, developing a new sales platform for businesses, research and development, providing sector insights, and marketing support. Two schemes provided significant capital investment to increase the sector's processing capacity in Wales. The schemes typically focused on knowledge transfer, while other themes consisted of scale-up activity, supporting sales, improving finance capability, innovation, branding and marketing support, and public procurement.

- 5.11 Our review found that the respective offers of the schemes, in general, represented strong alignment and complementarity, which responded to the strategic objectives articulated by Welsh Government. Indeed, the same businesses have often been supported by multiple schemes, with different elements of their growth ambitions; this further indicates strong complementarity.
- 5.12 However, whilst the schemes generally offered a good level of complementarity with clear lines of delivery, there has been some crossover, where those lines became blurred. For instance, many had a similar remit and delivery model of providing food and drink producers with key account management support and network facilitation. Additionally, there was more overlap with and potential duplication of non-RDP funded provisions. For instance, Business Wales provides the core support for all businesses in Wales (including the food and drink sector), which entailed some overlap with the business development support from several of the RDP-funded schemes.
- 5.13 There were many examples of good collaboration between the schemes; this was mostly in the form of cross-referrals and signposting. Nonetheless, this cross-referral activity could be sporadic; it often relied on individual staff members having the awareness and understanding to make the referrals, and also depended on businesses to highlight their needs. Stakeholders cited that cross-referral was generally not embedded in the schemes' operating practices; this is likely to have caused missed opportunities in providing the full package of support that might be available to businesses, to maximise the impacts.

- 5.14 There were other examples of effective collaborations, although these were largely based on the goodwill and initiative shown by leads in organising activities jointly. By contrast, the support landscape was also described as a “*minefield*” for businesses to navigate.
- 5.15 Whilst the package of support directly responded to the policy objectives outlined by the Welsh Government, there could perhaps have been a more explicit emphasis on themes such as fair work, reputation and standards, and the wider promotion of the food and drink sector. Additionally, two other areas for improvement were highlighted by stakeholders, in terms of the breadth of the support offer: first, a greater emphasis on maximising the opportunities from public procurement; and second, a stronger focus on creating better career pathways, and changing perceptions about the sector as an industry to work in.
- 5.16 There appears to have been some movement towards placing greater expectations on the return on investment from beneficiaries, for the next tranche of support delivery – such as through formalising the concept of an economic contract. However, a Welsh Government policy official highlighted that it did not go far enough, and was unlikely to lead to meaningful change. We understand that the next iteration of support schemes will include an element of triaging and central data collation. This activity will need to receive sufficient resources, in order to have the intended impact in creating a more integrated and effective support package.

Delivery performance and impacts

- 5.17 The evaluation reports generally found a high level of satisfaction with the support offer, and that the projects and schemes had been delivered effectively. The most commonly identified ‘strength’ within delivery was the expertise of the delivery team and effectiveness of the offer, which demonstrated the importance of the intermediary bodies in delivering the support. More specifically, the flexibility and adaptability of the support offer, alongside the ability to use external expertise, were also found to be among the main strengths.
- 5.18 Conversely, the main challenges included a lack of engagement from beneficiaries in some instances, the administrative burden and restrictions linked with RDP funding, the inability to target the support as intended (e.g. to high growth potential businesses), and occasionally, ‘too much handholding’. Linked to the latter point,

we also found a lack of clear exit points from the support for businesses, with some receiving support over several years and mostly free of charge. This raises questions about the sustainability of the support and its outcomes for businesses, alongside the risk of creating a dependency culture.

