



Leicestershire Rural Partnership



Vibrant Villages Grant Programme
Midterm Evaluation

Final Report

March 2010

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Client:

Leicestershire Rural Partnership
Chief Executives Department
Leicestershire County Council
County Hall
Glenfield
Leicester
LE3 8RA

Client Lead: Fiona Walker

Prepared By:

Focus Consultants (UK) Limited
Focus House
Millennium Way West
Phoenix Business Park
Nottingham
NG8 6AS

Focus Lead: Hilary Sanders
Tel: (0115) 976 5050
Fax: (0115) 979 5151
Email: hilary.sanders@focus-consultants.com

Focus Lead: Hilary Sanders

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Authorised by: Hilary Sanders

Position: Senior Consultant

A handwritten signature in dark ink that reads "Hilary Sanders". The signature is written in a cursive, slightly slanted style.

Signature:

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EXECUTIVE SUMMARY

Introduction

This report presents the findings of the midterm evaluation of the Leicestershire Rural Partnership's (LRP) Vibrant Villages Programme covering the period of 1st April 2008 and 30th September 2009. The evaluation has been informed by a combination of quantitative and qualitative research methods and has been undertaken by Focus Consultants in partnership with Leicestershire County Council.

Impacts to date

At the midterm stage, Vibrant Villages has approved a total of 41 applications and a total of 27 grants have been claimed - 18 for shops and post offices and nine grants for eight community spaces. Around 30 businesses have also been referred to the Rural Retail Advisor.

In terms of progress towards outputs at the midterm stage, overall the Programme is not achieving as anticipated. Although *number of jobs created/safeguarded* has already been significantly over achieved and *private sector leverage* is on target with 70% achieved, the progress towards all other outputs is significantly below target. The amount of grant funding paid out at the midterm stage is £81,831, with a further £51,819 having been awarded but not yet claimed which means the Programme has yet to award grant funding of £106,350.

At this midterm stage Vibrant Villages does demonstrate evidence of contributing towards the viability of rural services in the sub region such as business survival rates and sustainability, increased trade, provision of new facilities and access to some new services. It also demonstrates more social and environmental impacts such as community cohesion and participation, reduced road travel and improved energy efficiency.

The relatively low demand for grants has not been as anticipated but the Programme has been delivered during a very difficult economic climate. This has undoubtedly impacted on the performance of the Programme in terms of grant applications. Whilst the demand for the Programme does appear to be less than previous Programmes it does not mean that Vibrant Villages is not needed. In fact, it could be said that during this current economic climate the need for the Programme is high.

Marketing and Promotion

The approach to marketing and promoting the Programme has not been wholly effective to date. There has been good engagement with the local media and substantial press articles have been published. However, the events in particular have generated poor attendance. It is felt by stakeholders that more could be done to promote the Programme on the ground and targeting potential applicants in identified areas of need (in terms of access to services).

Governance

The current management structure of the Programme has also been criticised by most stakeholders. At this midterm stage, the LRP should review the current structure to ensure that it is achieving the best from the partners and is being steered to achieve the agreed Programme targets and outcomes.

Forward Strategy

Vibrant Villages is due to finish in March 2011. All stakeholders agree that this type of scheme is essential for supporting the rural economy of Leicestershire. Consultation with beneficiaries also suggests a continuing demand for support for rural services.

The LRP has recently launched the INSPIRE Leicestershire (Investment Support for the Rural Economy) Programme which is a comprehensive Programme to support Leicestershire's rural economy which will run until the end of September 2012. Whilst INSPIRE is recognised as a separate programme with differing aims there is some overlap, especially around support for shop front improvements and increasing workspace and retail floorspace. Following the end of Vibrant Villages in 2011 opportunities will need to be explored to ensure that retail businesses are aware of the continued financial support available.

Experience of the LRP and case study examples of similar programmes nationally demonstrate the importance of such small scale grant schemes in having an impact on rural services. However, future public funding pressures may mean that it is difficult to access funding to run a successor programme to Vibrant Villages. Access to services does though remain a key priority within the Leicestershire Rural Strategy and the Sustainable Community Strategy and, therefore, it is considered essential that careful consideration is given to ensuring appropriate support is available to rural retailers and community spaces.

It is recommended that the County Council's membership to the Rural Shops Alliance (RSA) provides a good way to ensure some continued support. The RSA's Rural Retailer publication, distributed to retailers by the County Council, provides key advice and support on common issues faced by retailers.

It is important that a more comprehensive understanding of access to services issues in rural areas is developed to ensure that the service provision is effective and efficient. Detailed consideration should be given to exploring how the Local Area Agreement and Total Place, both of which are exploring access to service issues, can support the needs of rural communities most effectively.

It will be important that partners remain alert to new opportunities and ensure that businesses are made aware of these. This could include mainstream business support through Business Link, the portfolio of business grants within Solutions of Business or information about discretionary business rate reductions. To ensure this it is essential that strong links between partners are maintained following the end of the Vibrant Villages programme.

Recommendations

The evaluation has highlighted a number of recommendations for consideration by the LRP and these are summarised below.

1. Review the current management structure and consider combining the Implementation Group and Grants Panel as a Steering Group with responsibility for grant approval.
2. Review the terms of reference for the Implementation Group and consider holding more frequent meetings, for example on a quarterly basis in line with reporting to funders.
3. Establish improved reporting structures – providing progress on performance and breakdown of grant enquiries and approvals etc on a more frequent basis.
4. Consider improved methods of engaging the Rural Retail Advisor more effectively with the Programme and to make better use of his knowledge and expertise on the ground.
5. Maximise opportunities for linking with Vibrant Villages with the Plunkett Foundation's Community Shops scheme – through links with the Rural Retail Advisor.
6. Consider the appropriateness of introducing deadlines for grant applications or alternatively set regular meetings for grant appraisal meetings.
7. Review the level of match funding available for both community spaces and retailers and consider whether it is appropriate to revise these in the light of the current economic climate.
8. Review the grant application criteria to ensure that applications being approved are contributing towards the outcomes of the Programme – with specific reference to the Community Spaces.
9. Continue with the development work with potential service providers (such as adult services and children's services) to identify opportunities for community spaces projects and delivering new services in rural villages.
10. Undertake a more proactive approach to promoting the Programme on the ground directly to retailers/communities in areas that partners know would benefit. For example, those identified in the Access to Services mapping or those areas that have not been supported by Vibrant Villages to date.
11. Review the appraisal checklist to ensure appropriate quality applications are being submitted to the panel.
12. Undertake action to deliver outputs which are currently below target – including businesses assisted to improve performance, skills development, use of business support services, and now community facilities/services.
13. Undertake increased promotion of good practice case studies of successful applicants – both internally and externally.
14. Ensure appropriate monitoring procedures for tracking long term outputs are established and adhered to as it is likely that many impacts will not be evident until the long term.
15. Review the forward strategy for the Programme and consider alternative sources of delivery and revenue funding opportunities such as the Local Area Agreement and Total Place

1.0 INTRODUCTION AND METHODOLOGY

Focus Consultants were appointed by Leicestershire County Council (LCC) in January 2010 to undertake a mid-term evaluation of the Vibrant Villages Grant Programme (covering the period of 1st April 2008 and 30th September 2009). This report presents the findings of the evaluation.

Focus is undertaking the evaluation in partnership with LCC, with each organisation leading on specific stages of the methodology as follows:

- **Strategic Review:** A desk based review of relevant national, regional and sub-regional strategies was undertaken by the LCC to outline the current policy context within which the Programme is emerging.
- **Beneficiary postal survey:** A postal survey was designed by LCC in consultation with Focus. LCC distributed the survey to all 27 beneficiaries of the Programme. A total of 15 surveys were completed and returned. LCC undertook the data inputting and analysis.
- **Beneficiary telephone interviews:** Focus undertook qualitative telephone interviews with a sample of 16 beneficiaries of the Programme as specified by the LCC.
- **Staff and Stakeholder Consultation:** Focus undertook a combination of face to face and telephone interviews with nine staff and stakeholders to gather qualitative data on the management, delivery and impacts of the Programme.
- **Comparator Case Study:** Focus undertook desk based research to review a comparator Programme in Warwickshire and Worcestershire – Vital Villages. This was supplemented by consultation with the Programme Manager.

The qualitative aspect of this report is necessarily based on the views of those interviewed as part of the evaluation. Focus has taken every care to conduct the study professionally, openly and thoroughly, to retain an objective stance, to balance the opinions expressed and explore the justification for the comments made. However, it must be recognised that there are inevitable budget and time constraints, which limit the resource available for the evaluation.

Carrying out this evaluation has required the contributions of time and information from a number of people and their assistance is much appreciated (see Appendix A).

2.0 THE CONTEXT

Strategic Context

This section outlines the current national, regional and sub regional policy context within which the Vibrant Villages is aligned and was undertaken by LCC.

National

The *Department of Environment and Rural Affairs' (Defra) Rural Strategy*, published in 2004, identifies the Government's commitment to support for rural communities and businesses against headline priorities of economic and social regeneration, social justice for all, and enhancing the value of our countryside.¹ Policy objectives which align to Vibrant Villages include fair access to services for residents living within rural areas, tackling social exclusion and ensuring targeted business support.

Regional

The *Regional Economic Strategy 2006-2010*, published by *emda*, is the principal document guiding intervention to support the regional economy.² It includes three main themes focusing on raising productivity, ensuring sustainability, and achieving equality. Vibrant Villages supports RES priorities aimed at ensuring cohesive communities, economic renewal, and reviving local infrastructure and environments.

Government Office for the East Midlands, with support from the East Midlands Regional Assembly, produces the *East Midlands Regional Plan, 2009-2026* (Regional Spatial Strategy). The Regional Plan provides a broad development strategy for the region up to 2026 and guides local planning authorities in the preparation of their Local Development Frameworks.³ Policy 24 identifies the need to support rural diversification and the further development of the rural economy consistent with sustainable patterns of development. Local Development Framework Core Strategies, covering district council areas, are currently in preparation within Leicestershire. (The first to be adopted was Hinckley & Bosworth BC's Core Strategy, in December 2009). District councils have undertaken assessments of service provision within settlements in order to develop settlement hierarchies and, therefore, justify the allocation of future housing.

The *East Midlands Rural Framework* (formerly East Midlands Rural Action Plan), published in 2010 by the East Midlands Rural Affairs Forum (EMRAF), identifies four priority themes to support the region's rural communities and businesses.⁴ These include:

- A Thriving Rural Economy
- Quality Services Accessible to All

¹ www.defra.gov.uk/rural/policy/strategy.htm

² www.emda.org.uk/res

³ <http://www.goem.gov.uk/goem/planning/regional-planning/?a=42496>

⁴ <http://www.ruralaffairs.org.uk/rap.php>

- A High Quality Environment
- Sustainable and Inclusive Communities

EMRAF has identified the need to ensure better access to services within rural areas as a key priority and will be looking to establish some minimum access standards for the region. EMRAF has incorporated an indicator within the Rural Framework to monitor the percentage of rural households within a specified distance of a range of key rural services based on data available through the Rural Services Data Series.⁵

Sub Regional

The Leicestershire Rural Partnership published the *Rural Leicestershire: 2026 Vision and Leicestershire Rural Strategy, 2007-14*. The Vibrant Villages programme is delivered under the auspices of the Leicestershire Rural Partnership (LRP). The LRP is comprised of 22 diverse organisations who work together to improve the quality of life of those living and working in rural Leicestershire. In 2006 the LRP established its 20 year Vision for Rural Leicestershire. This identifies that:

In 2026 rural Leicestershire will be made up of thriving and sustainable, safe and secure, communities, towns and villages, each of which will have at least one key community resource (e.g. school, church, pub, shop, post office, village hall). It will be recognised, locally, regionally, nationally and internationally, for its:

- **Thriving communities** which enjoy a high quality of life, have a broad social balance, and are empowered to influence and manage their own future, supported by an active voluntary and community sector.
- **Economic activity** that plays to the County's strengths, including its location, heritage, culture, specialist products and services, leisure, tourism and environment.
- **Profitable and entrepreneurial businesses** trading in strong local supply chains and networks, maximising the value of their products and services.
- **Access to services and facilities** (quality housing, health services, education, and employment opportunities), supported by high quality transport and information services.
- **Diverse and well-managed countryside** that is valued and accessed by all. Towns and villages that provide a strong quality sense of place for residents, which play to their cultural, heritage and environmental strengths.
- **Ability to develop skills** (through universities, colleges, schools, employers and the voluntary sector) that meet the needs of local people, communities and businesses.

To support this, the LRP runs a range of initiatives which improve the provision of services in towns and villages where there are few, or no, community resources. The LRP works closely with communities to ensure that the views and aspirations of local people are always considered.

⁵ <http://www.ruralcommunities.gov.uk/projects/ruralservicesseriesdata/overview>

In July 2007, to support delivery against the 2026 Vision, the LRP launched the *Leicestershire Rural Strategy 2007-2014* which was developed through wide stakeholder consultation (including recognition of community and parish plans) and used locally commissioned research (including the Leicestershire Rural Economy Study 2006 and the Leicestershire Rural Transport Study 2006) as part of its evidence base.⁶ The Strategy identified five strategic themes including:

- Stronger Rural Communities
- Rural Economic Development
- Improving Accessibility and Information
- Enabling Rural Services and Facilities
- Countryside and the Environment

These themes align significantly to the Leicestershire Sustainable Community Strategy, the Leicestershire Local Area Agreement and, subsequently, the economic priorities contained within the sub-regional Multi-Area Agreement.⁷

Leicestershire Together published the *Leicestershire Sustainable Community Strategy, 2008-13*. Vibrant Villages programme delivers against the Access to Services and Rural priority outcomes contained within the Sustainable Communities Strategy.⁸ This includes improved access to employment, community facilities and food shopping, improvements to rural centres to enable more effective access to services, increased business start-ups, growth and diversification, and reduced isolation of older, disabled and young people living in rural areas.

Leicestershire Together's Local Area Agreement, 2009-11 is the performance framework by which the Sustainable Community Strategy is delivered and monitored.⁹ Following consideration of Government's National Indicator Set it was decided that two Local Indicators focusing on access to services be established. These profiled increased in the satisfaction of market towns and rural centres as places to shop, work and visit, and uptake of public and community transport provision across the County outside of the hourly network. Delivery of the access to services Local Indicators is led by the Access to Services Working Group.

Vibrant Villages Grant Programme

Vibrant Villages is a three year Programme hosted by LCC and implemented and monitored under the auspices of the LRP as part of the 2009-2011 LRP Action Plan. It is funded by Leicestershire County Council and *emda* through the Sub-Regional Investment Plan. In total the Programme is worth almost £400,000. £240,000 is available as capital grant support to retail businesses and community organisations. Vibrant Villages is the successor programme to the separate Post Office and Rural Retail Development Schemes which were previously delivered by the Rural Community Council (Leicestershire and Rutland) also under the auspices of the LRP.

⁶ <http://www.oakleaves.org.uk/uploads/leicsruralstrategy3.pdf>

⁷ http://www.leicestershiretogether.org/index/strategy_and_delivery-2/supporting_our_economy_the_maa.htm

⁸ http://www.leicestershiretogether.org/index/strategy_and_delivery-2/leicestershires_community_strategy.htm

⁹ http://www.leicestershiretogether.org/mar09_iaa2_refresh.pdf

The Programme, which commenced in April 2008, provides grants between £750 and £5,000 to rural shops and post offices, and between £750 and £10,000 to existing community spaces such as village halls, rooms within places of worship and schools. Applicants must contribute a minimum of 50% of total eligible Programme costs.

The Programme also offers free retail advice to eligible businesses with the aim of making them more viable and competitive.

Support through Vibrant Villages is only available within rural areas which have a parish population of 7,000 or less. This, therefore, excludes Ashby de la Zouch, Barwell, Birstall, Braunstone, Broughton Astley, Burbage, Coalville, Earl Shilton, Glenfield, Groby, Hinckley, Loughborough, Lutterworth, Market Harborough, Melton Mowbray, Mountsorrel, Narborough, Oadby and Wigston, Shepshed, Sileby, Syston, Thurmaston.¹⁰

Vibrant Villages aims to:

- Minimise the impact of post office closures by providing small capital grants to improve the sustainability of post offices that remain, and to support alternative and mobile provision where there is evidenced need. Support will be available to provide additional services and improvements to existing services within Post offices, and businesses that share space with post offices (especially those impacted by the closures).
- Support village shops to ensure that where they are the only local conveniences providing essential goods they are retained and enhanced – this will include supporting shops affected by the Post Office Closure scheme and ensuring access to fresh produce (preferably local)
- Enhance local facilities (including community halls or rooms within public houses, schools and churches) by enabling local economic activity and promoting multi-purpose use e.g. training courses / adult learning, community and local business ICT access, financial / employment advice, social enterprises support, business meeting space and rented office space for businesses.

Aims of the Evaluation

The aim of the evaluation is to seek to understand:

- How the grant has supported village shops and post offices to remain viable?
- How the grant has enabled new services to be provided in community spaces?
- How the grant has impacted on rural services?
- What have been results of the Programme to date?
- What are the lessons learnt of the Programme?

¹⁰ More information about Vibrant Villages is available at <http://www.oakleaves.org.uk/vibrantvillages>

3.0 PROGRAMME MANAGEMENT AND DELIVERY

Leicestershire Rural Partnership and Accountable Body

Within Leicester and Leicestershire new governance structures to support housing, transport, planning and the economy have been established. Within these new arrangements, the LRP has been recognised as the lead group for rural economic development. This required the LRP to set local priorities which meet the needs of rural businesses and communities, as well as secure funding and commission suitable interventions to address these priorities. The LRP's Rural Economic Priorities, 2009-12 are identified below.