- 5.19 The growth of the food and drink sector in Wales far exceeded the target for the period up to 2020, with turnover exceeding £7 billion by the end of the decade; moreover, the rate of growth was much higher in Wales than in the rest of the UK. Although there are many difficulties in quantifying the impact of the support interventions, due to several limitations in the data and methodologies deployed, it is estimated that they have generated hundreds of millions in economic returns for businesses, and therefore contributed to the growth seen in the sector.
- 5.20 The environmental impact of the schemes is also complex to quantify, although the balance of evidence suggests that most schemes have had a positive environmental impact. This was often a result of increased efficiencies generated by the new processes developed as a result of the support; investment in renewable energy; improvements to recycling processes and waste management; developing more sustainable packaging; shortening supply chains; and developing more sustainable practices within horticulture and farming.
- 5.21 Together, these impacts demonstrate strong alignment with the strategic objectives for the sector in Wales, where most schemes contributed directly to the ambition of generating growth and greater sustainability, while some sought to promote the sector, improve standards, and create attractive and fair work.

Recommendations

- 5.22 Based on these findings, the following recommendations are made.
- 5.23 Recommendation 1: the support package should be better integrated. We understand that the new flagship schemes will include some elements of central relationship management and information storage, which are positive steps. The Welsh Government will need to ensure that the central team has sufficient resources to enable each business to receive the different aspects of support needed, and that the complementarity of the offer can be fully utilised through effective triangulation. In the medium term, the Welsh Government should consider developing a smaller number of schemes (with a broader focus), in order to avoid some of the overlaps and potential duplication seen in recent years.

These schemes should incorporate the bespoke and flexible approach, along with the use of external expertise where required, that has characterised much of the delivery included in this review, to ensure businesses receive the support they need. Having effective business liaison and triangulation processes in place will be critical in delivering this new approach more holistically, and thereby maximising the opportunities available for businesses. In the shorter term, better collaboration and closer integration between the different schemes could be embedded through more effective desk instructions and schematics to help staff and beneficiaries – such as simple diagrams or flow charts setting out all the schemes and how they can relate to each other.

- 5.24 Recommendation 2: Establish a central access point. Alongside the more integrated support package, the Welsh Government should explore establishing a ‘front of shop’ – i.e. a central point for businesses to access support under a single brand. A unified branding, with officials ‘behind the scenes’ responsible for directing businesses to the most appropriate services, can address the issue of the ‘minefield’ created for businesses, in terms of the range of services and intermediaries they have been expected to navigate.
- 5.25 Recommendation 3: Consider incorporating the business account management for food and drink support under the Business Wales umbrella. The central access point could be provided by Business Wales, which would also add the benefit of enabling the Welsh Government to manage businesses’ journeys through the support offer. If done effectively, this would avoid duplication between the food and drink sector-specific interventions and the more generic Welsh Government-funded business support. This will need to be accompanied with sufficient investment in central triaging and business account management (see Recommendation 1), to ensure the process is managed effectively.
- 5.26 Recommendation 4: Ensure flexibility for intermediary bodies to engage new businesses. Many of the relationships between businesses and the intermediary organisations that delivered the support in recent years have become well established. Accordingly, there should be sufficient flexibility for the intermediaries to engage businesses directly.
- 5.27 Recommendation 5: Identify the target audience. The Welsh Government should conduct an exercise to identify how best to target the support at the most

appropriate businesses and subsectors. For instance, investing in subsectors where the market in Wales is already saturated is likely to have a large ‘displacement’ effect (i.e. taking market share away from Welsh competitors), and would thus have a limited economic return for Wales. Recent research suggests that investing in smaller businesses has a higher leakage effect (i.e. where the economic value is not retained in Wales), which also results in a lower return. Furthermore, if there is to be a continued emphasis on supporting ‘high growth potential businesses’, and creating a better pathway of micro firms’ expansion to small, and from small to medium, there should be a clearer definition and better mechanisms for identifying and targeting support at businesses with the highest growth potential.