- Supporting Market Towns and Rural Centres as Economic Hubs
- Supporting the Growth of Small Businesses within Rural Areas
- Developing Rural Sectors
- Improving accessibility to employment, training and key services
- Increasing availability of affordable Rural Housing

The Programme is hosted by LCC (the accountable body) working closely with wider LRP partners. It is implemented and monitored under the auspices of the LRP as part of the 2009-2011 LRP Action Plan. Quarterly project monitoring reports are presented to the LRP Management Board and Rural Strategy and Performance Group. Progress is also included within the LRP's Annual Report which is published each summer.

Implementation Group

The implementation group was established to oversee the promotion and implementation of the Programme, as well as to report progress to the LRP Management Board and Rural Strategy and Performance Group. The group was also established to support the Programme Coordinator to ensure they are effectively networked in terms of contacts and local knowledge.

The Implementation Group has representation from the following organisations:

- Matthew Kempson, Rural Partnerships Manager (Leicestershire County Council) (Chair)
- Richard Lee, RSA Counties Coordinator (Rural Shops Alliance)
- Samantha Dalby, Business Support Advisor (Business Link)
- Jeremy Prescott, Director (Leicestershire and Rutland Rural Community Council)
- Judith Sturley, Senior Economic Regeneration Office (Hinckley and Bosworth Borough Council and representing the district councils)
- Gill Smitherman, Programme Manager (Leicester and Leicestershire Support Unit)

All stakeholders agreed that the representation and size of the Implementation Group was appropriate, with some stakeholders suggesting that it would benefit from representation from the Federation of Small Businesses.

The district council representative also has extensive experience of a similar grants Programme – Vital Villages in Warwickshire and Worcestershire.. This experience was especially useful during the development of Vibrant Villages and experiences delivering Vital Villages should be considered when delivering the remainder of Vibrant Villages. A case study of Vital Villages can be found in Section 6.

There does appear to be a lack of clarity from some consultees as to the role of the Implementation Group – this requires immediate clarification. For some stakeholders, the level of reporting to the Group is also not what they would expect and could be improved somewhat. Stakeholders want to know more detail on the Programme's performance in terms of progress towards outputs, outcomes and spend etc. They would also like to know more detail on the level of enquiries of grants, the rate of approval, geographical spread of approved grants etc. This information should be provided as a minimum to enable the Group to respond appropriately to any issues that may occur.

At this midterm stage of the Programme the title of an Implementation Group is also misleading. The Group should be more a Steering Group – guiding the Programme's performance and forward strategy. The role of the Group and the partners should be reviewed as a priority to allow for effective delivery during the remaining period of the Programme.

The Group also meets on an ad hoc basis which is not to the benefit of the Programme. It should aim to meet on a more regular basis – perhaps on a quarterly basis in line with reporting. It would provide improved focus and greater opportunity to steer the Programme.

Some stakeholders believe that they are one step removed from the Programme and that they do not have a true understanding of the performance of Vibrant Villages. Perhaps this is due to the additional level of the Grants Panel. Those stakeholders represented on both the Implementation Group and the Grants Panel are provided with a greater insight into the Programme. In fact, with the duplication of representatives on both the Panel and the Implementation Group it could be questioned as to why both are necessary. The LRP may want to consider combining the two groups for the remainder of the Programme and reviewing the role of this combined group. The level of reporting that is provided to the Implementation Group (or new structure) also needs to be significantly improved.

All consultees did however agree with the organisations engaged with the Vibrant Villages and that all partners are enthusiastic and add value to the Programme. However, the management structure that is currently in place is not allowing for the skills and expertise to be utilised as effectively as they could be.

Programme Coordinator

A full time dedicated Programme Coordinator is appointed to establish, champion and drive forward the Programme. Support to this post is also provided by a Monitoring Officer, the LCC policy team and wider LRP partners.

Key responsibilities of the Programme Coordinator include:

- Work with the LRP communications officer / group and wider partners to promote the Programme through various channels identified in the communications section, including the organisation of events
- Co-ordinate the work of the Programme steering group
- Support and guide prospective applicants
- Develop effective networks and partnership arrangements to support successful delivery of the Programme
- Encourage the involvement of communities through the community engagement infrastructure in Leicestershire
- Appraise and evaluate grant applications through supporting the appraisal panel
- Work with the LCC research team to collect and interpret data and information relating to Access to Services within rural communities
- Collect and disseminate best practice / case studies
- Prepare progress and monitoring reports for the LRP management board
- Develop and implement the Programme evaluation framework

Whilst the Programme was due to commence in April 2008, the Programme Coordinator was not appointed until July 2008. It is understood that much of the preparatory work was carried out by LCC staff prior to the Coordinator starting. However, it is understood that this delay led to underspend in the first year of the Programme.

As mentioned previously, many stakeholders want the current reporting structure between the Programme Coordinator and the Implementation Group to be improved. They also want to see increased use of good practice case studies to promote the Programme to potential applicants.

Grants Panel

The Grants Panel consider applications when they are presented at the Grants Panel meetings. These meetings occur on an ad hoc basis as and when the applications come in. There is no set monthly meeting. Due to the delay in appointing the Coordinator it is understood that the first panel meeting was not held until September 2008 and the first claim was not made until October 2008.

Membership of the panel currently includes:

- Matthew Kempson, Rural Partnerships Manager (Leicestershire County Council)
- Martin Littlejones, Business Support Advisor Team Leader, Business Link
- Gill Smitherman, Programme Manager (Leicester and Leicestershire Support Unit)
- Helen Harris, Better Places Team Leader (Leicestershire County Council) (Chair)
- Tony Lockley, Environmental Action Team Leader (Leicestershire County Council)
- Diana Cook, Team Leader for Community Consultation (Rural Community Council)

There is no district representative on the panel - which was initially outlined in the original application - rather the representative sits on the Implementation Group. Furthermore, there is some duplication between the representation of the Implementation Group and the Grants Panel. As discussed previously, LCC may want to consider combining the two groups for the remainder of the Programme and reviewing the role of this combined group. Many consultees agreed that this would provide a more effective approach to managing and steering Vibrant Villages.

Rural Retail Advisor

In addition to grant support, the Programme also offers retailers access to a Rural Retail Advisor in order to benefit from specific retail advice on elements such as the shop layout and introduction of new services to boost sales and foot-fall. A Retail Advisor had been used in other rural Programmes led by the Rural Community Council and it was felt that the role would add significant value to Vibrant Villages.

The services provided by Advisor include:

- Visiting village shops and Post Offices to undertake a review of the current business and provide advice on its existing stock / services, external and internal image / layout, as well as areas to improve efficiency through improved technology.
- Discuss and where appropriate give advice on investment to improve the above and increase turnover for the business.
- Signposting to other services / funds as appropriate e.g. Business Link, Plunkett Foundation.
- Promotion of Business Rate Relief
- Development with the customer of a detailed Action Plan to improve turnover and future sustainability
- Provide some support following the visit to ensure that the customer has the required information to implement the Action Plan.
- Promote the Vibrant Villages Grant Scheme and advise customers on the application process (this will be undertaken in partnership with the Rural Services Officer).

Referrals of businesses to the Advisor come from the Project Coordinator as and when they are needed. Whilst the Advisor has no set outputs to achieve, the budget available does determine the maximum number of visits that are achievable. Overall a maximum of 36 visits can be achieved and to date it is understood that 30 businesses have been referred by the Coordinator to the Advisor.

There is no duplication with services provided by Business Link Advisors as they are very much complementary with the Retail Advisor role being more specialist than general business advice. Referrals from the project to Business Link (or visa versa) are made when the need is identified. It is also good practice having Business Link represented on the Implementation Group and Grants Panel to ensure a close working relationship.

Prior to a visit the Advisor will be supplied with a Retail Consultants Form which must be completed and signed by the customer. This is then returned with a copy of the Action Plan to the Coordinator. A copy of the Action Plan is also sent to the customer. LCC may share the Action Plan with Business Link colleagues where appropriate.

The Rural Retail Advisor also has close links with the Plunkett Foundation¹¹ which supports rural communities wanting to set up and run a community-owned shop. It had initially been envisaged that Vibrant Villages would present an opportunity for developing community shops with the Plunkett Foundation. However, this has not as yet transpired.

The Rural Retail Advisor does not engage directly with the Implementation Group or the Grants Panel - the main contact is through the Coordinator. This differs to the approach taken by the comparator case study of Vital Villages (see Section 6). The Advisor for Vital Villages was very much engaged with the steering group and was seen as a key role for providing feedback and evidence of what was happening with businesses on the ground.

This “one step removed” approach has left many stakeholders unclear of the achievements and impacts of the Advisor. Whilst it has been intentional to manage the Advisor at arm’s length from the overall Programme, the LRP may want to reconsider how they could accommodate the knowledge of the Advisor into the reporting structures more effectively. Currently, the level of communication between the Advisor and the overall Programme management is limited and could be significantly improved - after all, the Advisor does have the benefit and knowledge of the businesses on the ground. This should not however jeopardise the amount of time he has available to undertake visits.

Grant Application, Appraisal and Approval

A single application form and pack was used previously for the Rural Business Support Grants and other rural grants schemes such as Living over the shop, Working over the shop, and Rural Economic Heritage Grant Scheme. Vibrant Villages also uses the same application form – an on-line application is also available on the LRP website (www.oakleaves.org.uk) which is included in the pack.

Applicants are required to complete a signed application form outlining their grant proposal, including any public grants they have received in the past three years, three quotes (Vibrant Villages will fund 50% of the lowest appropriate quote), how the Programme meets the grant criteria, confirmation of 50% match funds, associated outputs and any other relevant supporting evidence e.g. planning permission, architectural drawings for any external adaptations, property ownership / leasing details. Business plans are also requested where appropriate.

Appraisal of grants uses the same process as the Rural Business Support Programme which also received Single Programme funds. The Programme Coordinator supports the potential applicants to ensure that they are eligible, that they have completed the application form appropriately and provided the required information (planning permissions, evidence of

¹¹ www.plunkett.co.uk

ownership of property, business plans where applicable). The Coordinator has found that applicants for the community spaces grant often require guidance in identifying what is a new service in their village.

There is no deadline for applications – rather it works on a rolling basis and there is not a regular Grants Panel meeting. This makes it difficult to predict the level of applications that are likely to be submitted. Once the Coordinator has received a sufficient number of applications (a minimum of two) they will organise a Grants Panel meeting to appraise and approve the applications. The LRP may want to carefully consider introducing application deadlines to encourage a greater response from applicants and an improved approach of managing applications.

At times the quality of the grant applications being submitted to the Panel are not as would be expected and need to be improved. This is perhaps due to the ad hoc nature of the panel meetings and the last minute rush of applications that can often occur. The panel and Coordinator should review the appraisal checklist to ensure it is appropriate and adhere to it for future applications.

The applications are then considered by the Grants Panel. All successful applicants are issued with contracts covering issues such as claw back and a responsibility to respond to monitoring requests. Once approved they have 6 months to claim the grant with proof of purchase / works complete – any extensions will need to be put in writing to the appraisal panel for consideration. Approved grants are then processed and monitored using the same process as the Rural Business Support Programme.

Whilst the level of grant was considered appropriate by consultees, there were conflicting opinions on the level of match funding required. Some stakeholders suggested that within the current economic climate that the current level of 50% match funding from the applicants should be reduced. A reduction could then potentially attract more applications for funding. Whilst other stakeholders agreed that 50% was the necessary amount to ensure the buy-in from the applicants. The LRP may want to discuss this in more detail with partners.

Monitoring

Approved grants are processed and monitored by an LCC Monitoring Officer. The database used by the Rural Business Support Programme has been used by Vibrant Villages to monitor the required financial and output information. However, it has been suggested that the monitoring system does need to be improved and is something that the Coordinator and Monitoring Officer are reviewing. Offer letters are written to successful applicants allowing six months for them to claim. Funds are released once evidence of completed work is received.

The individual grants and associated outputs are monitored throughout the Programme and on completion of the project. The Programme Coordinator should also follow up with grant beneficiaries at six and 12 month frequency to ensure all outputs and outcomes are captured. Their responsibility to report on progress is drawn into the contractual requirements of the grant.

Data sources in relation to finance and output is kept by the Monitoring Officer and other information in relation to meetings, press cuttings, copies of complaints etc are kept by the Programme Coordinator.

The initial project application form suggested that monitoring of the project will be reviewed quarterly by the project steering group in terms of finance, outputs and overall strategic steer of the Programme to ensure it is aligned to current policy and need. However, consultation with stakeholders suggests that the information being provided is not sufficient. Furthermore, the Group does not meet on a quarterly basis – rather it meets on an ad hoc basis (as discussed previously).

Marketing and Promotion

The Programme is promoted under the LRP brand and logo. The Programme is promoted in a number of ways including promotional literature, website, press releases (radio and local newspapers), LRP rural trailer and it is widely promoted by all partners involved. It is also promoted through the Rural Shops Alliance which is a national trade association working to support the owners of independent rural shops. The Coordinator uses a comprehensive list of retailers in Leicestershire to promote Vibrant Villages based on data source which Leicestershire County Council subscribes to.

Leicestershire County Council is an Associate Member of the Rural Shops Alliance (RSA). When distributing the RSA's quarterly industry publication, the Rural Retailer, full information on Vibrant Villages is also supplied. The Coordinator distributes the Rural Retailer to 255 businesses which have been identified as potentially eligible for grant funding. This database covers a range of retail businesses which includes butchers, delicatessens, fishmongers, general stores, village petrol stations, newsagents and bakers.

In addition, a *Site, Staff, Stock and Survival: Retailing in 2009* event was held on two consecutive evenings to promote Vibrant Villages and also to provide basic advice to independent town centre and rural retailers. The idea of the events was developed from the previous Rural Business Support Programme. The Programme Coordinator also sought advice on the events from the Rural Shops Alliance who did suggest that organising events for rural businesses was very difficult.

One event was held in South Wigston and one in Coalville. The events were promoted using the local media, and distribution of fliers to all retailers on the Leicestershire County Council Database.

The South Wigston event was attended by only two retailers and presentations were cancelled due to low numbers. Both retailers, however, received one to one support from a Business Link advisor, the retail advisor and the speakers from the event. One attendee remained talking with the speakers until the end of the event at 9.00pm. The Coalville event was attended by 10 people, all of whom had booked in advance. Most of these attendees were

however couples and so represented the same business. They received one to one advice from the professionals both before and after the event.

Attendees were asked to complete a feedback form. Eight forms were completed after the events. Two were from the South Wigston events so were unable to comment on individual presentations. A summary of feedback is presented in the table below.

Feedback from Attendees of Events			
	Very useful	Useful	Not useful
The event overall	6	2	0
Creating the Market to Thrive and Survive	3	3	
Finance – it's Pretty Fundamental	2	4	
Use of Retail Data to Improve your Business	1	4	1
The Reality of Retailing in 2009	3	3	
Any comments on:			
Venue/catering:	All good/very good		
Timing of the event:	3 good / 2 wanted later start/ 1 wanted earlier start		
Event organisation:	All good		

Whilst most attendees found the events useful, the low attendance suggests that the events are not the right approach for engaging with retailers. The comparator case study in Warwickshire and Worcestershire ran similar events but they were run on a Sunday. This did attract more retailers although the numbers were not significant.

There is funding available in the Programme budget to deliver another event. However, based on the experience to date the LRP should consider using an alternative approach to promoting Vibrant Villages. It is understood that the Coordinator has considered publicising the Programme at cash and carries but this has proven to be difficult to arrange. In addition, many consultees believe that Vibrant Villages has been too dependent on applicants coming forward rather than the Programme being proactive and promoting the scheme on the ground and going direct to retailers/communities. Whilst it is recognised that this could be very time intensive, it would provide a more focussed approach of targeting retailers/communities in the areas that the partners know would benefit from Vibrant Villages – perhaps using the Access to Services mapping.

The level of promotion at a district level is reported to have been insufficient. Whilst districts have been made fully aware of the funding available through the LRP Management Board and Rural Strategy and Performance Group there is a need to ensure that relevant officers within local authorities who engage with businesses are fully briefed. There is responsibility on all members of the Implementation Group to ensure that information about the programme is communicated to the correct officers and it is recommended that a review of engagement and awareness at a district level is undertaken. Whilst the Implementation Group has a district representative, it has been challenging identifying who the main contacts at the district level are

to promote the Programme. This is due to the decreasing number of district economic development officers in the county.

It is also felt by some stakeholders that the promotion of the retail grants has taken precedence over the community spaces grants and also the retail advice. This may again be partly due to the group not being made aware of promotional activities. For some stakeholders, the community spaces grants have been an “opportunity missed” and again more targeted marketing is necessary.

4.0 PROGRESS TOWARDS TARGETS

This section of the report outlines the quantitative impacts of Vibrant Villages at the midterm stage (September 2009) and has been informed by a review of Programme monitoring returns and grant applications and enquiries.

Progress towards Targets

LCC provided Focus with data on the progress towards outputs and spend to date (see Tables 4.1 to 4.3).

Table 4.1 shows that outputs were not recorded until quarter 3 in the first year of the Programme's delivery. This delay led to underspend in year 1 of around £30,000 which was carried over into year 2. Despite this delay the programme still achieved relatively well against profiled targets - in particular, over achieving the *number of jobs created/safeguarded*.

At the midterm stage of the Programme (Figure 4.2) shows mixed performance. *Private sector leverage* has been significantly over achieved and so has the *number of jobs created/safeguarded*.

Outputs	2008-2009			
	Target	Q3	Q4	Total
Grants	£65,000	£4,660	£30,585	£35,245
Jobs Created / Safeguarded	4	4	10	14
Business assisted to improve their performance	20	10	6	16
Private sector leverage	£65,000	£4,673	£35,593	£40,266
People assisted in their skills development	0	0	0	0
Number of businesses using business support services	6	0	4	4
Number of new community facilities / services	3	1	2	3

Outputs	2009-2010			
	Target	Q1	Q2	Total
Grants	£100,000	£13,716	£32,870	£46,586
Jobs Created / Safeguarded	6	14	6	20
Business assisted to improve their performance	30	6	1	7
Private sector leverage	£100,000	£20,849	£107,996	£128,845
People assisted in their skills development	20	0	0	0
Number of businesses using business support services	10	1	4	5
Number of new community facilities / services	8	0	0	0

Table 4.3 however shows the progress of Vibrant Villages towards total programme targets. Although *number of jobs created/safeguarded* has already been significantly over achieved and *private sector leverage* is on target with 70% achieved, the progress towards all other outputs is significantly below target.