- 5.28 Recommendation 6: Invest in a marketing push to reach the target audience. Once the target audience is established, the Welsh Government should undertake a proactive marketing drive to reach those businesses (including businesses that would not usually become aware of the support, when relying on the usual channels). This would also help address the issue of the ‘usual suspects’ often engaging with the support schemes.
- 5.29 Recommendation 7: Improve the targeting of support. With the current policy objective of generating greater growth for the Welsh economy, the Welsh Government should target support at businesses and subsectors that can help achieve that objective. Additionally, mechanisms should be introduced to achieve other strategic objectives: namely, improving fair work, reputation and standards. Steps are already being taken to achieve this, through the Welsh Government requesting that supported businesses sign an economic contract; although we understand that this is not being applied consistently. Thus, the implementation of this process needs to be applied more consistently, and the Welsh Government might consider adopting firmer enforcement of such measures, such as through hard targets and clawback clauses.
- 5.30 Recommendation 8: Set clearer parameters and pathways for the business journey. Investing in the central business account management function will enable the Welsh Government to devise a long-term plan for the businesses being supported, with a clear step-by-step development process. This would need to be

accompanied by clear parameters and timescales, to ensure clear transition and exit points.

- 5.31 Recommendation 9: Address gaps in the offer. The Welsh Government should consider introducing specific schemes to address some of the main gaps identified by stakeholders – or at least, substantially focus on them within existing schemes. This could include support to increase procurement opportunities, and scaling-up the business graduate pilot to encourage more graduates (particularly in finance and food technology) to enter the sector.
- 5.32 Recommendation 10: Address supply chain weaknesses. One of the main issues that leads to ‘leakage’ within the food and drink sector is the lack of quality ancillary industries within Wales. Investing in these industries will help retain more of the supply chain value in Wales; for instance, investment to increase the availability of packaging locally would serve a range of markets in food and drink.
- 5.33 Overall, the package of support for food and drink businesses funded by the RDP has been delivered effectively and achieved the desired results, thereby contributing to the high growth seen within the sector during this period. The schemes have generally worked well together and provided good complementarity, although there is an opportunity to improve this further in the next programme of activity. Steps have already been taken to address some of the issues identified in this report. However, we believe that implementing the recommendations outlined above would further improve the support offer and enable the Welsh Government to better achieve its strategic objectives.

Appendix 1: Schemes and projects included in the review

Project / Scheme Name	Description of activity	Relevance	Included in review?	Rationale for relevance / inclusion
The Welsh Pig Project	To support and develop the pig sector in Wales by bringing together supply chain partners to increase expansion opportunities, develop new markets, support new entrants, and provide training, knowledge transfer and business support for existing producers.	Broadly relevant	Yes	Direct support for a food and drink subsector (meat production)
Integrated YFC Beef Scheme	To assess the potential of establishing a fully integrated Welsh beef supply chain involving dairy and beef herds, which maximises genetic potential and lifetime performance.	Broadly relevant	Yes	Direct support for a food and drink subsector (meat production)
Discover Delicious Wales	A pilot cooperation project to test the viability of a facilitated route to market for small, independent food producers and manufacturers, using direct sales mechanisms (festivals and e-commerce) under the umbrella brand name Discover Delicious Wales, supported by an innovative, integrated brand marketing solution.	Directly relevant	Yes	Direct support for food and drink producers
Dairy Improvement Programme	To develop and assess new engagement strategies to increase the profitability and resilience of the Welsh dairy sector.	Broadly relevant	Yes	Direct support for a food and drink subsector (dairy production)
Red Meat Development Programme	Involved three projects aiming to grow the red meat sector, comprising activities to promote proactive flock and herd health management, generate long-term genetic improvement	Broadly relevant	Yes	Direct support for a food and drink subsector (meat production)