The amount of grant funding paid out at the midterm stage is only £81,831, with a further £51,819 having been awarded but not yet claimed which means the Programme has yet to award grant funding of £106,350. Only 23 businesses out of a target of 75 have been supported to improve their performance and only 9 businesses out of 24 have used business support services. There has also not been any progress towards *people assisted in their skills development*. This figure is as result of the lower than expected attendance at the rural retail advice events. It is also expected that some outputs will not be recorded as achieved until future project monitoring has been undertaken later in the Programme.

Programme staff did report a “lull” in applications over the summer and this was responded to by increasing the marketing of the Programme. However, Vibrant Villages still has some way to go to achieve the outputs.

Table 4.3: Progress towards Targets (All years)			
Outputs	Programme Target	Achieved at Midterm Stage	Progress towards Target (%)
	Grants	£240,000	£81,831
Jobs Created / Safeguarded	15	34	226%
Business assisted to improve their performance	75	23	31%
Private sector leverage	£240,000	£169,111	70%
People assisted in their skills development	40	0	0%
Number of businesses using business support services	24	9	38%
Number of new community facilities / services	15	3	20%

The demand for the Vibrant Villages grants is reported to be less than has been for previous rural Programmes ran by the LRP. It is felt by all stakeholders that the economic climate has been a significant influence on the demand for the Programme. Businesses are having to consider very carefully their contribution to match funding and the likely return on their investment. In terms of the community facilities, the availability of public funding to match the grant is also less than it has been in previous years.

Whilst the demand for the Programme does appear to be less than previous Programmes it does not mean that Vibrant Villages is not needed. In fact, it could be said that during this current economic climate the need for the Programme is high and perhaps more proactive ground work needs to be done in identifying the businesses that need this support.

Grants Awarded

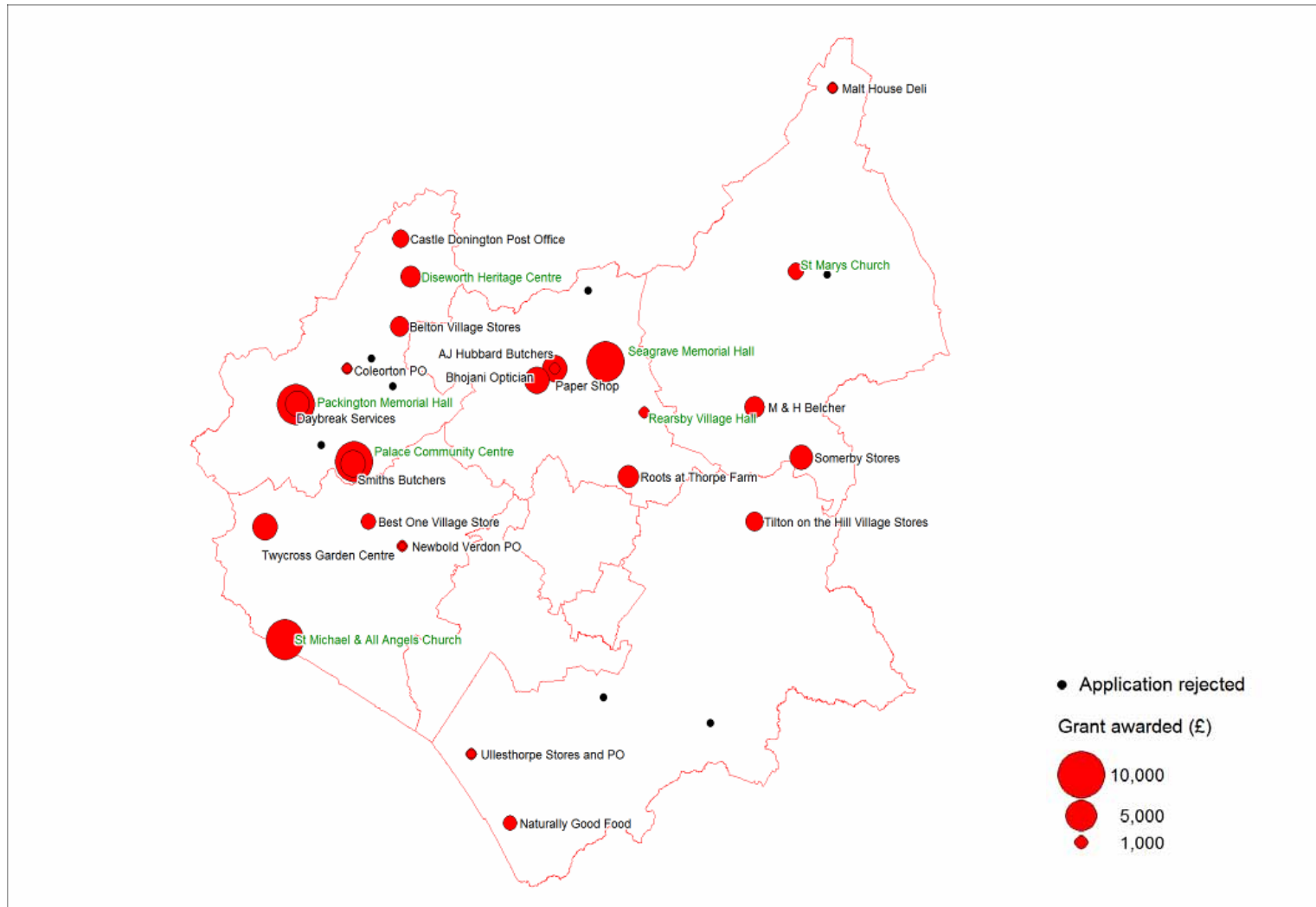
LCC provided a summary of the number of applications and number of grants awarded by Vibrant Villages. At the midterm stage of the Programme, a total of 41 applications have been approved by the Panel (including four resubmitted). Of these a total of nine applications were refused. A total of 27 grants have been claimed (18 for shops and post offices and nine grants for eight community spaces).

Figure 4.1 shows the geographical distribution of grants approved and spend (denoted by the size of the red spot) of Vibrant Villages grants and applications. The green text identifies Community Spaces scheme. The black dots indicate where applications have been made but have been refused.

Figure 4.1 shows that the number and amount of grants awarded are concentrated in the North West Leicestershire, Hinckley and Bosworth and Charnwood. There have been no applications from Blaby and only seven successful applications made in Harborough and Melton.

Some stakeholders are disappointed with the level of quality applications for community spaces. Whilst there have been a number of community spaces applications they have not always been eligible. They feel that more targeted promotion of the Programme is required to encourage applications which meet the objectives of the programme. The Rural Community Council is aware of many village halls requiring grant support and this knowledge should be utilised by the Programme to target promotion. Furthermore, the mapping has identified that significantly less applications have been approved in north east and south of the county and these areas should also be targeted. It is known that these are areas which are more sparsely populated and where there is greatest access to service need.

Figure 4.1: Distribution of Grant Applications and Approvals



Source: LCC

Key: Black text: Post office and village shop grant; Green text: Community Spaces

5.0 IMPACTS OF THE PROGRAMME

This section of the report outlines the qualitative impacts of the Programme on the beneficiaries and also on the rural services and the rural economy. It has been informed using the findings from the beneficiary postal survey, telephone interviews with beneficiaries and consultation with stakeholders.

A total of 15 postal surveys were completed by beneficiaries (nine by recipients of the shops and post offices grant and six from community spaces). Of the nine shops and post offices, five had heard about the grants from the LRP direct mailing or at events, two from Business Link, two from RCC and one from their district council. Of the six community spaces two had heard of the scheme through the RCC, two via their Parish Council, one from the District Council and one by word of mouth.

Telephone interviews were also undertaken with four community organisations and 12 businesses including shops and post offices to gather more qualitative information from beneficiaries. Of the 16 beneficiaries consulted, three received support in 2008 while the remaining 13 received support in 2009. All businesses received the capital grant, with just under half also receiving retail advice as well. The majority of beneficiaries applied for the Programme as they needed financial support to develop their business/organisation and thought that they would fit the criteria.

The findings from the beneficiary and stakeholder consultation have been used to provide evidence and commentary on the evaluation aims, which are to seek to understand:

- How the grant has supported village shops and post offices to remain viable?
- How the grant has enabled new services to be provided in community spaces?
- How the grant has impacted on rural services?
- What have been results of the Programme to date?

How has the grant supported village post offices and shops to remain viable?

It is positive to note that all businesses consulted are still trading. The predominant use for the grant by shops and post offices was to improve their product offering through investment into new facilities to enable them to:

- Stock more products
- Provide additional services
- Stock local produce
- Reduce overheads
- Improve the aesthetics of the business
- Compete with the larger supermarket/shops.

For those retailers purchasing new refrigeration equipment it has also had the added benefit of increased energy efficiency and a reduction in energy costs.

Involvement in Vibrant Villages has highlighted the potential of local service decline in some villages and the consultees felt that this had had a positive impact on raising community awareness. For example, some beneficiaries have noted increased levels of support from villagers in using the local shop on a more frequent basis. The postal survey also found that some retailers reported that customers have since made positive comments on shop improvements funded through the Programme.

Very little information in relation to outputs achieved was provided by beneficiaries completing a postal survey. Only one business stated that they had taken on additional staff (one part time) and two identifying new services. Four businesses completing a postal survey did however report that if they had not received funding from Vibrant Villages they may have been forced to cease trading, with the others saying that improvements would have been delayed or cancelled.

Three beneficiaries consulted over the telephone had used the grant in order to increase security through cameras and grated windows. In terms of impacts on the business, it had increased security and the feeling of safety for the owners. In terms of impacts on the rural services and economy, the beneficiaries were unsure of any direct impacts. One did however state that there may be an increased feeling of security throughout the community and for shoppers. It is widely recognised that increased security can positively reduce the impacts of crime and the fear of crime on businesses.

Many stakeholders believe that whilst Vibrant Villages has supported many rural retailers to remain viable it is less likely to have impacted on the post offices as the Programme was too late to have had any impact on post offices remaining viable. Vibrant Villages was established after the Government's Network Change Programme which rationalised the number of post offices nationally. The County Council and LRP responded during the consultation. Due to State Aid restrictions it is not possible to provide financial support to post offices directly as they are already in receipt of a national subsidy. It is hoped that by encouraging post offices to extend the range of retail services these businesses will be more profitable and therefore minimise future closures. It has also been noted that some post offices, which remained in the post office network, have experienced increased business and these have been supported to capitalise on new opportunities.

Consultation with stakeholders has suggested that the links with the Plunkett Foundation and community shops (through the Rural Retail Advisor) have not developed as initially anticipated. However, it is understood that as and when opportunities arise for a potential community shop they have been passed on to the Advisor by the Coordinator. As yet, none have been taken forward.

All businesses that completed a postal survey made additional comments about the general enhancement to their businesses, with comments such as *“Nice to know rural independent businesses are supported in this way, making improvements much easier”* and *“New fridges have enhanced the business as they are more streamlined and give more space”*.

All businesses completing a postal survey also commented on how Vibrant Villages has met the aim of enhancing the community and economic facilities available to residents and businesses within the villages of Leicestershire. For example, comments such as *“by supporting smaller businesses the grants can often be a lifeline when improvements need doing. It enables businesses to grow and in turn support their community”* and *“Without Vibrant Villages, Tilton having already recently lost the Post Office, would have likely lost the Village Stores also. Instead we have been able to not only continue providing a service but also improving and adding additional services to the community.”*

Telephone consultation with beneficiaries who had received retail advice are continuing to act and develop on it stating that the advice they received was specific and tailored to their business. It had not only had been a positive impact upon their trading but also made them feel that the local authority was taking a vested interest in their business. One business stated that through the retail advice that he received, he was more able to make *‘better informed stock decisions’* and hence be more efficient and allow his business to expand to offer additional services to the local community such as deliveries. Such changes and expansion has allowed the businesses to stay open through offering a service/product that customers want.

Of those businesses that completed a postal survey two thirds had received retail advice and were all very happy with the advice they received. Only two provided feedback of what actions they had taken as a result.

However, the study team also contacted a sample of beneficiaries (five) by telephone who had received a visit from the Rural Retail Advisor but had not received a grant. They were unaware of the support they had received and were not able to comment. This is not to suggest that the Advisor has not been of benefit to the Programme, but perhaps a need to increase the level of promotion and communication at all levels of Vibrant Villages. This does also demonstrate the need for effective monitoring of support provided to businesses to ensure that they are benefiting and delivering on the actions agreed with the Rural Retail Advisor.

How has the grant enabled new services to be provided in community spaces?

The types of services that have been provided in a community space as a result of the grant include:

- New projectors/stage/sound system
- New meeting space
- IT suite
- New tables/chairs and creation of space for an ICT training suite
- Provision of a community meeting space

- Furnishing of a computer suite

The findings from the postal survey found that no new staff have been appointed and impacts such as improved energy efficiency and increased income generation are on the whole too early to establish. However, one community space did note a 70% improvement in energy efficiency and one noted a £1,500 per annum increase in income. Most beneficiaries consulted stated that they believe the funding has enabled them to become more sustainable in the long term, particularly because of the new/improved facilities that are able to generate additional income.

All community organisations consulted by telephone felt that Vibrant Villages has enabled them to provide more services to the local community, engendering a greater community spirit (evidenced through observation as well as community statements) and ‘*enriching the quality of life*’ provided for the community. All of the beneficiaries completing a postal survey also gave examples of how the community had been involved in the project and five reported positive community feedback.

All community spaces beneficiaries who completed a postal survey gave examples of how Vibrant Villages has met the aim to enhance the community and economic facilities available to residents and businesses within the villages of Leicestershire. For example, “*Without support rural areas would become less desirable to live in*” and “*It is concerned with maintaining the fabric of rural communities neglected by national funding and resources*”

The services that have been provided through the grant will also have impacts not only in terms of community cohesion but it will also act as a way to enrich the skills base in the communities through services such as computer training. In addition, it was noted that through the purchase of the High Definition projector (and the same can be said in a few instances for the local shops) that a number of surrounding villages are also using this service rather than travelling into the city for the same service.

All community spaces beneficiaries completing a postal survey also described the negative impact that would have been felt without the funding they received.

As stated previously, stakeholder consultees were disappointed with the number and the types of community spaces applications. Whilst the successful applications have had positive social impacts, many consultees were unclear as to the economic impacts of the community spaces. There is a need to review the grant criteria for community spaces to ensure that the applications being approved are contributing towards the anticipated outcomes of Vibrant Villages. Work is being done by the Programme Coordinator to identify potential projects that will provide access to services in rural communities, for example through liaison with adult services and children services. However, there is relatively little time remaining of Vibrant Villages and some stakeholders believe that an “opportunity has been missed”.

How has the grant impacted on rural services?

The impact on rural services has differed between the community organisations and individual businesses. For the former, beneficiaries highlighted a very clear impact and increase in the services in the community, these ranged from access to computer services, additional community facilities that brought the community together and the offering of services such as film, media and shows that meant villagers did not have to travel into the city to access these services. In the case of the latter service, it was noted that this had had a positive impact not only on that particular village but also on the surrounding villages who use the service. Whilst this new service brings economic benefits to that particular community it is perhaps not delivering against the range of priorities the Programme aims to achieve.

As above, the grant has enabled additional services to be provided by businesses and retailers such as a delivery service from some shops, additional product offerings and has also allowed the existing services to remain viable and to compete with national retail chains.

Some beneficiaries stated that it was hard to quantify the effects of the Programme at this stage as it had not been long since they received the grant/advice. Some also found it difficult to measure whether trading had stayed the same or increased due to the economic climate. This emphasises a need for regular contact (every six to 12 months) with the businesses to assess the ongoing impacts of the grant and indeed their needs.

The table below provides a summary of quotes from consultation with Vibrant Villages beneficiaries.

Vibrant Villages quotes
<i>'The advice and guidance was brilliant, I can't say enough good things about it!'</i>
<i>'Communication was really good – excellent throughout and easy to deal with'</i>
<i>'Without the Programme smaller shops will be shutting every week'</i>
<i>'The Programme has vast impacts on the services and the economy of the rural communities'</i>
<i>'The Programme saved the shop'</i>
<i>'The whole Programme works really well'</i>
<i>'Good for the economy – keeps money in the villages'</i>
<i>'The Programme works well by targeting small shops and keeping them alive'</i>
<i>'Makes it a better place to live – it improves the quality of life.'</i>

6.0 COMPARATOR CASE STUDY – VITAL VILLAGES

LCC identified the Warwickshire and Worcestershire Vital Villages Programme as a comparator case study. It was selected for a number of reasons. The district representative of the Vibrant Villages' Implementation Group was also previously a Grants Panel member for Vital Villages and so brings to the Group a vast amount of experience and expertise which adds great value to the Programme. However, perhaps under the current Programme management arrangements this is not fully utilised. Although Vibrant Villages was principally developed following the successes of the Post Office and Rural Retail Development Schemes, Vital Villages was considered as an example of good practice during the initial establishment of the Programme.

The case study has been informed using a combination of desk based research and consultation with the previous Vital Villages Programme Manager.

Vital Villages was a six year Programme run by the Warwickshire and Worcestershire Rural Retail Partnership. It operated from 1999-2005 covering rural communities in Worcestershire and Warwickshire with an aim '*to support retail and community led service provision*'. It was funded with £1.75m of Single Regeneration Budget which was matched by £1.25m from other sources - a significantly larger grant Programme than Vibrant Villages.

The Programme divided the applicants into commercial shops who could apply up to 50% of their costs funded (up to £10,000) and community organisations who could apply for up to 70% (up to £20,000) - although the maximum of 70% was not awarded very often. The Programme Manager felt that the match funding was an essential element of the programme particularly for retailers – to ensure commitment and buy-in to it. It was also necessary that in order to obtain the grant that community organizations could demonstrate that there was community support for the proposed project.