Project / Scheme Name	Description of activity	Relevance	Included in review?	Rationale for relevance / inclusion
	through DNA technology, and help produce better-quality products.			
Welsh Food and Drink Sustainable Scale Up Cluster	Supported scale-up of businesses with 1-to-1 and 1-to-many support, focusing in particular on finance.	Directly relevant	Yes	Direct support for food and drink producers
Food Business Investment Scheme	Covered capital investments in processing equipment, along with some associated costs.	Directly relevant	Yes	Welsh Government-identified flagship scheme
Horeb – Project HELIX – Food Centre Wales	Delivered knowledge transfer activity focused on innovation, food strategy and efficiency, aiming to increase production and reduce waste in the food chain.	Directly relevant	Yes	Welsh Government-identified flagship scheme
Cywain – businesses collaborating for profit	Supported growth-orientated food and drink businesses, including intensive support for start-ups and micro businesses that are scaling, alongside cluster support for SMEs.	Directly relevant	Yes	Welsh Government-identified flagship scheme
Tyfu Cymru – Growing Wales – a Horticultural Manifesto for Wales	Supported commercial horticulture businesses through training, knowledge transfer, and networking activity, with a specific focus on high growth potential businesses.	Broadly relevant	Yes	Direct support for a food and drink subsector (horticulture: primarily edibles)
Food Skills Cymru	Supported businesses to ensure that employees have the right skills and training to strengthen the industry in Wales.	Directly relevant	Yes	Welsh Government-identified flagship scheme
Rural Business Investment Scheme – Food	Provided capital support for food processing activities.	Directly relevant	Yes	Direct support for food and drink producers
Larder Cymru	To increase the participation of Welsh food businesses in procuring contracts in the public sector.	Directly relevant	Yes	Direct support for food and drink producers
Neges@Home	To create ‘local food’ boxes to provide visitors with a sense of place through local produce. The primary target market was tourists who are staying in self-catering accommodation.	Directly relevant	Yes	Direct support for food and drink producers

Project / Scheme Name	Description of activity	Relevance	Included in review?	Rationale for relevance / inclusion
Wales Food Tourism Co-Operation and Supply Chain Development	To establish cooperation and collaboration amongst disparate providers of food tourism 'products' and services in Wales (including food festivals, food events and farm shops).	Broadly relevant	No	Unable to engage
Resilient Economy – Local Supply Chains	Engagement, capacity building, in-depth research and feasibility activity, overcoming the barriers to shorter supply chains for land-based goods, understanding the needs of relevant SME sectors (e.g. hospitality, retail), and piloting new approaches to engagement. A series of plans for cooperative action to be fully developed.	Not sufficiently relevant	No	More research-orientated - lack of direct support for food and drink businesses
Riverside Market Garden – Dehydrated organic vegetable products	To develop and supply dehydrated vegetable products such as soups and flavourings to consumers, hospitality and retail outlets in Wales. Investment to be used to create a network of local suppliers, processors and local customers. Aimed to establish a viable working model for small-scale organic horticulture in Wales.	Not sufficiently relevant	No	More research-orientated and focused on consumers
Horticulture Cluster	Developed appropriate clusters of horticulture product businesses operating in short supply chains. These focused on waste reduction and optimising economic returns through improving shelf-life and decreasing harvest losses, which are major limitations to business growth.	Broadly relevant	No	Unable to engage
Welsh Game Meat Supply Chain Development	To identify and evaluate the potential for sustainable short supply chains, local markets, and increased sales and consumption of game meat in Wales.	Not sufficiently relevant	No	More research-orientated and fairly 'niche' – lack of direct

Project / Scheme Name	Description of activity	Relevance	Included in review?	Rationale for relevance / inclusion
				support for food and drink businesses
Development of clusters of Sarpotato growers in Wales	Sarpotatoes Ltd cooperated with Sustainable Farming Consultancy to develop clusters of growers of virus- and blight-resistant seed and ware potatoes, to help satisfy increasing demand in the marketplace.	Not sufficiently relevant	No	Very 'niche' support provision
A scoping study on the production, destination and alternative	To identify and work with Welsh micro/SME cheese makers (cow/goats/sheep) around Wales, to investigate the volume of whey being produced and to map the current practices for whey disposal.	Not sufficiently relevant	No	More research-orientated and fairly 'niche' – lack of direct support for food and drink businesses
BeefQ – Beef Eating Quality	To increase the eating quality and value of Welsh beef production through the testing and demonstration of an enhanced carcass-quality grading system based on the Meat Standards Australia (MSA) model.	Not sufficiently relevant	No	More research-orientated and fairly 'niche' – lack of direct support for food and drink businesses
Cooperation for Growth	To facilitate cooperation among the Welsh drinks sector through a cluster-based approach that helped producers to take effective decisions and, through the benefits of collaboration, to grow sustainably, with incremental capital investment while meeting environmental goals.	Directly relevant	No	Unable to engage
Dewis Gwylt – Wild Choice	To test a novel supply chain for wild harvested products. Initial research and scoping work on sustainability, followed by two rounds of pilot activity to test two different models for wild	Not sufficiently relevant	No	More research-orientated and fairly 'niche' – lack of direct support for food and drink businesses

Project / Scheme Name	Description of activity	Relevance	Included in review?	Rationale for relevance / inclusion
	harvest supply chains; developing innovative harvesting and marketing practices, and potential new technologies.			
North Wales Hydroponics Cluster	To purchase five micro vertical farming units to pilot production of speciality leaves / oriental produce / microgreens with 12 businesses/individuals in north-west Wales over 3½ years.	Not sufficiently relevant	No	More research-orientated and fairly 'niche' – lack of direct support for food and drink businesses
ABC for Sheep and Tourism	A partnership-based pilot project, to support the upland farming economy by enhancing sales of locally produced sheep meat and other produce through the visitor economy.	Not sufficiently relevant	No	Lack of direct support for food and drink businesses
Wales – a Food Destination	A collaborative project (within Food Skills Cymru), bringing together key stakeholders, commercial food and tourism businesses to develop and pilot sustainable supply-chain solutions for businesses serving and selling Welsh food.	Not sufficiently relevant	No	Lack of direct support for food and drink businesses
Tyfu'r Dyfodol – Growing the Future	Encourages people within Wales to grow more food; to champion Welsh horticulture, plants for pollinators, the protection of wildlife, and the virtues of growing plants for food, fun, health and well-being.	Not sufficiently relevant	No	Lack of direct support for food and drink businesses
The Pumpkin Patch Cookery and Gardening School and Café	Renovation of a redundant cowshed into a purpose-built cookery school, accommodation for a rural skills centre, and an internet coffee shop.	Not sufficiently relevant	No	Lack of direct support for food and drink businesses
Developing a Strategic Programme for the Red Meat Sector	Provided dedicated resources to lead collaboration throughout the red meat supply chain (retailers, processors, producers), industry organisations and technical experts, in order to develop a substantive, strategic, red meat sector programme	Not sufficiently relevant	No	More research-orientated

Project / Scheme Name	Description of activity	Relevance	Included in review?	Rationale for relevance / inclusion
	that would establish new climate-change measures, and deliver innovation and transformational change throughout the industry.			
Dairy Strategic Initiative	To increase the profitability and resilience of the Welsh dairy sector by lowering production costs through increasing efficiencies, whilst encouraging approaches to mitigate or adapt to climate change.	Broadly relevant	No	Unable to engage
Taste Local – Blas Lleol	Building on evidenced need and local demand, Blas Lleol aimed to create a food system where farmers, producers and growers collaborate through community hubs/markets, to provide affordable, locally grown/produced food via reduced physical and social supply chains. This would stimulate the social and environmental resilience and identity of rural communities, and entrepreneurial capacity.	Not sufficiently relevant	No	Lack of direct support for food and drink businesses
Organic Development Wales – Datblygu Organig Cymru	To enable the Welsh organic sector to better respond to growing demand for organic products in Wales, the UK and globally, through providing targeted market information, identifying barriers to engagement through business-to-business dialogue, and supporting better cooperation among organic red meat, dairy and horticulture through sector-specific working groups.	Broadly relevant	No	Project withdrawn – no funding received
Sustainable Production Grant	Two-stage application process including EOI. Covers tangible investments in the primary production of agricultural products (max 50,000, min 12,000).	Not sufficiently relevant	No	Broad agricultural focus

Appendix 2: Discussion Guide for interviews with delivery leads

Evaluation of FBIS & RBISF

Background

Wavehill has been commissioned by the Welsh Government to deliver two outputs. Firstly, we are undertaking independent summative evaluations of the Food Business Investment Scheme (FBIS) and the Rural Business Investment Scheme – Food (RBISF). Secondly, we have also been commissioned to conduct a broader review of food sector schemes / food projects delivered under the Rural Development Programme 2014–20 in Wales; these primarily comprise Cywain, Project Helix, and Food Skills Cymru, alongside the FBIS and RBISF schemes.