Whilst the Programme offered funding up to £20,000 for community spaces this was only awarded to one or two applicants and most applicants were funded under £3,500. The median amount was around £1,600 so many small applications were funded. Even though low level awards were given, it encouraged owners as they felt that there was someone who cared and this contributed in a large way to keep the shop going (knowing that they had interest and support).

The Programme worked with over 400 villages in Warwickshire and Worcestershire. It also achieved the following:

- Raised awareness of issues facing rural and business communities
- £858,822 of grant funds provided
- Easily accessible scheme
- Bespoke advice and training
- Improved access to local services.
- Improved viability of rural shops

- Reduced service decline (11 new started and only 3 supported closed)
- 29 jobs created and 48 safeguarded
- Developed capacity building
- Raised awareness of the role of community groups
- Invested in community facilities

The final evaluation of Vital Villages highlighted a number of areas where the Programme performed less well – these are similar experiences to those of Vibrant Villages:

- Lack of day-to-day planning to develop the Programme meaning funds were not always used in an optimum way.
- Lack of clear management structure
- Lack of decision making
- Poor use of the website by beneficiaries.

In the experience of Vital Villages, where the grant was matched financially by the business owners and there was a high level of commitment from owners and volunteers, there were significant rural benefits. Successful projects had an individual or group behind them *'willing to commit a great deal of unpaid time and energy to achieve their objectives'*.

An increase in community spirit has also been fostered through a renewed encouragement to work together. Village halls have increased with importance, as have shops and their role in the community. There was a large amount of praise for the advice given to organisations as well as the way the fund was distributed and managed. *'Small-scale targeted funds and consultancy to support rural businesses and social enterprises could continue to benefit rural communities extremely cost effectively. Vital Villages has proved an excellent model for this kind of support.'*

At the end of the Vital Villages programme a round-up seminar was delivered and was reported by the Programme Manager to have been well attended and successful in terms of sharing the impacts, lessons learnt and best practice of the Programme.

The final evaluation of the Programme states: *'There is no doubt that community groups, rural businesses and the wider rural community have benefitted from the support provided by Vital Villages.'* The grants have improved services and revenue and allowed business and groups to develop. The evaluation also noted that small scale targeted funds and consultancy to support rural businesses and social enterprise in Warwickshire and Worcestershire could continue to benefit rural communities extremely cost effectively.

In terms of sustainability, the Programme Manager could only provide comment on Warwickshire because the partnership disbanded once Vital Villages ended. In Warwickshire, the County Council and four of the Borough Councils committed to keeping the progress of the scheme going as best they could – even though they had a vastly different level of funding. Funding for a further two years was also awarded by Advantage West Midlands under the rural access to partnership scheme and this was used to extend the Programme on a smaller scale until 2007.

Some districts have tried to produce their own retail support and build on the good practice that they have learnt through giving support however from a financial perspective this is to a much smaller degree.

There is however no longer any grant funding available to rural community spaces and retailers in Warwickshire. The previous Programme Manager, who is based at the Rural Community Council (RCC), continues to provide support by way of advice. He maintains a database of the small community businesses and organisations and continues to contact them at appropriate times to advise them of issues such as applying for a discretionary rates reduction. This is also one role that could be taken up by the LRP in the future in terms of a forward strategy for the Programme. This should be considered alongside additional forwards strategy recommendations outlined in Section 7.0.

7.0 GOOD PRACTICE, LESSONS LEARNT AND FORWARD STRATEGY

This section of the report provides a summary of good practice and lessons learnt that have emerged from the Programme since it commenced. They have been informed by the qualitative consultations with beneficiaries, staff and stakeholders.

GOOD PRACTICE

Vibrant Villages as a Programme that supports the rural economy is seen by stakeholders as an example of good practice. The Rural Shops Alliance also sees it as a good example of how local authorities can work together in supporting rural services and would like the model to be rolled out by other local authorities.

The range of organisations engaged with the Programme has also been identified as good practice by stakeholders, with expertise from a range of organisations which has been achieved through the established partnership structure of the LRP. In particular, the representation of Business Link has been important for the Programme ensuring appropriate business advice. This has complemented the support available through the Rural Retail Advisor.

The grant application forms used for Vibrant Villages are clear and well thought out. They are also promoted as examples of good practice nationally by the Rural Shops Alliance. Telephone consultation with beneficiaries also suggests that the forms, appraisal, communication and guidance received were all rated 'good' 'very good' or 'excellent' with the exception of just one recipient. A number of beneficiaries noted the relative ease of application and communication level in comparison to other funding Programmes they have participated in.

All shops and post offices who completed a postal survey thought all aspects of the admin and approval process were either very good or good, except for 2 who thought the ease of application was satisfactory. All community spaces beneficiaries who completed a postal survey thought all aspects of the admin and approval process were either very good or good, except for one who thought the admin of payments was satisfactory.

A number of beneficiaries consulted over the telephone who had applied for small amounts of grant gave positive feedback on the process by which they could apply for the grant a number of times up to a certain limit. One recipient stated that he *'liked that there was a staged approach and I can access the funds when I need to.'*

All beneficiaries consulted over the telephone were pleased with the speed in which they received the grant, additionally the majority felt that the amount they received was 'good' or 'excellent'. A number did however note that they would have liked a larger sum but what they did receive had enabled them to make the key changes they needed in order to remain open. The match funding element – particularly for the community organisations – was also praised as a number felt it was a *'great idea'* and enabled them to make a contribution rather than receiving a hand out as well as making their application more viable. It is noted that views on match funding varies between stakeholders and beneficiaries and it is, therefore,

recommended that further consideration is given to understanding how these requirements impact on the delivery of the Programme.

Almost all businesses consulted over the telephone who received a combination of capital grant and/or retail advice mentioned the competition they faced and their hope to develop an ability to compete with larger supermarkets for their local customers. The retail advice and support allowed the individual business beneficiaries to become more competitive and offer services back to the community.

There are also examples of good practice case studies of successful applicants. However, stakeholders feel that these could be used more effectively to promote Vibrant Villages.

LESSONS LEARNT

The current management arrangements of Vibrant Villages are not allowing for the most effective delivery of the Programme. There is duplication on the Implementation Group and the Grants Panel. Furthermore, those on the Implementation Group can feel a step removed from the Programme and do not have a true understanding of it. The LRP should consider combining these groups. Neither of the groups meets on a frequent basis and again it is felt that this hinders the delivery of the Programme. The LRP should consider establishing more frequent meetings, perhaps on a quarterly basis.

The level of involvement of the Rural Retail Advisor with the Programme is “one step removed” compared to other Programmes where the Advisor had a key role in reporting to the steering group and providing feedback and evidence of what was happening with businesses on the ground. This “one step removed” approach has left many stakeholders unclear of the achievements and impacts of the Advisor. Whilst it has been intentional to manage the Advisor at arm’s length from the overall Programme, the LRP may want to consider how they could accommodate the knowledge of the Advisor into the reporting structures more effectively.

The level of reporting on the performance of the Programme to the Implementation Group also needs to be improved, particularly on the number of grant applications, amount, geographical spread etc. The quality of grant appraisals and submissions to the Grants Panel also need to be improved and it is recommended that a review of the grants checklist is undertaken by the Implementation Group. This would also present an opportunity for considering expanding the criteria to include wider last remaining services in a village and not solely retail.

Consultation with stakeholders has identified a need to improve the marketing and promotion of Vibrant Villages and to encourage more applications from both retail businesses and also community spaces.

The Site, Staff, Stock and Survival: Retailing in 2009 events were unsuccessful in terms of the poor level of attendance. There is funding remaining in the budget for another event to be organised, however the Implementation Group should consider alternative marketing and promotion activities. Most stakeholders believe that the Programme needs to take a more

targeted approach and conduct face to face on the ground visits to promotion. As stated previously, whilst it is recognised that this is fairly time intensive it would provide a more focussed approach of targeting retailers/communities in the areas that the partners know would benefit from Vibrant Villages. This targeted approach has been used effectively by other similar Programmes and proved to be an effective one.

Engaging the local media to promote Vibrant Villages has proved effective in terms of generating some additional applications. Campaigns are carried out at various points throughout the Programme. It is positive to note that this often generates an increase in grant applications. Substantial press articles that have been published are detailed in the table below.

Publication	Date	Article
Rural Retailer	Summer 08	Launch
Leicestershire Business Matters	Autumn 08	Launch
Radio Leicester	Oct/Nov	Info about scheme
Leicester Mercury	10/3/09	Case studies
Hinckley Times	13/3/09	Retail events
Ashby Times	27/3/09	Retail events
Coalville Times	27/3/09	Retail events
Forest Magazine	May 09	Grants Info
Leicester Mercury	21/10/09	Mid way progress
Forest Magazine	Oct 09	Mid way progress
Loughborough Echo	5/11/09	Mid way progress
Ashby Times	5/11/09	Mid way progress
Hinckley Times	26/11/09	Mid way progress

There is no regular grant application deadline which makes it difficult to predict the level of applications and again creates a peak and trough in applications. This also means that there is no set regular Grants Panel meeting. The LRP may want to carefully consider introducing application deadlines to encourage a greater response from applicants.

The low number of successful community spaces applications has not been as anticipated. Some stakeholders believe that it has been an “opportunity missed” for the sub region and that again a more targeted approach to promoting the Programme is necessary. The Programme Coordinator has considered alternative approaches to encouraging applications and targeting areas that need access to services. For example development work with other services providers, such as adult services and children’s services, to identify opportunities for community spaces projects and delivering new services.

Some stakeholders were also unclear of the economic impacts of those community spaces applications that have been approved and whether they are able to truly achieve the outcome of providing additional services. There is a need to review the funding criteria to ensure it is appropriate and allows for the aims and objectives of the Programme to be achieved.

Consultation with beneficiaries suggests that the promotion of Vibrant Villages is the main element that had mixed reviews. Mailshot was the method most mentioned when there was positive feedback regarding promotion. A number of villages also had local publications regarding the Programmes. However, a number of beneficiaries only heard of the scheme through word of mouth or knowing a relevant parish council member and others stated that they had not seen any promotion at all. This demonstrates the successes achieved by promoting the Programme through a range of channels and also confirms the on-going need not to rely solely on the retail business database because some potentially eligible businesses may be excluded.

Although a number of businesses were very positive about the match funding approach, a few felt that this limited what they could do while others felt that the cap on the amount they could claim inhibited their progress.

A number of beneficiaries highlighted that they were the last shop/retail business in their village and felt that the scope of the Programme should have been widened so that it was not targeted at the last shop/business/establishment and there were a higher number of businesses saved as well as allowing the grant to be spent on some non-direct aspects such as a website etc. Consultation with stakeholders also suggested that any future Programme should consider the types of services that can be eligible for a grant and include any appropriate service that is the last one in a village and not solely retail.

FORWARD STRATEGY

Vibrant Villages is a three year Programme which is due to finish in March 2011. All stakeholders agree that this type of scheme is essential for supporting the rural economies of Leicestershire. It also clearly supports the Sustainable Community Strategy and the aims and objectives of the LRP. Consultation with beneficiaries also suggests a continuing demand for support for rural services.

The LRP has also recently launched the INSPIRE Leicestershire (Investment Support for the Rural Economy) Programme. INSPIRE is a comprehensive Programme to support Leicestershire's rural economy which will run until the end of September 2012. It is funded by *emda* and Leicestershire County Council and delivered in part by the County Council's Better Places Team. It will also be overseen by the Vibrant Villages Implementation Group. It is noted that the need to develop the INSPIRE Leicestershire programme has limited the time available for the Implementation Group to consider and influence delivery of Vibrant Villages.

Whilst INSPIRE is recognised as a separate programme with differing aims there is some overlap, especially around support for shop front improvements and increasing workspace and retail floorspace. Following the end of Vibrant Villages in 2011 opportunities will need to be explored to ensure that retail businesses are aware of the continued financial support available.

Future public funding pressures may mean that it is difficult to access funding to run a successor programme to Vibrant Villages. However, access to services remains a key priority

within the Leicestershire Rural Strategy and the Sustainable Community Strategy and, therefore, it is considered essential that careful consideration is given to ensuring appropriate support is available to rural retailers and community spaces.

It is recommended that the County Council's membership to the Rural Shops Alliance provides a good way to ensure some continued support. The RSA's Rural Retailer publication provides key advice and support on common issues faced by retailers.

It is important that a more comprehensive understanding of access to services issues in rural areas is developed to ensure that the service provision is effective and efficient. Detailed consideration should be given to exploring how the Local Area Agreement and Total Place, both of which are exploring access to service issues, can support the needs of rural communities most effectively.

It will be important that partners remain alert to new opportunities and ensure that businesses are made aware of these. This could include mainstream business support through Business Link, the portfolio of business grants within Solutions of Business or information about discretionary business rate reductions. To ensure this it is essential that strong links between partners are maintained following the end of the Vibrant Villages programme.

8.0 SUMMARY AND RECOMMENDATIONS

At the midterm stage, Vibrant Villages has approved a total of 41 applications and a total of 27 grants have been claimed - 18 for shops and post offices and nine grants for eight community spaces. Around 30 businesses have also been referred to the Rural Retail Advisor.

In terms of progress towards outputs at the midterm stage, overall the Programme is not achieving as anticipated. Although *number of jobs created/safeguarded* has already been significantly over achieved and *private sector leverage* is on target with 70% achieved, the progress towards all other outputs is significantly below target. The amount of grant funding paid out at the midterm stage is £81,831, with a further £51,819 having been awarded but not yet claimed which means the Programme has yet to award grant funding of £106,350.

At this midterm stage Vibrant Villages does demonstrate evidence of contributing towards the viability of rural services in the sub region such as business survival rates and sustainability, increased trade, provision of new facilities and access to some new services. It also demonstrates more social and environmental impacts such as community cohesion and participation, reduced road travel and improved energy efficiency.

The relatively low demand for grants has not been as anticipated but the Programme has been delivered during a very difficult economic climate. This has undoubtedly impacted on the performance of the Programme in terms of grant applications. Whilst the demand for the Programme does appear to be less than previous Programmes it does not mean that Vibrant Villages is not needed. In fact, it could be said that during this current economic climate the need for the Programme is high.

The approach to marketing and promoting the Programme has not been wholly effective to date. There has been good engagement with the local media and substantial press articles have been published. However, the events in particular have generated poor attendance. It is felt by stakeholders that more could be done to promote the Programme on the ground and targeting potential applicants in identified areas of need (in terms of access to services).

The current management structure of the Programme has also been criticised by most stakeholders. At this midterm stage, the LRP should review the current structure to ensure that it is achieving the best from the partners and is being steered to achieve the agreed Programme targets and outcomes.

In terms of a forward strategy, access to services remains a key priority within the Leicestershire Rural Strategy and the Sustainable Community Strategy. Furthermore, all stakeholders consulted agree that this type of scheme is essential for supporting the rural economies of Leicestershire. Consultation with beneficiaries also suggests a continuing demand for support for rural services.

Experience of the LRP and case study examples of similar programmes nationally demonstrates the importance of such small scale grant schemes in having an impact on rural services. However, future public funding pressures may mean that it is difficult to access funding to run a successor programme to Vibrant Villages. However, it is considered essential that careful consideration is given to ensuring appropriate support is available to rural retailers and community spaces. Examples of how this can be achieved are outlined in the Forward Strategy section.

The evaluation has highlighted a number of recommendations for consideration by the LRP and these are summarised below.

Recommendations

1. Review the current management structure and consider combining the Implementation Group and Grants Panel as a Steering Group with responsibility for grant approval.
2. Review the terms of reference for the Implementation Group and consider holding more frequent meetings, for example on a quarterly basis in line with reporting to funders.
3. Establish improved reporting structures – providing progress on performance and breakdown of grant enquiries and approvals etc on a more frequent basis.
4. Consider improved methods of engaging the Rural Retail Advisor more effectively with the Programme and to make better use of his knowledge and expertise on the ground.
5. Maximise opportunities for linking with Vibrant Villages with the Plunkett Foundation's Community Shops scheme – through links with the Rural Retail Advisor.
6. Consider the appropriateness of introducing deadlines for grant applications or alternatively set regular meetings for grant appraisal meetings.
7. Review the level of match funding available for both community spaces and retailers and consider whether it is appropriate to revise these in the light of the current economic climate.
8. Review the grant application criteria to ensure that applications being approved are contributing towards the outcomes of the Programme – with specific reference to the Community Spaces.
9. Continue with the development work with potential service providers (such as adult services and children's services) to identify opportunities for community spaces projects and delivering new services in rural villages.
10. Undertake a more proactive approach to promoting the Programme on the ground directly to retailers/communities in areas that partners know would benefit. For example, those identified in the Access to Services mapping or those areas that have not been supported by Vibrant Villages to date.
11. Review the appraisal checklist to ensure appropriate quality applications are being submitted to the panel.
12. Undertake action to deliver outputs which are currently below target – including businesses assisted to improve performance, skills development, use of business support services, and new community facilities/services.

13. Undertake increased promotion of good practice case studies of successful applicants – both internally and externally.
14. Ensure appropriate monitoring procedures for tracking long term outputs are established and adhered to as it is likely that many impacts will not be evident until the long term.
15. Review the forward strategy for the Programme and consider alternative sources of delivery and revenue funding opportunities such as the Local Area Agreement and Total Place

Appendix A

List of Consultees

LIST OF CONSULTEES

Name	Organisation
Samantha Dalby	Business Link
Helen Harris	Leicestershire County Council
Matthew Kempson	Leicestershire County Council
Richard Lee	Rural Shops Alliance
Tony Lockley	Leicestershire County Council
Steve Patalong	Warwickshire and Worcestershire Rural Community Council
Jeremy Prescott	Leicestershire and Rutland Rural Community Council
Judith Sturley	Hinckley and Bosworth Borough Council
Ian Teye	Rural Retail Advisor
Fiona Walker	Leicestershire County Council