We are now undertaking the final evaluation, and would like to discuss delivery performance and impacts with key stakeholders within the sector, in order to draw on external perspectives regarding the need for the support, and schemes' delivery performance. We expect this interview to take about 20–30 minutes of your time.

The information you provide will only be used for the purposes of this research, and will be used to inform a final evaluation report which will be published. All data gathered through this research will be reported in an anonymised format. It will not be possible to identify you or the organisation you represent in any of the research outputs. [You can find further information about how we will manage your data by accessing our privacy notice here \(Wavehill\).](#)

If you struggle to hear over the phone, the questions can be sent to you in writing so that you can read them while the interview is being conducted. Alternative versions can also be made available if needed. Interviews can be undertaken in Welsh or in English. Please feel free to ask me to explain or repeat any question if it is unclear. I am happy to answer any questions that you may have as we go along.

Questions for discussion

Your project

1. Can you please provide an overview of the food sector project you are involved in delivering?
 - a. How would you describe the delivery model for your project and the type of support it provides?
 - b. What type of beneficiaries (and how many) does your project support?
 - c. What is the rationale for the project, i.e. why is it needed?
 - d. How would you explain what your project is seeking to achieve?
 - i. What does the end goal of the projects look like?
 - ii. Please explain the type of economic and environmental impacts expected from the project.
2. How would you say your project contributes towards WG and EU policy objectives?
3. To what extent does your project add value to the type of support that already exists for the food and drink sector in Wales?
 - a. How does your project add value to / work with the FBIS and RBISF schemes?
4. Can you please describe the type of monitoring and evaluation activities associated with your project?
 - a. What type of data do you hold?
 - b. Have any external evaluations been conducted / are due to be conducted?
 - c. Would you be able to share this information for the purposes of our review? If so, when?

FBIS / RBISF

5. Could you please describe your role in relation to the FBIS / RBISF schemes?
 - a. What input, if any, have you had into the delivery of the schemes?
 - b. How often do the businesses you support participate in these schemes?
6. How well has your project or scheme been delivered in conjunction with FBIS / RBISF?

- a. Do you believe they add value to the project / the scheme you deliver?
 - i. How do they do that?
 - b. Are there instances where they overlap?
 - i. If so, how is that managed?
7. How effectively have the FBIS / RBISF schemes been delivered, in your opinion?
- a. Do you think they were designed appropriately?
 - i. Was the size of the grant schemes appropriate?
 - ii. Was the intervention rate appropriate?
 - iii. Were other aspects, such as the eligible areas of funding and activities, appropriate?
 - b. Do you think the schemes have supported an appropriate set of businesses?
8. What have been the main impacts of the FBIS / RBISF schemes?
- a. Can you describe examples of these impacts on any of the businesses you support?
9. How important are these schemes in helping to achieve the objectives set out in Welsh Government's Strategic Vision for the sector?
- a. Is this the best use of resources to help achieve those objectives?

RDP Food and Drink Support

10. What is your view on the package of support for food and drink producers funded under the Rural Development Programme 14–20?
- a. How effectively do the various interventions align?
 - b. Are there any obvious gaps or areas of duplication?
 - c. How would you assess the economic/environmental impact across WG food sector schemes/projects under the RDP 14–20?
11. What do you think are the main lessons that can be learnt from delivering the various support services to food and drink producers through RDP 14–20?
- a. What, in your view, are the most important components of support to maintain going forward?
 - b. How would you like to see these schemes delivered in future?
 - i. Could they be more integrated, e.g. by drawing on each other's resources, using the same tools (e.g. diagnostic and CRM systems), central access to data etc.?

12. Finally, is there anything not covered within this interview you would like to add, or anything important to mention with regard to this evaluation?